



# Board of Light, Gas and Water Commissioners

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

## Board Meeting

~ Minutes ~

Thursday, October 9, 2014

1:30 PM

Board Room

### CALL TO ORDER AND OPENING REMARKS:

Chairman Masson

The meeting was called to order at 1:38 p.m.

Chairman Masson welcomed Carlee McCullough as the new Commissioner to the MLGW Board. He also acknowledged Councilman Myron Lowery's attendance.

### PLEDGE OF ALLEGIANCE:

Chairman Masson

The Pledge of Allegiance was recited.

### ROLL CALL:

Dana Jeanes

Attendee Name	Title	Status	Arrived
Derwin Sisnett	Vice Chairman	Absent	
Carlee McCullough	Board Member	Present	
Rick Masson	Chairman	Present	
Steven Wishnia	Board Member	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; 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 18, 2014.

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

### CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE: Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated September 16, 2014, Items 9 through 14, and Items 28 and 34. (See Minutes File No. 1381)

**PRESENTATIONS:**

1. MLGW Hero Award, Patrick Jones, Customer Service Tech I, Meter Reading - President Collins told of the stormy rainy day on September 11, 2014. Mr. Jones noticed a lady trapped in her car by fast moving water with the water rising above her shoulders. As he got closer to her car, he realized the lady was disabled and unable to walk. He was able to get her out of the car and carried her on his back to safety. Ms. Patricia Nelms was present and thanked Mr. Jones for helping her and saving her life that day. She said she was very scared and thanked him for his kindness.
2. Special Presentation - Jerry R. Collins, Jr./Cheryl Patterson - Ms. Patterson discussed the responsibilities of the Customer Appeals Committee. She acknowledged the steadfast participation of Mr. Bill Crawford and Mr. James McWillie as they have served faithfully on the Committee for several years. They have expressed the desire to relinquish their duties to other retirees. Mr. Crawford and Mr. McWillie were presented with plaques as a token of MLGW's appreciation.

**GENERAL STATEMENTS FROM THE PUBLIC:**

1. Trudy Stamps, 1801 Whatling St. - Ms. Stamps addressed the Board and stated she wanted to make the public aware of the Facebook page "Get Smart Memphis". She expressed her concern of SmartMeters and stated they do not benefit the public.
2. Chet Kibble, 3229 Lakeview Rd. - Mr. Kibble addressed the Board in regard to his concern of lead compound exposure in the water. He discussed a study done by the EPA and various types of corrosion and the fact the EPA is going to take part in a remediation regarding lead. He also discussed a congressional investigation done from 2001 to 2010 pertaining to lead poisoning.
3. Donna Bohannon, 5343 Sea Isle - Ms. Bohannon addressed the Board to voice her opinion on SmartMeters. She stated she leads the group and discussed a flyer that is distributed to the public in regard to the risks of SmartMeters. She discussed health problems, fires, hacking, and higher utility costs associated with SmartMeters.
4. Kathy Auxier, 10840 Monterey Forest Cove - Ms. Auxier addressed the Board stating their projections show no savings to customers replacing current meters with SmartMeters. She discussed the cost of the project and her concerns of the meters morally.
5. Minister Suhkara A. Yahweh, 775 Porter Street - Minister Yahweh distributed documents to the Board. He discussed his children, grandchildren, and great-grandchildren and his concern of health related issues from lead poisoning. He requested that the Board delay any and all movement in regard to lead in water, and stated he plans to contact the American Medical Association.
6. Kelvin Malone, 9991 Millington-Arlington Rd. - Mr. Malone informed the Board that he believes he was unjustly terminated and requesting he be reinstated as an employee of MLGW. He emphasized that his actions were based on instructions received from his Manager. He distributed a packet to the Board with copies of his statement and other documents pertaining to his termination. Chairman Masson advised Mr. Malone

that this needs to be turned over to the HR Committee for further investigation and review.

## **PRESIDENT'S BRIEFING:**

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

(President's Briefing Continued on Page 5)

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 16)

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS] ADDED ON ITEM 16 WITH SAME DAY MINUTES FOR ITEMS 6 AND 16</b>
<b>MOVER:</b>	Steven Wishnia, Board Member
<b>SECONDER:</b>	Darrell T. Cobbins, Board Member
<b>AYES:</b>	Carlee McCullough, Rick Masson, Steven Wishnia, Darrell T. Cobbins
<b>ABSENT:</b>	Derwin Sisnett

## **CONSTRUCTION & MAINTENANCE DIVISION**

1. Resolution awarding a contract to Martin Marietta, for the purchase of # 57 and CR-610 crushed limestone, in the amount of \$74,000.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
2. Resolution approving Contract No. 11753, Infrastructure Coordination Project, to Accela, Incorporated, in the funded amount of \$39,750.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
3. Resolution awarding Contract No. 11712, ADA Upgrades at MLGW University, to Barnes and Brower, Incorporated in the funded amount of \$238,719.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution awarding Contract No. 11706, Re-Roof Electric Substation 2 and 32, to B-Four Plie, Incorporated, in the funded amount of \$116,373.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
5. Resolution approving Change No. 2 to Contract No. 11576, Emergency Storm Restoration Agreement, with Davis H. Elliot Construction Company, Incorporated for invoice payments, based on agreed upon rates, in the combined funded amount of \$426,994.95. (This payment request is for work performed on MLGW's electric system as a result of the June 5, 2014 storm in the amount of \$232,572.64, Invoice No. 227780 in the amount of \$232,232.49 and Invoice No. 232163 in the amount of \$340.15. This payment request is also for work performed as a result of the July 14, 2014 storm for

