



# Board of Light, Gas and Water Commissioners

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

## Board Meeting

~ Minutes ~

Thursday, September 18, 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	Present	
Darrell T. Cobbins	Board Member	Late	1:45 PM

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; 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.

### APPROVALS:

**Motion To:** Approve Minutes of the Meeting of September 4, 2014.

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

### CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated September 2, 2014, Items 10 through 19. (See Minute File No. 1380)

**PRESENTATIONS:**

1. American Public Gas Association (APGA) System Operational Achievement Recognition (SOAR) Award - Alonzo Weaver/Virgil Deanes - Alonzo Weaver introduced Stephen Avanzi, Richard Finnie, Russell Webb, and William McCaig who were responsible for compiling the data needed. MLGW was recognized for achieving the silver distinction SOAR award. The award was presented to President Collins and Chairman Masson.
2. National Association of Professional Women (NAPW) - President Collins presented a plaque to Lashell Vaughn in recognition of her being named VIP Woman of the Year with the National Association of Professional Women.

**GENERAL STATEMENTS FROM THE PUBLIC:**

(None)

**PRESIDENT'S BRIEFING:**

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

(President's Briefing Continued on Page 85)

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 17)

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS] AND SAME DAY MINUTES APPROVED FOR ITEM NO. 17</b>
<b>MOVER:</b>	Steven Wishnia, Board Member
<b>SECONDER:</b>	Derwin Sisnett, Vice Chairman
<b>AYES:</b>	Derwin Sisnett, Rick Masson, Steven Wishnia
<b>ABSENT:</b>	Darrell T. Cobbins

**CONSTRUCTION & MAINTENANCE DIVISION**

1. Resolution approving Change No. 2 to Contract No. 11535, Pest Control, with NuEra Pest Control, in the funded amount of \$28,420.00. (This change is to renew the current contract for the second of four annual renewal terms in the funded amount of \$28,420.00 covering the period November 1, 2014 through October 31, 2015, with no increase in rates from the previous year.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
2. Resolution approving payment of an invoice to City Utilities of Springfield, Missouri, for Contract No. 11276, Mutual Aid Agreement, based on agreed to rates, in the funded amount of \$166,676.33. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

3. Resolution awarding a contract to Vermeer Mid-south, Inc., for two directional boring systems with trailers, in the amount of \$503,640.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution awarding a contract to H & E Equipment Services, Inc., for the purchase of a telescopic material handler, in the amount of \$103,122.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
5. Resolution awarding a contract to H & E Equipment Services Incorporated, for four diesel-powered portable air compressors, in the amount of \$94,676.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**CUSTOMER CARE DIVISION**

(None)

**ENGINEERING & OPERATIONS DIVISION**

6. Resolution amending Purchase Order Number 149282 to Atkinson Industries, Inc. C/o H V Sales Co., Inc., for the purchase of a prefabricated modular structure. (This amendment is to increase the contract value in the amount of \$2,804.00 to cover the cost to upgrade the 200 ampere AC panel board in the control house at Substation 89 to a 400 ampere panel board.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution awarding a contract to Heath Consultants Incorporated, for the purchase of twenty GMI First Responder gas detectors, in the amount of \$70,000.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**FINANCE DIVISION**

8. Resolution approving the selection of Sentinel Real Estate Fund, LP to manage \$40,000,000 for benefit of the MLGW Retirement and Pension Fund, as part of a reallocation. (Dana Jeanes) (REQUIRES CITY COUNCIL APPROVAL)

**GENERAL COUNSEL DIVISION**

(None)

**HUMAN RESOURCES DIVISION**

9. Resolution approving Change No. 1 to Contract No. 11384, Risk Management/Insurance Consultants, with Marsh USA, Incorporated to increase the current contract value in the funded amount of \$25,000.00. (This change is to increase the current contract value in the funded amount of \$25,000.00 through the current term, which ends February 9, 2015. This change is needed to replenish funds used for the one-time fee for Medicare 111 Services that were not included in the initial award. The upfront Consulting Fees for selection of a qualified Reporting Agency to report Medicare 111 claims to the Federal Government on MLGW's behalf were not accounted for in the

award but were included in the scope of the contract.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

