



# Board of Light, Gas and Water Commissioners

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

## Board Meeting

~ Minutes ~

Wednesday, April 20, 2016

1:00 PM

Board Room

### CALL TO ORDER AND OPENING REMARKS:

Chairman Sisnett

The meeting was called to order at 1:00 p.m.

There was a moment of silence held in memory of John McCullough.

### PLEDGE OF ALLEGIANCE:

Chairman Sisnett

The Pledge of Allegiance was recited.

### ROLL CALL:

Dana Jeanes

Attendee Name	Title	Status	Arrived
Derwin Sisnett	Chairman	Present	
Darrell T. Cobbins	Vice Chairman	Present	
Steven Wishnia	Board Member	Present	
Carlee McCullough	Board Member	Present	
Rick Masson	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; Christopher Bieber, Vice President, Customer Care; Alonzo Weaver, Vice President, Engineering and Operations; and Von W. Goodloe, Vice President, Human Resources. Nick Newman, Vice President, Construction and Maintenance and Lashell Vaughn, Vice President and Chief Technology Officer did not attend the meeting.

### APPROVALS:

**Motion To:** Approve Minutes of the Meeting of April 6, 2016.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Steven Wishnia, Board Member
<b>SECONDER:</b>	Carlee McCullough, Board Member
<b>AYES:</b>	Sisnett, Cobbins, Wishnia, McCullough, Masson

### CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE: Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated April 5, 2016, Items 9 through 14. (See Minute File 1399.)

**PRESENTATIONS:**

Recognition of Wesley Housing for Improvements Made at Wesley Highland Meadows - Bill Bullock stated it all started last summer with the proposed improvements to the Wesley Highland Meadows. Wesley and ALCO changed the remodel plans once talks began to improve from electric heat to high efficiency heat pumps. TVA and MLGW partnered to help the residents. TVA donated \$100,000 to Wesley Housing, which has drastically reduced the utility bills for the low income elderly that reside there. Bill recognized Jim Nasso with Wesley Housing, Robert Hyde and Andy Rainer of Alco Management, and Lynn Dabney of TVA. Mr. Nasso stated the residents are seeing up to a 30% reduction in their utility bills. He thanked MLGW and TVA. Ms. Dabney responded by saying they were glad to partner with MLGW on this project.

**GENERAL STATEMENTS FROM THE PUBLIC:**

1. Angea Stewart-Woods, 797 Baltimore Street, addressed the Board and stated she wanted to compliment three MLGW employees, Officers Collins, Summers, and Malone. She stated they went over and beyond the call of duty in assisting her with a problem. She thanked them for their service and kindness. She also wanted to follow up on her complaint from the previous Board Meeting and stated she was treated with kindness. She stated she felt her issue would be resolved within the next 30 days.

**PRESIDENT'S BRIEFING:**

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

(President's Briefing Continued on Page 41)

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 23)

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS] AS AMENDED – ITEMS 1 - 23</b>
<b>MOVER:</b>	Steven Wishnia, Board Member
<b>SECONDER:</b>	Carlee McCullough, Board Member
<b>AYES:</b>	Sisnett, Cobbins, Wishnia, McCullough, Masson

**CONSTRUCTION & MAINTENANCE DIVISION**

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS] AS AMENDED – Item No. 1 (Contract Term Correction)</b>
<b>MOVER:</b>	Steven Wishnia, Board Member
<b>SECONDER:</b>	Carlee McCullough, Board Member
<b>AYES:</b>	Sisnett, Cobbins, Wishnia, McCullough, Masson

1. Resolution approving Change No. 1 to Contract No. 11700, Electric Construction and Maintenance, with Davis H. Elliot Construction Company, Incorporated, with no increase in the contract value. (This change is to request approval of specialized equipment and agreed upon rates needed to perform tower extensions, on an "as needed basis", with no increase in the contract value. The contract term will remain January 1, 2015 through December 31, 2017. (Previously the Resolution read the contract term as November 1, 2015 through October 31, 2018, which is incorrect.) (Jozelle Booker)
2. Resolution awarding a contract to AutoNation Ford, d/b/a Dobbs Ford, for sedans and light duty vehicles, in the amount of \$873,278.10. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
3. Resolution awarding a thirty-six month contract to UniFirst Corporation, for uniform rental services, in the amount of \$81,799.14. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution approving payment of an invoice to Service Electric Company for Contract No. 11613, Emergency Storm Restoration Agreement, based on agreed upon rates, in the funded amount of \$225,776.12. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**CUSTOMER CARE DIVISION**

(None)

