



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, June 22, 2016

1:00 PM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Acting Chairman Wishnia

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

PLEDGE OF ALLEGIANCE:

Acting Chairman Wishnia

The Pledge of Allegiance was recited.

ROLL CALL:

Roland McElrath

Attendee Name	Title	Status	Arrived
Derwin Sisnett	Chairman	Absent	
Darrell T. Cobbins	Vice Chairman	Absent	
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; Christopher Bieber, Vice President, Customer Care; and Lashell Vaughn, Vice President and Chief Technology Officer. Dana Jeanes, Vice President, CFO and Secretary-Treasurer did not attend the meeting. Roland McElrath served as Acting Secretary-Treasurer. Cheryl Patterson, Vice President and General Counsel did not attend the meeting. Charlotte Knight-Griffin served as Acting General Counsel. Nick Newman, Vice President, Construction and Maintenance; Alonzo Weaver, Vice President, Engineering and Operations; and Von W. Goodloe, Vice President, Human Resources did not attend the meeting.

APPROVALS:

Motion To: Approve Minutes of the Meeting of June 1, 2016.

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

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Roland McElrath

Receipt of Certified Copies of City Council Resolutions dated June 7, 2016, Items 7 through 18 and Items 36 and 37. (See Minute File No. 1401.)

PRESENTATIONS:

(None)

GENERAL STATEMENTS FROM THE PUBLIC:

1. Chet Kibble, 3229 Lakeview Rd., Memphis, stated he received a letter from Nick Newman on Friday, June 17. He expressed his concern that Mr. Newman may not have the time to address the issues. He stated no problems have been resolved and he is concerned that possibly there will be no collaboration. He stated he had requested a "heads up" prior to MLGW going to the media and said that was not done. President Collins responded to some of Mr. Kibble's concerns.

2. Angea Stewart, 797 Baltimore Street, Memphis, expressed her concern about how CSA accounts are handled and stated more information should be shared with the customer. Commissioner Masson suggested MLGW work with CSA to better communicate with the customer so they may have a clearer understanding of what charges are covered under CSA. President Collins reiterated that CSA payments do not apply to City fees.

PRESIDENT'S BRIEFING:

1. 2016 Electric, Gas and Water Service Policy Revisions - Margie Borrum-Smith explained proposed changes to the EGW Service Policy. She noted when property is being redeveloped and MLGW discovers a lead service, it is MLGW's general practice to replace the water connection at no cost to the customer with a connection of equal or equivalent capacity. If a customer requests a larger connection size, the customer will pay the difference between the higher cost they choose and that of the equivalent replacement cost. The customer is required to pay the cost of capping each existing unused lead connection at the main for each connection that is not replaced. MLGW will not replace the customer's property pipe. The customer will pay the total quoted cost prior to the construction. She also noted that MLGW does not allow the reuse of any MLGW owned lead water connection.

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

(President's Briefing Continued on Page 4)

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)

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

CONSTRUCTION & MAINTENANCE DIVISION

1. Resolution awarding Contract No. 11878, Liebert UPS Service Agreement, to Emerson Network Power, Incorporated, in the funded amount of \$116,125.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
2. Resolution approving Change No. 1 to Contract No. 11755, Street Light Construction Contract for the South Cordova Annexation, with Standard Electric Company, Incorporated, with no increase in the contract value. (This change is to extend the current contract through July 31, 2016 to complete the site clean-up after the installation of the street lights.) (Jozelle Booker) (SAME DAY MINUTES REQUESTED)

CUSTOMER CARE DIVISION

3. Resolution approving proposed changes in the 2016 Electric, Gas and Water Service Policy, with an effective date of September 1, 2016. (Chris Bieber) (SAME DAY MINUTES REQUESTED)

ENGINEERING & OPERATIONS DIVISION

4. Resolution approving Change No. 2 to Contract No. 11702, Professional Engineering Services for Transmission Engineering, with MESA Associates, Incorporated, with no increase in the contract value. (This change is to renew the current contract for the second of four annual renewal terms for the period covering August 18, 2016 through August 17, 2017.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
5. Resolution awarding a contract to Heath Consultants, Inc., for Gas Measurement Instruments (GMI) first responder 3-gas detectors, in the amount of \$83,520.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
6. Resolution approving Change No. 2 to Contract No. 11453, Voice and Data Services, with AT&T, Incorporated, in the funded amount of \$185,500.00. (This change is to extend the current contract for seven months for the period covering July 12, 2016 through February 11, 2017. This extension is needed to allow time for MLGW to rebid the contract. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution awarding a contract to IAC Supply Solutions, Inc., for a control system control panel, in the amount of \$231,439.54. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
8. Resolution awarding a contract to Eco-Tech, Inc., d/b/a DeZurik, for butterfly valves and electric actuators, in the amount of \$134,388.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

