



Board of Light, Gas and Water Commissioners

220 S. Main Street
Memphis, TN 38103
www.mlgw.com

Board Meeting

~ Minutes ~

Thursday, December 19, 2013

1:30 PM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Chairman Wishnia

The meeting was called to order at 1:33 p.m.

PLEDGE OF ALLEGIANCE:

Chairman Wishnia

The Pledge of Allegiance was recited.

ROLL CALL:

Dana Jeanes

Attendee Name	Title	Status	Arrived
Derwin Sisnett	Board Member	Present	
Rick Masson	Vice Chairman	Present	
Steven Wishnia	Chairman	Present	
Darrell T. Cobbins	Board Member	Present	

The following staff members were present: Jerry R. Collins, Jr., President and CEO; Dana Jeanes, Vice President, CFO and Secretary-Treasurer; Cheryl Patterson, Vice President and General Counsel; Nick Newman, Vice President, Construction and Maintenance; Alonzo Weaver, Vice President, Engineering and Operations; Von W. Goodloe, Vice President, Human Resources; and Lashell Vaughn, Vice President and Chief Technology Officer. Christopher Bieber, Vice President, Customer Care, was not present.

APPROVALS:

Motion To: Approve Minutes of Meeting of December 5, 2013.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Derwin Sisnett, Board Member
SECONDER:	Darrell T. Cobbins, Board Member
AYES:	Derwin Sisnett, Rick Masson, Steven Wishnia, Darrell T. Cobbins

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated December 3, 2013, Items 13 through 31 and Items 49 through 51.

PRESENTATION:

Lashell Vaughn asked Alonzo Weaver to join her at the podium for a presentation. She discussed the hard work and dedication that went into the audit in regard to Cyber Security. MLGW was recognized with an award from the November, 2013 "Security Solutions for Enterprise Security Leaders" magazine. She asked Allan Long and Jerry R. Collins, Jr. to come forward and presented a plaque from the magazine.

GENERAL STATEMENTS FROM THE PUBLIC:

Mr. John Leahy addressed the Board requesting approval to extend a payment arrangement of a \$58,000 balance owed to MLGW. He stated he owns a 65 unit mobile home trailer park complex located on Summer Avenue. There is one meter for the complex, which is a commercial meter. Mr. Leahy collects from his tenants and pays the utility bill for his office and all the units. Upon initially addressing the Board, Mr. Leahy was requesting individual residential meters on each unit; however, Kenneth Culp confirmed that commercial rates are less costly than residential rates. Mr. Leahy stated the water and waste water bills average from \$100 to \$150/unit. President Collins stated there is most likely a leak in the complex if the costs are that high. Mr. Leahy stated he has been looking for this leak for five years. Commissioner Wishnia asked if MLGW could send someone out to assist in finding the leak. President Collins stated that could be done.

The Board asked President Collins to explain the reasoning for the length of time to find the error. President Collins stated that this particular type of meter is read by using a "drive by" meter reading and the meter reader does not have any knowledge of the previous reading. There was a wire cut on the meter, and now the business is being billed with a corrected bill for seven months of water and waste water, with the majority of the sum being for waste water. He has contacted the City asking if they would like to consider giving a waste water credit, but has not received a response back from them as of yet. Mr. Leahy explained the reason for needing an additional month to pay the balance and stated he had been told his billing cycle could not be changed. The Board agreed to grant the extra month to pay the balance of the bill.

NEW BUSINESS:

Jerry R. Collins, Jr. spoke and informed all present that as indicated in the Board of Light, Gas and Water Commissioners' Rules of Procedures, the Vice Chairman shall automatically ascend to the Chairmanship for the next succeeding two-year term; therefore, Vice Chairman Masson will become the new Chairman of the Board of Light, Gas and Water Commissioners, effective January 1, 2014 through December 31, 2015.

Motion To: Elect Vice-Chairman of the Board, effective January 1, 2014 through December 31, 2015. A vote for Commissioner Sisnett as the in-coming Vice-Chairman was adopted.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Rick Masson, Vice Chairman
SECONDER: Darrell T. Cobbins, Board Member
AYES: Derwin Sisnett, Rick Masson, Steven Wishnia, Darrell T. Cobbins

Motion To: Elect Chairman of the Pension Board, effective January 1, 2014 through December 31, 2015. A vote for Chairman Wishnia was adopted.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Rick Masson, Vice Chairman
SECONDER: Darrell T. Cobbins, Board Member
AYES: Derwin Sisnett, Rick Masson, Steven Wishnia, Darrell T. Cobbins

Appointment of Committee Chairs, effective January 1, 2014, was made by current Vice Chairman, Rick Masson as follows:

Supplier Diversity Committee- Commissioner Derwin Sisnett

Contractor Appeals Committee - Chairman Steve Wishnia

Customer Appeals Committee - Vice-Chairman Rick Masson

Pension Board Committee - Chairman Steve Wishnia

Audit Committee - Commissioner Derwin Sisnett

Human Resources Committee - Commissioner Darrell Cobbins

Natural Gas Hedging Committee - Commissioner Darrell Cobbins

Finance Committee - Commissioner Rick Masson

Vice-Chairman Masson is developing a new Energy Conservation Committee. He will Chair the committee and additional information is forthcoming.