**ENGINEERING & OPERATIONS DIVISION**

5. Resolution approving Change No. 1 to Contract No. 11650, Overhead Water Storage Tank Paint Inspector, with Tank Industry Consultants, with no increase in the contract value. (This change is to extend the current contract through May 31, 2017. The painting is scheduled to be completed the spring of 2016. This extension will allow time for MLGW to complete its one year inspection after the last storage tank has been painted.) (Jozelle Booker)
6. Resolution approving Change No. 2 to Contract No. 11676, Professional Engineering Services, with Allen & Hoshall. (This change is to renew the current contract for the second of four annual renewal terms covering the period June 4, 2016 through June 3, 2017 in the amount of \$150,000.00, with no increase in rates from the previous year. In addition, this renewal reflects an increase in services due to anticipated projects during

this contract term in the amount of \$75,000.00 for a total funded amount of \$225,000.00.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

7. Resolution approving payment of an invoice from the Tennessee Valley Public Power Association, for the 2016 Annual Membership dues, in the amount of \$51,441.80. (Alonzo Weaver) (REQUIRES CITY COUNCIL APPROVAL)
8. Resolution approving Change No. 1 to Contract No. 11657, Generator Repair Services, with Cummins Mid-South, in the funded amount of \$100,000.00. (This increase is needed for expenses incurred as a result of an unforeseen engine failure to the generator at the Mallory Pumping Station and a software failure at the McCord Pumping Station generator. The remaining contract value will be utilized for "as needed" repair services. The contract term will remain through February 9, 2017.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
9. Resolution approving Change No. 2 to Contract No. 11566, Replacement of Distributed Process Control (DPC) System at all MLGW Pumping Stations, with Allen & Hoshall, in the funded amount of \$1,399,200.00. (This change is to expand the scope of work to replace the DPC Systems at nine MLGW Water Pumping Stations over a five year period. This change also includes emergency DPC work at the Davis Water Pumping Station in the amount of \$35,200.00, for a total funded amount of \$1,399,200.00, based upon agreed upon rates. In addition, this change is to extend the current contract end date of December 31, 2017 to December 31, 2022 to allow time to complete the projects. As a result of this change, the contract name will change to Replacement of Distributed Process Control (DPC) System at all MLGW Pumping Stations.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
10. Resolution approving a Contract of Sale for the purchase of property, located on the northeast corner of Shelby Drive and Sewanee Road, from Niketan Desai, for and in consideration of \$165,000.00, for various well lots to serve the Davis Pumping Station. (Alonzo Weaver) (REQUIRES CITY COUNCIL APPROVAL)
11. Resolution approving the Sale of Property owned by MLGW, located on the northwest corner of Linden Avenue and Driver Street, to The Self Tucker Properties, LLC, in the sum of \$72,000.00. (Alonzo Weaver)
12. Resolution approving Change No. 4 to Contract No. 11474, Generator Preventative Maintenance Agreement, with Cummins Mid-South, LLC, with no increase in the contract value. (This change is to renew the current contract for the fourth and final annual renewal term covering the period January 21, 2016 through January 20, 2017 with no increase in the contract value. No payments have been issued or work has been performed since the expiration of the term.) (Jozelle Booker)

#### **FINANCE DIVISION**

13. Resolution awarding a contract to Engineered Sealing Components, for underground fittings, in the amount of \$2,532,129.82. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

14. Resolution awarding a contract to Brighter Days and Nites, Inc., for mounting base assemblies, in the amount of \$65,878.95. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**GENERAL COUNSEL DIVISION**

(None)

**HUMAN RESOURCES DIVISION**

15. Resolution approving Change No. 1 to C-Agreement C1952, Leadership Coaching, with Brenda Bryant d/b/a Bryant and Company, in the funded amount of \$25,025.00. (The initial term of the contract was for one year from the date of the Notice to Proceed through October 29, 2016. This change is to increase the current contract in the funded amount of \$25,025.00. This increase is due to the addition of five Senior Leadership Development participants from the Engineering and Operations Department. The new contract value is \$60,060.00.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
16. Resolution approving Change No. 2 to Contract No. 11669, Property and Boiler Insurance, with Factory Mutual Insurance Company (FM Global), in the funded amount of \$1,029,069.00. (This change is to renew the current contract for the second of four annual renewal terms covering the period June 1, 2016 through May 31, 2017. This renewal reflects a 2.7% net premium decrease from the previous year. MLGW received a 16.21% membership credit resulting from less claim loss experience globally from natural disasters. FM Global is a mutual insurance company, which is owned entirely by its policy holders. Any profits earned by a mutual insurance company are rebated to policy holders in the form of dividend distributions or reduced future premiums or membership credit.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
17. Resolution approving Change No. 1 to Contract No. 11456, MLGW Employee Assistance Program, with Methodist Healthcare EAP, with no increase in the contract value. (This change is to extend the current contract for three months for the period covering April 1, 2016 through June 30, 2016. This extension is needed to allow time for MLGW to approve Contract No. 11850, which will replace Contract No. 11456.) (Jozelle Booker)
18. Resolution awarding Contract No. 11850, MLGW Employee Assistance Program, to Methodist Healthcare EAP, in the funded amount of \$117,500.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**INFORMATION SERVICES DIVISION**

