



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Thursday, August 21, 2014

1:30 PM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Chairman Masson

The meeting was called to order at 1:30 p.m.

PLEDGE OF ALLEGIANCE:

Chairman Masson

The Pledge of Allegiance was recited.

ROLL CALL:

Dana Jeanes

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

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

APPROVALS:

Motion To: Approve Minutes of the Meeting of August 7, 2014.

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

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated August 5, 2014, Items 12 through 21 and Items 23 through 34. (See Minute File No. 1379.)

PRESENTATIONS:

(None)

GENERAL STATEMENTS FROM THE PUBLIC:

Maria Phelps completed a card, but left and did not speak.

PRESIDENT'S BRIEFING:

1. Review of Consent Agenda - Dana Jeanes

(President's Briefing Continued on Page 76)

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 11)

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

CONSTRUCTION & MAINTENANCE DIVISION

1. Resolution awarding Contract No. 11699, Large Diameter Directional Drilling, to Memphis Road Boring Company, Incorporated, in the funded amount of \$778,000.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

CUSTOMER CARE DIVISION**REQUEST FOR SAME DAY MINUTES FOR ITEM NO. 2 APPROVED**

2. Resolution requesting approval to accept any and all grant funds potentially awarded to MLGW in connection with the "Tennessee Valley Authority Smart Communities: Extreme Energy Makeovers Request for Proposal," dated June 6, 2014. (Responses to MLGW's Request for Proposal are due, and must be submitted to TVA along with MLGW's application for funds, no later than September 5, 2014 for consideration. The application for funds requires a Board approved resolution indicating a willingness to accept any potential award that may be granted to MLGW when the awards are announced on March 13, 2015.) (Chris Bieber)
3. Resolution approving Change No. 17 to Contract No. 10569, Interactive Voice Response System, with Avaya, Incorporated, formerly Nortel Networks, Incorporated, in the funded amount of \$138,304.14. (This change is to renew the current contract for annual software and hardware maintenance, licenses and support services for a three year period, covering the period July 17, 2014 through July 16, 2017, with no increase in rates from the previous year. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by Avaya, Incorporated. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

ENGINEERING & OPERATIONS DIVISION

4. Resolution approving payment of the annual facility maintenance fee for public water systems, to Tennessee Department of Environment and Conservation, in the amount of \$124,017.95. (Alonzo Weaver) (REQUIRES CITY COUNCIL APPROVAL)
5. Resolution awarding Contract No. 11566, Replacement of Distributed Process Control (DPC) System at the Shaw Water Pumping Station, to Allen & Hoshall, in the funded amount of \$175,400.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

FINANCE DIVISION

6. Resolution approving revisions to the Memphis Light, Gas and Water Division Statement of Investment and Cash Management Policy. (Dana Jeanes) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution approving rejection of bids received up to 4:00 p.m., Tuesday, July 16, 2014, for furnishing MLGW with cab and chassis. (Jozelle Booker)

GENERAL COUNSEL DIVISION

(None)

HUMAN RESOURCES DIVISION**REQUEST FOR SAME DAY MINUTES FOR ITEM NO. 8 APPROVED**

8. Resolution approving the following positions: Position No. 01522, Material Handler; Position No. 06152, Apprentice Lineman; and Position Nos. 06273, 06472, 06473, 06474, 06475, 06476, 06477, 06478, 06481, 06482, and 06486, Inspector Contracted Services. (Jerry R. Collins, Jr.)

INFORMATION SERVICES DIVISION

9. Resolution approving Change No. 5 to Contract No. 10546, Lapres Software Maintenance Agreement, with XL Print USA, LLC, in the funded amount of \$19,278.00. (This change is to renew the current contract for a two year term for the Paris Designer and Spooler Software covering the period September 1, 2014 through August 31, 2016, with no increase in rates from the previous year. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by XL Print USA, LLC. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
10. Resolution approving Change No. 3 to Contract No. 11050, Tape Reporting Tool, with 21st Century Software, Incorporated, formerly known as Estorian, Incorporated, in the funded amount of \$20,600.00. (This change is to renew the current contract for a two year period covering November 1, 2014 through October 31, 2016, with no increase in rates from the previous year. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by 21st Century Software, Incorporated.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

11. Resolution approving Change No. 5 to Contract No. 10346, Database Navigation Editor Software Product, with Allen System Group, Incorporated (ASG) formerly Nortel Networks, Incorporated, in the funded amount of \$9,197.69. (This change is to renew the current contract for annual software maintenance, licenses and support services covering the period July 1, 2014 through June 30, 2015, with no increase from the previous year. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by Allen System Group, Incorporated.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S DIVISION

(None)

PRESIDENT'S BRIEFING (Continued):

2. Budget Update - 2nd Quarter 2014 - Roland McElrath reported that the Electric and Gas Divisions operating margins were favorable; however, the Water Division operating margins were unfavorable. He also reported that operating expense and net position were favorable in all three Divisions. He pointed out that the mild summer months most likely will have a negative impact on the next quarterly report in the Water and Electric Divisions.

3. Other - Jerry R. Collins, Jr.

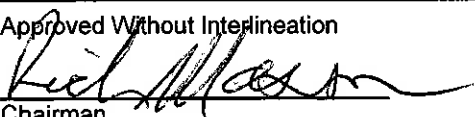
President Collins asked Don Gilliard, with Dillon Transport, Inc., and Michael Taylor to approach the podium. He stated the Mayor had held a press conference earlier in the day and a \$500,000 grant was presented to Dillon Transport from the Tennessee Department of Transportation to assist in the purchase of 20 heavy duty CNG vehicles. Mr. Gilliard stated the cost differential in CNG and diesel trucks is about \$55,000, with CNG vehicles being more expensive, but the CNG is about half the cost of diesel fuel. Mr. Gilliard stated it is not just about the cost of CNG, but the benefits of the trucks being a contributing source for clean energy. CNG will cut emissions by 25%. Also, CNG vehicles have more powerful engines compared to diesel. Michael Taylor stated this would not be possible without MLGW's willingness to build the new structure.

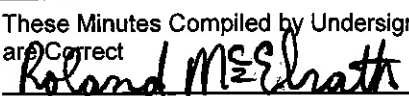
Chairman Masson asked for an update on the blackout Friday night. Jerry Collins stated the network is a very reliable system, and typically when this happens no one realizes it. When the breaker didn't activate, the cable failure shut down the substation, and a large area of downtown experienced a blackout for about five hours. He also noted that fortunately no one was injured.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:58 p.m.

See Minute File No. 1380.

Approved Without Interlineation

Chairman

These Minutes Compiled by Undersigned and
are Correct

for Secretary-Treasurer