SPECIAL PRESENTATION

Vice-Chairman Rick Masson presented a plaque, gavel and crystal vase to Chairman Steve Wishnia for his service as Chairman of the Board. He stated he and the other Board members appreciated the leadership he provided during his term. Chairman Wishnia thanked everyone for their support and complimented MLGW as a great organization.

PRESIDENT'S BRIEFING:

1. Review of Consent Agenda - Jerry R. Collins, Jr.

(President's Briefing Continued on Page 237)

The original of the resolutions and documents relating to each item is filed in the vault on the fifth floor of the MLGW Administration Building, 220 South Main. The original documents shall control in the event of any conflict between the description and these minutes and the original documents.

CONSENT AGENDA

(Items 1 through 18 and "Add On" Item 19)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Derwin Sisnett, Board Member
SECONDER:	Darrell T. Cobbins, Board Member
AYES:	Derwin Sisnett, Rick Masson, Steven Wishnia, Darrell T. Cobbins

CONSTRUCTION & MAINTENANCE DIVISION

1. Resolution approving Change No. 2 to Contract No. 11495, Janitorial Services with Mason Professional Cleaning Services LLC, in the funded amount of \$185,803.12. (This change is to provide housekeeping/janitorial services, window cleaning, carpet cleaning and floor maintenance at various MLGW facilities. This change is also to renew the current contract for the second of four renewal terms covering the period March 2, 2014 to March 1, 2015 with no increase in rates from the previous year.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
2. Resolution approving Change No. 2 to Contract No. 11502, Grounds Maintenance Well Lots with Bean and Prince Contractors Incorporated, in the funded amount of \$67,599.14. (This change is to provide mowing and trimming at current and future MLGW well lots and to renew the contract for the second of four renewal terms for the period covering May 17, 2014 to May 16, 2015. This change reflects no increase in rates from the previous year.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
3. Resolution approving Change No. 3 to Contract No. 11486, Grounds Maintenance & Landscaping Services with Landscape Workshop, in the funded amount of \$80,896.50. (This change is for mowing and to maintain grounds and landscaping at the following MLGW locations: 1) Administration Building located at 220 South Main Street; 2) Beale Street Landing located at 245 South Main Street; 3) 136 Linden Street; and 4) Netters Building located at 1665 Whitten Road. This is to renew the current contract for the third of four renewal terms for the period covering May 4, 2014 to May 3, 2015.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution approving Change No. 1 to Contract No. 11564, Grounds Maintenance with Vanderbilt Landscaping, in the funded amount of \$495,719.25. (This change is to renew the contract for the first of four renewal terms for the period covering May 12, 2014 to May 11, 2015, in the funded amount of \$495,719.25. This change reflects no increase in rates from the previous year.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

5. Resolution ratifying the extension of the termination dates and award values of Purchase Order Numbers 147906 in the amount of \$26,000.00, and 147908 in the amount of \$10,350.00, to NESCO Sales and Rentals. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
6. Resolution approving Change No. 9 to Contract No. 11229, Professional Engineering Services with Allen and Hoshall Engineers, with no increase in contract value. (This change is to provide professional engineering services primarily consisting of mechanical, electrical, structural, and civil engineering which may include plumbing and architectural design, for completion of the construction of the Palmer Wash Water Recovery Basin Project. The final term of this contract ends December 31, 2013. The work in progress will not be completed by the end of the contract term; therefore, this change is to extend the current contract for the period covering January 1, 2014 to December 31, 2014.) (Jozelle Booker)
7. Resolution approving Change No. 7 to Contract No. 11148, Professional Engineering Services with SSR Ellers, Incorporated, to extend the current contract with no increase in contract value. (This change is to provide professional engineering services primarily consisting of mechanical, electrical, structural, and civil engineering, which may include plumbing and architectural design. The final term of this contract ends December 31, 2013. The work in progress will not be completed by the end of the contract term; therefore, this change is to extend the current contract for the period covering January 1, 2014 to December 31, 2014.) (Jozelle Booker)