Invoice No. 232164 in the amount of \$194,422.31.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**CUSTOMER CARE DIVISION**

(None)

**ENGINEERING & OPERATIONS DIVISION****SAME DAY MINUTES REQUESTED FOR ITEM NO. 6**

6. Resolution approving Change No. 1 to Contract No. 11641, Variable Frequency Drive Replacement, with Shelby Electric Company, in the funded amount of \$58,181.59. (This increase is due to additional field service engineers needed to minimize the down time associated with the Startup of the Variable Frequency Drive Unit at 5101 East Holmes Road, Capleville LNG Facility, from fifteen days to four days.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution awarding Contract No. 11715, In-Service Wood Pole Truss Restoration System, to Osmose Utilities Services, Incorporated, based on agreed to rates, in the funded amount of \$1,200,000.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**FINANCE DIVISION**

8. Resolution approving Change No. 3 to Contract No. 11508, Utility Payment Centers, with FirstTech, in the funded amount of \$218,000.00. (This change is to renew the current contract for the third of four renewal terms covering the period November 15, 2014 through November 14, 2015, with no increase in rates from the previous year.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
9. Resolution approving Change No. 1 to Contract No. 11314, Armed Car Services, with Loomis Armored US, Incorporated, in the funded amount of \$60,000.00. (This change is to increase the current contract in the funded amount of \$60,000.00 through the contract end date, which is February 28, 2015. This increase is needed due to an increase in the volume of pickups and deposits.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**GENERAL COUNSEL DIVISION**

10. Resolution approving the retirement of service of current designees to the Customer Appeals Committee, Mr. Bill Crawford and Mr. James McWillie, and request that the Board designate Evelyn Mathews-Duncan, Reginald Sisco and Byron Tate to serve as the Board's designees to that Committee. (Cheryl Patterson)
11. Resolution awarding Contract No. 11661, Medicare 111 Reporting, to Gould & Lamb, LLC, in the funded amount of \$45,000.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**HUMAN RESOURCES DIVISION**

12. Resolution awarding a contract to Industrial Sales Company, for supersqueezes, in the amount of \$93,954.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

13. Resolution approving the following positions: Position No. 01375, Utility Worker 2; Position Nos. 01462 and 01968, Apprentice Lineman; Position No. 06641, Supervisor Transmission & Operations Planning; and Position No. 02204, Accountant 2. (Jerry R. Collins, Jr.)

#### **INFORMATION SERVICES DIVISION**

14. Resolution approving Change No. 2 to Contract No. 9943, Graphics Reporting Software Package, with Allen Systems Group, Incorporated (ASG), in the funded amount of \$36,790.89. (This change is to renew annual software maintenance, license and support services for one year covering the period October 31, 2014 through October 30, 2015, with no increase in rates from the previous year. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by ASG, Incorporated.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
15. Resolution awarding a sixty month contract to Ricoh USA, Inc., for the purchase of maintenance and support for ApplicationXtender software, in the amount of \$189,780.90. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

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

(None)

#### **REQUEST TO ADD ON ITEM NO 16 WITH SAME DAY MINUTES**

16. Resolution approving Change No. 1 to Contract No. 11467, Construct Wastewater Recovery Tank at the Palmer Pumping Station with Barnes and Brower, Incorporated, with no increase in contract value. (This change is to extend the current contract to December 31, 2014, due to adverse weather conditions which caused a delay in the project.) (Jozelle Booker) (SAME DAY MINUTES REQUESTED)

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


2. 2015 Preliminary Budget - Jerry R. Collins, Jr. presented a PowerPoint presentation to the Board. He stated MLGW is fortunate to have received extremely positive credit ratings from Fitch, Moody's, and Standard & Poor's. He also noted the Pension plan is healthy and the OPEB fund is well funded. He stated MLGW customers enjoy the benefit of having some of the lowest utility rates in the country. He stated a water increase is needed to make up for the loss of revenue due to the recent announcement of Cargill closing their plant. Cargill is currently MLGW's largest customer of the Water Division and the closing will result in a negative impact to the division. The rate increase equates to approximately 35 cents per customer. The Budget will be presented to the MLGW Board in the form of a Resolution at the next Board Meeting on October 23. Based on approval from the MLGW Board, the current planned schedule going forth to the City Council is as follows: MLGW Committee Meeting held on November 4; Resolution requesting approval at the City Council Meeting on November 18; and approval of City Council Minutes on December 2.

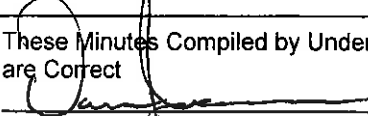
3. Other - Jerry R. Collins, Jr.

**ADJOURNMENT**

The meeting was adjourned at 2:41 p.m.

(See Minute File No. 1382)

Approved Without Interlineation  
  
Chairman

These Minutes Compiled by Undersigned and  
are Correct  
  
Secretary-Treasurer