19. Resolution approving Change No. 3 to Contract No. 9716, Sysout Manager Software, with Software Engineering of America, with no increase in the contract value. (This change is to renew the current contract for annual software maintenance, license, and support services for one year for the period covering October 1, 2016 to September 30, 2017 in the funded amount of \$8,062.87, which will be absorbed in the current contract value. MLGW is requesting approval of continuous maintenance of the acquired

system, which can only be performed by Software Engineering of America.) (Jozelle Booker)

20. Resolution approving Change No. 4 to Contract No. 10140, PDSFAST Software License, with Software Engineering of America, with no increase in the contract value. (This change is to renew annual software maintenance, license, and support services for the period covering October 1, 2016 to September 30, 2017 in the funded amount of \$11,884.00, which will be absorbed in the contract value. MLGW is requesting approval of continuous maintenance of the acquired system, which can only be performed by Software Engineering of America.) (Jozelle Booker)
21. Resolution approving Change No. 7 to Contract No. 10346, Database Navigation Editor Software Product, with Allen Systems Group, Incorporated (ASG) formerly Nortel Networks, Incorporated, with no increase in the contract value. (This change is to renew the current contract for annual software maintenance, license, and support services covering the period July 1, 2016 through June 30, 2017 in the funded amount of \$9,197.69, which will be absorbed in the contract value. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by Allen Systems Group, Incorporated.) (Jozelle Booker)
22. Resolution approving Change No. 4 to Contract No. 9943, Graphics Reporting Software Package, with Allen Systems Group, Incorporated (ASG), with no increase in the contract value. (This change is to renew annual software maintenance, license, and support services covering the period October 31, 2016 through October 30, 2017 in the funded amount of \$36,790.89, which will be absorbed in the contract value. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by ASG, Incorporated.) (Jozelle Booker)

#### **PRESIDENT'S DIVISION**

(None)

**RESULT: APPROVED [UNANIMOUS] - ITEM 23 ADDED ON TO CONSENT AGENDA WITH SAME DAY MINUTES**

**MOVER:** Steven Wishnia, Board Member

**SECONDER:** Carlee McCullough, Board Member

**AYES:** Sisnett, Cobbins, Wishnia, McCullough, Masson

23. Resolution approving payment of an invoice from U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration, for the 2016 Pipeline Safety User Fee, in the amount of \$55,975.92. (Alonzo Weaver)

**RESULT:** APPROVED [UNANIMOUS] – ITEM NO. 24 ADDED ON TO  
REGULAR AGENDA  
**MOVER:** Steven Wishnia, Board Member  
**SECONDER:** Darrell Cobbins, Board Member  
**AYES:** Wishnia, Cobbins, McCullough, Masson  
**ABSTAINED:** Sisnett

### REGULAR AGENDA

(Item 24)

24. Resolution awarding a twelve month contract to Access Builders, LLC, for luminaires and steel poles, in the amount of \$475,755.00. (Jozelle Booker)  
(REQUIRES CITY COUNCIL APPROVAL)

### **PRESIDENT'S BRIEFING (Continued):**

2. Budget Update - Fourth Quarter, 2015 - Rod Cleek reviewed the Financial Summaries and Sales Comparison reports for the Electric, Gas, and Water Divisions. He noted that capital expenditures are currently at 60.5% of the 2015 annual capital budget. In summary, he noted the Electric Division change in net position was favorable due to lower operating expenses than budgeted. He noted the Gas Division change in net position was favorable due to the increase in operating margin and decreases in operating expenses. The Water Division change in net position was favorable due to lower O&M expenses offset by a decrease in operating margin. Commissioner Masson asked for a report showing historical data pertaining to the number of customers in the various divisions over the last several years. President Collins told him we can provide a graph that goes back fifteen years.
3. Other - Jerry R. Collins, Jr.

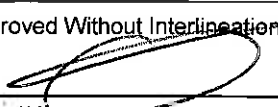
President Collins stated the Commissioners would be having photos taken immediately following the meeting. He invited everyone for birthday cake, after the photo session. Everyone in attendance sang "Happy Birthday" to Commissioner Masson.

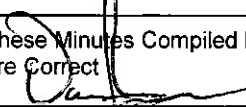
### **COMMITTEE REPORTS:**

(None)

### **ADJOURNMENT**

There being no further business, the meeting was adjourned at 1:27 p.m.

Approved Without Interlineation  
  
Chairman

These Minutes Compiled by Undersigned and  
are Correct  
  
Secretary-Treasurer