



# Board of Light, Gas and Water Commissioners

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

## Board Meeting

~ Minutes ~

Wednesday, September 18, 2013

10:30 AM

Board Room

### CALL TO ORDER AND OPENING REMARKS:

Chairman Wishnia

The meeting was called to order at 10:30 a.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	Absent	
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; Von W. Goodloe, Vice President, Human Resources; Christopher Bieber, Vice President, Customer Care; and Lashell Vaughn, Vice President and Chief Technology Officer. The following staff member was absent: Alonzo Weaver, Vice President, Engineering and Operations.

### APPROVALS:

**Motion To:** Approve Minutes of Meeting of September 4, 2013.

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

### CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated September 3, 2013, Items 12 through 24, approved by the Board on August 15, 2013. (See Minute File No. 1368)

**PRESENTATIONS:**

Operation Feed - Cliff DeBerry introduced Estella Mayhue-Greer, President & CEO of the Mid-South Food Bank and the MLGW Co-Chairs, Liz Hawthorne and Patricia O'Connor. Mr. DeBerry reported that MLGW came in first place in regard to points and thanked the Co-Chairs, employees, and all others involved. Ms. Mayhue-Greer presented a plaque to President Collins and Chairman Wishnia. Mr. Collins also acknowledged a job very well done by Cliff DeBerry and also to the Co-Chairs. He also commended the MLGW employees for their participation.

**GENERAL STATEMENTS FROM THE PUBLIC:**

1. Dale Huston of 4918 Snickers Drive, addressed the Board expressing his concern with the Human Resources Relative Policy. Mr. Huston is a 35+ year's employee at MLGW. His son is being sent to Hickory Hill due to the new policy and the fact he works with a cousin and brother-in-law by marriage. He is concerned his son will complete the training at MLGW and move. He states the policy is not fair and is asking that the policy be reconsidered. Mr. Collins will review the policy and contact Mr. Huston.
2. Pat Epps, IBEW Assistant Business Manager of 4000 Clearpool, addressed the Board expressing concerns of the insurance presentation to be given later today pertaining to the Cadillac Plan. The estimations being presented concerned him and he expressed he would prefer more factual information.

**PRESIDENT'S BRIEFING:**

1. Review of Consent Agenda - Jerry R. Collins, Jr.  
(President's Briefing Continued on Page 198)

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 24)

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

**CONSTRUCTION & MAINTENANCE DIVISION**

1. Resolution awarding Contract No. 11649, ADA Upgrades at four Community Offices to A & B Construction Company, Incorporated, in the funded amount of \$272,710.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

2. Resolution awarding Contract No.11646, Installation of 25K Underground Gallon Fuel Tank, to The Southern Company, Incorporated, in the funded amount of \$295,905.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
3. Resolution awarding a contract to H & E Equipment Services, for four diesel-powered portable air compressors, in the amount of \$76,428.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution awarding a contract to Altec Industries Inc., for the purchase of a mini derrick, in the amount of \$121,250.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**CUSTOMER CARE DIVISION**

5. Resolution approving payment of MLGW's on-going commitment to the Greater Memphis Chamber to facilitate economic and community development in Memphis and Shelby County, in the funded amount of \$175,000, to cover the services rendered by the Greater Memphis Chamber for the period September 1, 2012 through August 31, 2013. (Chris Bieber) (REQUIRES CITY COUNCIL APPROVAL)
6. Resolution approving MLGW to pay the Greater Memphis Chamber \$80,000 to support industrial recruitment, development and expansion of business and industry in the Memphis/Shelby County area. Through TVA Contract No. 7668, between MLGW and TVA, TVA will reimburse MLGW \$40,000.00. This allows MLGW to leverage its money with TVA funds to reinforce local economic development efforts by attracting new companies and investment and supporting existing business growth. The effort is outlined in a scope of work that covers the period October 1, 2012 through September 30, 2013. (Chris Bieber) (REQUIRES CITY COUNCIL APPROVAL)

**ENGINEERING & OPERATIONS DIVISION**

7. Resolution awarding Contract No. 11647, Blanket Contract Drilled Pier Foundation, to Reliable Constructors, Incorporated, in the funded amount of \$250,000.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
8. Resolution awarding Contract No. 11657, Generator Repair Services to Cummins Mid-South, in the funded amount of \$212,625.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
9. Resolution approving Change No. 1 to Contract No. 11501, Geotechnical Investigation, with Professional Service Industries, Incorporated, in the funded amount of \$15,000.00. (This change is to renew the contract for the first of four annual renewal terms covering the period October 16, 2013 to October 15, 2014, with no increase from the previous year.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
10. Resolution awarding Contract No. 11623, Variable Frequency Drive and Motor High Service Pump Upgrade-Davis, to Shelby Electric Company, in the funded amount of \$477,289.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

