



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, June 1, 2016

1:00 PM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Chairman Sisnett

The meeting was called to order at 1:12 p.m.

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	Absent	

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; Von W. Goodloe, Vice President, Human Resources; and Lashell Vaughn, Vice President and Chief Technology Officer. Nick Newman, Vice President, Construction and Maintenance did not attend the meeting.

APPROVALS:

Motion To: Approve Minutes of the Meeting of May 18, 2016.

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

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated May 17, 2016, Items 11 through 15. (See Minute File No. 1401.)

PRESENTATIONS:

(None)

GENERAL STATEMENTS FROM THE PUBLIC:

1. Chet Kibble, 3229 Lakeview, Memphis, TN 38116, former MLGW employee, expressed his concerns in regard to how MLGW deals with environmental issues, in particular when performing construction and the effects that can have on the water. He stated there is something wrong with the kids in Memphis and believes there is a link between lead and their behavior. He stated he has been talking with Nick Newman. He gave President Collins a copy of a letter he had previously sent to Nick Newman. He shared his personal credentials and experience in this field, and stressed his belief of a serious issue.

PRESIDENT'S BRIEFING:

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

(President's Briefing Continued on Page 53)

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 13)

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

CONSTRUCTION & MAINTENANCE DIVISION

1. Resolution awarding Contract No. 11888, UPS/PDU Electric Operations Maintenance, to Electronic Power Systems, Incorporated, in the funded amount of \$97,400.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

CUSTOMER CARE DIVISION

2. Resolution approving Change No. 8 to Contract No. 10863, Blue Pumpkin Software License Support Services, with Verint, Incorporated, in the funded amount of \$945,625.64. (This change is to increase the current contract in the funded amount of \$74,989.09 to cover annual software maintenance and support services for the current term ending July 31, 2017. The amount to cover the current contract term is \$150,060.27; however, the current contract balance is \$75,071.28. Therefore, MLGW is requesting the funded amount of \$74,989.09 to cover the shortfall which was due to an upgrade in the existing licenses. The upgrade in the licensing resulted in an increase in the costs of annual maintenance and support services for this term. In addition, this change is to renew the current contract for annual software maintenance, support, and licensing fees for the period covering August 1, 2017 through July 31, 2022 in the funded amount of \$870,636.55.) Jozelle Booker (REQUIRES CITY COUNCIL APPROVAL)

3. Resolution approving payment of an invoice from Platts, for annual subscription services, in the funded amount of \$34,800.00. (Chris Bieber) (REQUIRES CITY COUNCIL APPROVAL)

ENGINEERING & OPERATIONS DIVISION

4. Resolution approving Change No. 2 to Contract No. 11527, 10 Megabits Per Second (MBPS) Metro Ethernet for Liquefied Natural Gas (LNG) Arlington, with AT&T, Incorporated, in the funded amount of \$10,800.00. (This change is to renew the current contract for the second and final renewal term covering the period July 23, 2016 through July 22, 2017, with no increase from the previous year.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

FINANCE DIVISION

5. Resolution approving a Master Resolution providing for the issuance, sale and delivery of Gas System Revenue Bonds, in one or more series, to be issued from time to time, pursuant to Section 686 of the Charter of the City, for the purpose of funding public works projects for the MLGW Gas Division, as permitted under Federal and State laws. (Dana Jeanes) (REQUIRES CITY COUNCIL APPROVAL)
6. Resolution approving the issuance of, and recommending to and requesting that the City Council issue and sell, through negotiated sale, not to exceed \$40,000,000, Gas System Revenue Bonds, Series 2016, pursuant to the Gas System Revenue Obligations Master Resolution, as supplemented by the First Supplemental Resolution. (Dana Jeanes) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution approving the issuance of, and recommending to and requesting that the City Council issue and sell, through negotiated sale, not to exceed \$30,000,000, Water System Revenue Bonds, Series 2016, pursuant to the Water System Revenue Obligations Master Resolution, adopted by the Board on December 5, 2013 and by the City Council on December 17, 2013, as supplemented by the Second Supplemental Resolution. (Dana Jeanes) (REQUIRES CITY COUNCIL APPROVAL)
8. Resolution approving the issuance of, and recommending to and requesting that the City Council issue and sell, through negotiated sale, not to exceed \$40,000,000, Electric System Revenue Bonds, Series 2016, pursuant to the Electric System Revenue Obligations Master Resolution, adopted by the Board on June 20, 2002 and by the City Council on July 2, 2002, as supplemented by the Sixth Supplemental Resolution. (Dana Jeanes) (REQUIRES CITY COUNCIL APPROVAL)
9. Resolution authorizing the prior redemption of the Electric System Subordinate Revenue Bonds, Series 2003A, and other related matter, in the outstanding aggregate principle amount of \$4,160,000. (Dana Jeanes) (REQUIRES CITY COUNCIL APPROVAL)