10. Resolution approving Change No. 4 to Contract No. 11378, Risk Management Broker, with Marsh, in the funded amount of \$325,370.00. (This change is the fourth and final renewal period for Stop Loss Coverage for Workers' Compensation Insurance. This renewal covers the period October 1, 2014 through October 1, 2015 and reflects a 1.00% increase in rates from the previous year. This increase is due to rising medical costs and the volatility of the excess workers' compensation coverage which also drive rate increases.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
11. Resolution approving Change No. 2 to Contract No. 11552, Influenza Vaccine, with Wellness First, Incorporated, in the funded amount of \$36,000.00. (This change is to renew the current contract for the second of four annual renewal terms covering the period October 22, 2014 through October 23, 2015, with no increase in rates from the previous year.) (Von Goodloe) (REQUIRES CITY COUNCIL APPROVAL)
12. Resolution approving revisions to Human Resources Policy #23-23, Smoking and Tobacco. (Jerry R. Collins, Jr./Von Goodloe)

#### **INFORMATION SERVICES DIVISION**

13. Resolution approving the rejection of bids received up to 4 o'clock p.m., Tuesday, April 1, 2014 for a Firewall Installation Project. (Jozelle Booker)
14. Resolution awarding a contract to Pinnacle Networx, LLC, for a virtual tape upgrade, in the amount of \$122,100.38. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
15. Resolution awarding a contract to Logicalis, Inc., for Hewlett Packard server blades replacement, in the amount of \$294,851.97. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

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

16. Resolution awarding award contract to Ricoh Americas in the amount of \$152,112.24 for a thirty-six month contract for rental of a digital color copier/printer system. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

REQUEST TO ADD ITEM NO. 17 AND REQUEST SAME DAY MINUTES

17. Resolution approving Position No. 06654, Customer Service Technician 3. (Jerry R. Collins, Jr./Von Goodloe) (SAME DAY MINUTES REQUESTED)

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

2. LNG Sales - Michael Taylor reported on an exciting opportunity that arose for MLGW this past summer. The Clean Energy Plant in Willis, TX went down which caused a shortage in the market. MLGW was fortunate in regard to being in a great location and

position to meet the shortage. He stated MLGW sold more LNG in the months of July and August than had been sold in the prior ten months. He praised Alonzo Weaver's team for their hard work and accomplishment of loading fifteen trucks in one day.

3. Managing Residential Cutoffs - Chris Bieber - Commissioner Masson had requested a report on the processes of residential cutoffs. Chris Bieber detailed the number of days and stages that take place when a customer has not paid their bill and receive a cutoff notice. He explained the levels of residential credit rates and how those are determined. He described the various methods of cutting off the utilities and stated 90% of the cutoffs are done with the boot cutoff method. The Board asked various questions pertaining to residential cutoff procedures, which Mr. Bieber answered.

4. Other - Jerry R. Collins, Jr.

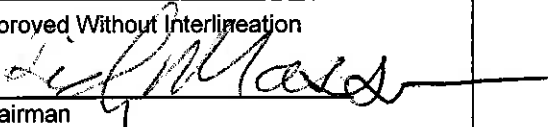
## COMMITTEE REPORTS:

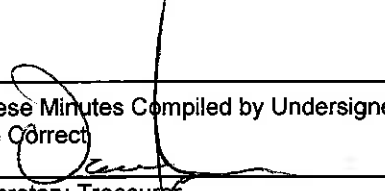
Supplier Diversity Update - 2nd Quarter 2014 - Renise Holliday reported on the second quarter spend for Supplier Diversity. She reviewed the various percentages and breakdowns according to specific categories. She discussed the new Sheltered Market Program. Vice-Chairman Sisnett asked questions regarding the Sheltered Market Program. He also mentioned his observation of how local small businesses may have missed out on opportunities by small amounts. He stated he would like some discussion to take place in the near future to address this. He questioned if spending \$15,000 to \$20,000 more could be justified, knowing it would fuel the local economy. He also praised the department for a job well done. Jozelle Booker responded by discussing the local preference's current criteria. She stated this would be looked at and discussed at the next Committee Meeting.

## ADJOURNMENT

The meeting was adjourned at 2:15 p.m.

(See Minute File No. 1381)

Approved Without Interlineation  
  
Chairman

These Minutes Compiled by Undersigned and  
are Correct  
  
Secretary-Treasurer