11. Resolution approving the rejection of the bids received up to 4:00 p.m. on Tuesday, June 18, 2013, for Contract No. 11638, Substation 31 Transformer Oil Leak Repair. Ten bids were solicited on May 14, 2013, and received one bid. This bid is being rejected because the services solicited are no longer needed. (Jozelle Booker)
12. Resolution approving an amendment to a contract between Memphis Light, Gas and Water and GDS Associates, Inc., for professional consulting services, to assist MLGW with preparation for NERC process and procedure implementation, technical studies and evaluations, and readiness assessments. Expenditures under the contract had been capped at \$722,000.00 through December 31, 2014. This amendment raises the cap on expenditures by an additional \$100,000.00, for a total not to exceed \$822,000.00. (Alonzo Weaver) (REQUIRES CITY COUNCIL APPROVAL)

#### **FINANCE DIVISION**

13. Resolution awarding a twenty-four month blanket contract to CHM Industries, Inc. d/b/a Keystone Poles, for painted steel poles, in the amount of \$1,106,917.60. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

#### **GENERAL COUNSEL DIVISION**

(None)

#### **HUMAN RESOURCES DIVISION**

14. Resolution approving Change No. 3 to Contract No. 11378, Risk Management Broker, to Marsh, in the funded amount of \$323,097.00. (This change renews the stop loss coverage for worker's compensation insurance for an additional term covering the period October 1, 2013 through October 1, 2014 with a 15% rate increase from the previous year. This increase is due to rising medical costs, along with the fact that excess workers compensation is a very volatile line of coverage which is driving the rate increases.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
15. Resolution approving revised Human Resources Policy No. 23-16, Accessing and Changing Customer Accounts. (Jerry R. Collins, Jr./Von Goodloe)
16. Resolution approving revised Human Resources Policy No. 22-16, Jury Duty/Summons. (Jerry R. Collins, Jr./Von Goodloe)
17. Resolution approving \$25,000 for support of the Memphis Weekend Academy program for 2013-14 and 2014-15 school years, with the Academy receiving \$12,500 each school year of the two-year periods. (Von Goodloe)
18. Resolution approving the following position: Position No. 05867, Section Supervisor Records Retention. (Jerry R. Collins, Jr.)

#### **INFORMATION SERVICES DIVISION**

19. Resolution approving Change No. 3 to Contract No. 10961, BMC Combined Software Products, with BMC Software Distribution Incorporated, in the funded amount of \$28,968.86, which reflects a 0.6% decrease from 2010. (This change is to renew license, support, and maintenance fees for the period covering October 31, 2013

through October 30, 2016.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

20. Resolution awarding a contract to Unico Technology, LLC, for a Security Application Suite, in the amount of \$350,667.50. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
21. Resolution approving Change No. 5 to Contract No. 11179, Business Objects Software License and Related Service Agreement, with SAP Public Services, Incorporated, in the funded amount of \$31,813.21, with no increase in price from the previous year. (This change is to renew annual software maintenance for the SAP Business Objects Web Intelligence software covering the period November 4, 2013 to November 3, 2014. In addition, this change is to remove additional maintenance services no longer offered and covered by SAP Public Services, Incorporated.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
22. Resolution awarding Contract No. 11673 Physical Archive Storage, to Vital Records Control, Incorporated, in the funded amount of \$170,125.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
23. Resolution awarding Contract No. 11680, Satori Software Agreement to Satori Software Company, in the funded amount of \$64,334.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
24. Resolution approving Change No. 1 to Contract No. 11537, Professional Services Support with Nextech Solutions, to increase the contract value in the funded amount of \$280,000.00. (This change is needed to perform additional services required for the Maximum Allowable Operating Pressure (MAOP) Transmission Integrity Project, as a result of federal mandates by the Department of Transportation (DOT) Pipelines and Hazardous Material Safety Administration (PHMSA) bulletin. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

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

(None)

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

2. Corporate Scorecard Update - 2nd Quarter 2013 - Valerie McKinney addressed the Board and summarized the report, pointing out various statistics of importance.
3. Health & Medical Benefits Report - 2nd Quarter 2013 - Henry Jackson addressed the Board, pointing out specific data compared to previous quarters and years pertaining to medical and prescription claims.
4. MLGW Health Care Report 2014 - Charles Perry addressed the Board with a detailed presentation discussing the possibilities of premium increases, the impact of Healthcare Reform, and recommendations to be considered. He also presented healthcare insurance changes made by other companies, such as Federal Express and Shelby County employees' plans.

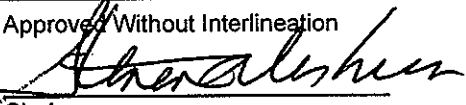
5. Other - Jerry R. Collins, Jr.

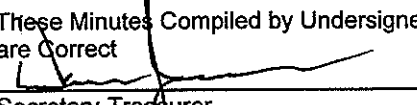
Alan Long and Lashell Vaughn addressed the Board with a special announcement regarding the second NERC audit on Friday. MLGW only had one fine and was complimented on the excellence of compliance by the auditors. No other utility has ever received as much of an outstanding score, and each expressed their thanks and appreciation to all that worked so hard to get to these results.

**ADJOURNMENT:**

There being no further business, the meeting was adjourned at 11:30 a.m.

SEE MINUTE FILE NO. 1369.

Approved Without Interlineation  
  
Chairman

These Minutes Compiled by Undersigned and  
are Correct  
  
Secretary-Treasurer