CUSTOMER CARE DIVISION

(None)

ENGINEERING & OPERATIONS DIVISION

8. Resolution awarding Contract No. 11641, Variable Frequency Drive Replacement to Shelby Electric Company, in the funded amount of \$456,550.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
9. Resolution approving renewal of Cooperative Agreement No. 5447, Investigation of Water Resources, for the period of January 1, 2014 to December 31, 2014, stipulating that a sum of \$57,000 will be furnished by the Division and a like sum will be furnished by the United States Department of the Interior Geological Survey for continuation of the ground water data collection program in the Memphis area. (Alonzo Weaver) (REQUIRES CITY COUNCIL APPROVAL)
10. Resolution awarding a thirty-six month blanket contract for metal coatings to Sandblasting & Special Coating, Inc., in the amount of \$299,365.10. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

FINANCE DIVISION

11. Resolution approving the revisions of the Memphis Light, Gas and Water Division Debt Management Policy. (Dana Jeanes) (REQUIRES CITY COUNCIL APPROVAL)

12. Resolution approving an extension of Purchase Order number 138713 with OfficeMax for office supplies and toners until March 30, 2014, or until a new contract has been executed. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

GENERAL COUNSEL DIVISION

13. Resolution approving the law firm of Ogletree, Deakins, Nash, Smoak & Stewart, P.C. be employed, on an "as needed" basis, at the following hourly rates: Shareholder - \$230; Associates - \$200; and Paralegals - \$100. (Cheryl Patterson) (REQUIRES CITY COUNCIL APPROVAL)

HUMAN RESOURCES DIVISION

14. Resolution approving revised Human Resources Policy No. 23-04, Travel (MLGW Business). (Jerry R. Collins, Jr./Von Goodloe)
15. Resolution approving revised Human Resources Policy No. 23-19, Corporate Credit Cards. (Jerry R. Collins, Jr./Von Goodloe)

INFORMATION SERVICES DIVISION

16. Resolution awarding a contract to Venture Technologies for a Corporate Network Upgrade, in the amount of \$1,025,758.45. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
17. Resolution awarding a contract to Thomas Consultants, Inc. for Novell Software maintenance, in the amount of \$337,845.66. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S DIVISION

18. Resolution approving Change No. 6 to Contract No. 11250, Waste Management Services with Tradebe, to extend the current contract in the funded amount of \$125,000.00. (The final term of this contract ends December 31, 2013. To prevent a lapse in the provision of these needed services, this change is being requested to extend the current contract for the period January 1, 2014 to December 31, 2014.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

REQUEST TO ADD ON TO CONSENT AGENDA

No. 19 - Resolution awarding Contract No. 11573, Capleville LNG Optimization Study to CHI Engineering, in the funded amount, not-to-exceed \$195,000.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Darrell T. Cobbins, Board Member
SECONDER:	Derwin Sisnett, Board Member
AYES:	Derwin Sisnett, Rick Masson, Steven Wishnia, Darrell T. Cobbins

COMMITTEE REPORTS:

Human Resources Committee Report - Commissioner Darrell Cobbins reported that Charles Perry would review the details of the third quarter Medical Benefits Report during the President's Briefing. He also reported that Georgia Post presented Policy No. 22-13 recommending modifications to the Policy. There were concerns raised by the Union and a meeting will be scheduled with Von Goodloe and other personnel to address their concerns. He also stated Policy No. 23-13 would be presented by Steve Day during the President's Briefing.

PRESIDENT'S BRIEFING (Continued):

2. Medical Benefits Report - 3rd Quarter 2013 - Charles Perry presented the report with no questions from the Board.


3. Human Resources Policy 23-13 - Conflict of Interest/Employment in Secondary Jobs/Activities - Steve Day presented the Policy and stated a red-line was not available due to the fact the policy is being fully re-written. He handed out copies of the current policy for comparison. Questions were taken from the Board.

4. Other - Jerry R. Collins, Jr.

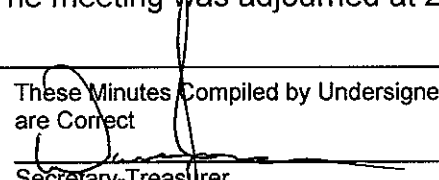
ADJOURNMENT

Chairman Wishnia wished everyone Merry Christmas, Happy New Year, and Happy Holidays. He reminded everyone to be safe. The meeting was adjourned at 2:16 p.m.

Approved Without Interlineation


Chairman

These Minutes Compiled by Undersigned and
are Correct


Secretary-Treasurer