FINANCE DIVISION

9. Resolution authorizing MLGW to pay the maximum allowable in lieu of tax equivalency payments requested by the City of Memphis for the City's fiscal year 2016. Of this amount, The City of Memphis is requesting MLGW to interplead and deposit \$3,377,603.02 with the Chancery Court. This payment is required on or before June 30, 2016. (Dana Jeanes) (SAME DAY MINUTES REQUESTED)
10. Resolution approving extension of Purchase Order Number 153450, to Universal Scaffold and Equipment, LLC, for post protective barriers for an additional twenty-four month period. (The new expiration date for the contract with the additional twenty-four month extension is July 6, 2018. No additional funds are being requested.) (Jozelle Booker)
11. Resolution awarding a contract to WESCO, for paper insulated lead covered medium voltage power cable, in the amount of \$85,987.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

GENERAL COUNSEL DIVISION

(None)

HUMAN RESOURCES DIVISION

12. Resolution approving positions numbers, all of which are for Meter Inspector Contracted Services. The position numbers are 06859, 06860, 06861, 06862, 06863, and 06864. (Jerry R. Collins, Jr./Von Goodloe) (SAME DAY MINUTES REQUESTED)

INFORMATION SERVICES DIVISION

13. Resolution awarding Contract No. 11879, Corporate E-Mail Replacement, to Venture Technologies, Incorporated, in the funded amount of \$159,373.08. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
14. Resolution awarding a contract to Thomas Consultants, Inc., for VMWare software renewal, in the amount of \$50,584.48. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
15. Resolution awarding a contract to PCM Sales, Inc., for Red Hat Software renewal and support, in the amount of \$67,188.05. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
16. Resolution awarding a contract to Mythics, Inc., for Data Management Project Software, in the amount of \$1,683,247.84. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
17. Resolution awarding a contract to LANE Telecommunications, Inc., for upgrade to the LANE Passport electronic faxing software, in the amount of \$7,817.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S DIVISION

18. Resolution awarding a Contract No. 11874, courier services, to Express Courier International, Incorporated, in the funded amount of \$145,361.36. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

REQUEST FOR SAME DAY MINUTES

Motion To: Same Day Minutes for Items 2, 3, 9, and 12

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

REQUEST TO SUBSTITUTE A REVISED RESOLUTION FOR ITEM NO. 9

Motion To: Motion to Substitute a Revised Resolution to Item No. 9

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

PRESIDENT'S BRIEFING (Continued):

3. Budget Update - First Quarter, 2016 - Rod Cleek reported that in the Electric Division the change in net position was favorable due to lower Operating Expenses than budgeted. The Water Division change in net position was favorable due to lower O&M expenses and increased operating revenues. The Gas Division change in net position was unfavorable due to a decrease in operating margin partially offset by a decrease in Operating Expenses. He reviewed the financial summaries for all Divisions and highlighted the sales comparisons from 2015, 2016 budgeted, and 2016 actual.

4. Other - Jerry R. Collins, Jr.

President Collins asked Allan Long to give an update on NERC. He stated last week an operations and planning audit was conducted and there were no findings. He stated that audits are done constantly and the team must stay "at the top of their game" at all times. The audit results were outstanding. He congratulated Alonzo Weaver and his staff for a job well done. He stated an invitation for a Cyber Security Training Program is forthcoming.

5. Special Presentation - Jerry R. Collins, Jr. asked Commissioner Rick Masson to join him at the podium. He stated that Commissioner Masson was retiring from the Board of Commissioners effective June 30, 2016 and today is his last Board Meeting. He stated he has served on the Board for approximately 12 year and expressed his appreciation for the years of service, leadership, and valuable assistance he has provided. He was presented with an inscribed vase as a token of MLGW's appreciation for all he has contributed.

Commissioner Masson gave accolades to multiple individuals, thanking each of them for their support and hard work. He thanked Mayors Herenton and Wharton for his Board Appointments.

He also thanked Jerry Collins and Joseph Lee, noting that Mr. Lee was present at the meeting. He thanked his wife for her support. He laughed and commented that he was thankful that Jerry kept things "boring" and in closing wanted it to go on record that upon his departure the company's financial stability is in a very good position. He received a big laugh and a great round of applause from the audience. The other Commissioners present thanked him for his years of service, guidance, and support and wished him the very best in his future endeavors.

COMMITTEE REPORTS:

(None)

ADJOURNMENT:

There being no further business, the meeting was adjourned at 1:38 p.m.

(See Minute File No. 1402)

Approved Without Interlineation

Chairman

These Minutes Compiled by Undersigned and
are Correct

Secretary-Treasurer