GENERAL COUNSEL DIVISION

(None)

HUMAN RESOURCES DIVISION

10. Resolution approving Change No. 2 to Contract No. 11554, Maintenance and Security Automation Service Agreement, with Access Control Integration (ACI), with no increase in the contract value. (This change is to renew the current contract for the second of three renewal

terms covering the period July 10, 2016 through July 9, 2017. In addition, this change is to add the following DVR Lenel Equipment with agreed upon pricing: 1) Lenel LNL-3300-M5; 2) Lenel LNL-1380-M5-8RP; 3) Lenel LNL-1100-M5-20-DI; 4) Lenel LNL-1200-M5-16-DO; 5) Lenel LNL-3300; 6) Lenel LNL-8000; 7) Lenel LNL-1300; 8) Lenel LNL-1320; 9) Lenel LNL-2220; 10) Lenel LNL-1100; 11) Lenel LNL-1200; 12) GE-NX8 Control Panel; and 13) GE-NX8148E Key Pad.) (Jozelle Booker)

11. Resolution approving the following position numbers for Apprentice Linemen positions: Position numbers 01620, 01764, 01864, 03091, 03430, and 03673. (Jerry R. Collins, Jr./Von Goodloe)

INFORMATION SERVICES DIVISION

12. Resolution awarding a contract to Logicalis, Inc., for Citrix Software subscription renewal, in the amount of \$69,701.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S DIVISION

13. Resolution awarding award a thirty-six month contract for utility bill envelopes, to Mac Papers Envelope Converters, in the amount of \$504,637.56. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S BRIEFING (Continued):

2. Corporate Scorecard - First Quarter, 2016 - Valerie McKinney presented the statistics of the various indexes. She noted the Perception Index maintained its' perfect score into the first quarter but dropped to 99.7 for the year due to the year-to-date JD Power score of 661. The first quarter results were positive and are currently meeting all goals. She stated the Utility Supply Index and the Reliability Index, both maintained a perfect score. The Safety Index fell 10.7 points in the first quarter and this index drop had the largest impact on the overall division score dropping from 97.4 to 93.9. Preventable vehicular accidents continued to rise, which is the one measure that impacted the index score by 10.7 points and the overall division score by 2.14 points.

3. Health & Medical Benefits Report - First Quarter, 2016 - Charles Perry reported that the existing Cigna contract is now in the final year. A five year RFP process is now underway for these services. Bid proposals are being evaluated with assistance from Aon Hewitt, benefit consultants. The goal is to have the project completed in September. He discussed the growing concern over specialty medications being prescribed instead of lower cost conventional drugs. The spend for specialty drugs grew from \$2 million in 2013 to \$6.4 million in 2015. However, MLGW's overall drug costs are trending lower in the first quarter at 6.58% compared to 13.74% in 2015. Mr. Perry discussed the mandates under ACA and those additional costs.

4. Other - Jerry R. Collins, Jr.

COMMITTEE REPORTS:

Supplier Diversity Update - First Quarter, 2016 - Jozelle Booker provided total supplier diversity spend statistics for the first quarter, total impact which was \$12,920,333.84 or 22% total supplier diversity spend. The total impact breakdown was reported as follows: LSB 6%, WBE 2%, MBE 14% and Other 78%. Spend summary for Memphis businesses (certified and non-certified) equaled \$17M or 85% in Shelby County. She reviewed a chart which showed the local business broken down by municipalities, including the City of Memphis which totaled 176. Vice-Chairman

Cobbins commended Ms. Booker and her team for a job well done. He stated this is proof that we can hire contractors in Shelby County to help the growth and economics of our city. Commissioner McCullough congratulated Ms. Booker and President Collins. She stated the success begins with support from the top of the organization and down and cannot be accomplished without commitment from everyone involved.

ADJOURNMENT

The meeting was adjourned at 2:01 p.m.


(See Minute File No. 1402.)

Approved Without Interlineation



Acting Chairman

These Minutes Compiled by Undersigned and
are Correct



Acting Secretary-Treasurer