



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, November 6, 2013

1:30 PM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Chairman Wishnia

The meeting was called to order at 1:30 p.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	Late	1:31 PM
Rick Masson	Vice Chairman	Present	
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; 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. Nick Newman, Vice President, Construction and Maintenance was not present.

APPROVALS:

Motion To: Approve Minutes of Meeting of October 17, 2013.

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

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated October 15, 2013, Items 13 through 22. (See Minute File No. 1370)

PRESENTATIONS:

Tom Chamberlain discussed the advantages of MLGW participating in energy conservation and public awareness. He introduced Scott Banbury, Conservation Chair of the Sierra Club who spoke of the Healthy Energy Campaign. Mr. Banbury presented Chairman Wishnia and President Collins with the Star Award.

GENERAL STATEMENTS FROM THE PUBLIC:

(None)

PRESIDENT'S BRIEFING:

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

(President's Briefing Continued on Page)

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 30)

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

CONSTRUCTION & MAINTENANCE DIVISION

1. Resolution awarding Contract No. 11601, Automated Call-Out System, to Arcos, Incorporated, in the funded amount of \$150,848.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
2. Resolution awarding Contract No. 11640, Line Clearance to ABC Professional Tree Services, in the funded amount of \$8,937,980.33. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
3. Resolution approving Change No. 3 to Contract No. 11516, Tire and Tire Repair, with Southern Tire, in the funded amount of \$181,615.00. (This change is to adjust the estimated quantities of tires, tire repairs, and tire services due to revisions to internal Transportation department policy and operational procedures resulting in an increase in the contract value. These operational procedures impact three major areas of tire management: the replacement of new and retread tires; tires on backhoe equipment; and trailer tires. The term on this contract ends December 31, 2013.) (Jozelle Booker) (REQUIRES CITY COUNCIL APROVAL)

4. Resolution awarding twenty-four month blanket contracts to Oldham Construction Company Inc., Barnhart Crane and Rigging Company and Industrial Crane Service Inc., for the rental of cranes with lift capacities ranging from 100-600 tons, in the funded amount not to exceed \$250,000.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
5. Resolution awarding contract to M.T. Deason Company, Inc. for the purchase of fifteen universal electro-fusion processors, in the funded amount of \$57,325.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

CUSTOMER CARE DIVISION

6. Resolution approving Change No. 6 to Contract No. 11070, Utility Meter Data Application, with Automated Energy, Inc. (AEI), in the funded estimated amount of \$236,000.00. (This change is to extend the current contract for an additional two year term for the period covering January 1, 2014 to December 31, 2015. In addition, this change is also to increase the monthly per meter price from \$15.00 to \$22.50. The set-up fee will also increase from \$50 to \$75 per meter for each new meter added to the service. These new costs represent the first increase from the introductory pricing established when the contract was executed in 2006. Further, these costs were negotiated down from the vendor's higher current market prices. Customers using the service pay monthly subscription fees to recover MLGW's contract cost.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution approving Change No. 16 to Contract No. 10569, Interactive Voice Response System, with Avaya, Incorporated, in the funded amount of \$100,000.00. (This change is to develop, modify, and maintain the Interactive Voice Response (IVR) System hardware and system to meet new business policies and rules. The term will remain through July 16, 2014.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

ENGINEERING & OPERATIONS DIVISION

8. Resolution approving Change No. 2 to Contract No. 11474, Generator Preventative Maintenance Agreement, with Cummins Mid-South, LLC, in the funded amount of \$55,528.73. (This change is to renew the current contract for the second of four annual renewal terms covering the period January 21, 2014 through January 20, 2015 with no increase in rates.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
9. Resolution awarding Contract No. 11664, CNG Fueling Station, 300 Peebles Road, to Chris Woods Construction Company, Incorporated, in the funded amount of \$2,032,000.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
10. Resolution awarding contract to Howard Industries, Inc. for the purchase of two pad-mounted grounded-front small power transformers, in the funded amount of \$81,767.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
11. Resolution approving Change No. 2 to Contract No. 11569, Foundation Installation Kruger Tissue Group (KTG) Transmission Line, with Reliable Constructors, Incorporated, in the funded amount of \$4,925.47. (This change is to ratify a field

change. During the process of preparing the site to install the foundation, an old abandoned utility pipe had to be removed. The field change order was required, due to MLGW's inability to leave the site unsecured.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

12. Resolution approving the rejection of the bid, for Contract No. 11629, Medium Voltage Breaker Replacement for Allen Pumping Station. (Jozelle Booker)
13. Resolution awarding contract to Brenntag Mid-South for a thirty-six month supply of sodium hexametaphosphate, in the funded amount of \$1,340,560.20. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
14. Resolution awarding contract to TESSCO, Inc., for the purchase of telecommunication equipment, in the funded amount of \$86,126.76. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
15. Resolution awarding contract to Lightspeed Technologies, Incorporated for the purchase of telecommunication control switch modules and accessories, in the funded amount of \$179,753.56. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
16. Resolution awarding Contract No. 11655, Choctaw CNG Gate Security Modifications to A & B Construction Company, Incorporated, in the funded amount of \$163,623.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

FINANCE DIVISION

17. Resolution awarding twelve month blanket contracts to Brighter Days and Nites, Inc., for various wire and cable, in the funded amount of \$9,216.10. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
18. Resolution awarding contract to Sunrise Technologies for a thirty-six month supply of photo-electric cell relays, in the funded amount of \$208,500.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
19. Resolution approving a thirty-six month extension of Purchase Order Number 135600 to Sherman Dixie Concrete Industries for manhole sections. (On November 20, 2008 the MLGW Board of Commissioners approved a sixty month blanket contract for the purchase of manhole sections in the amount of \$3,149,634.01. The blanket quantity was based on the usage of manhole sections for construction prior to the recession. Due to the decline in construction activity, actual usage was overestimated and not utilized. Also, the tooling cost represented a substantial investment on the part of the supplier, but usage to date has not allowed the supplier to absorb those costs. The quantity remaining on the contract is sufficient for the forecasted usage of the manholes sections, which is needed to replenish inventory material for distribution and/or contract crews to install and/or maintain the electric system for the thirty-six month period.) (Jozelle Booker)
20. Resolution approving Change No. 1 to Contract No. 11293, Procurement Card Provider, with First Tennessee Bank, with no annual fee. (This change is to extend the term of the contract for an additional year.) (Jozelle Booker)

GENERAL COUNSEL DIVISION

(None)

HUMAN RESOURCES DIVISION

21. Resolution approving Change No. 3 to Contract No. 11476, Industrial Psychology Services, with Lopez and Associates, in the funded amount of \$26,900.00. (This change is to develop and update hiring and promotional tests for MLGW's Customer Service Departments. This change includes Customer Account and Records Selection Program Enhancement in the amount of \$14,000.00 and Service Dispatcher Position Selection Program Enhancements in the amount of \$12,900.00. The term will remain through March 31, 2016.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
22. Resolution awarding Contract No. 11622, Employee Benefit Dental Plan, to Delta Dental of Tennessee, in the funded amount of \$7,765,606.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
23. Resolution approving the rejection of the bid, for Contract No. 11620, Insured Medical Plan, due MLGW's decision to discontinue the insured medical Point of Service (POS) plan to employees and retirees. (Jozelle Booker)

INFORMATION SERVICES DIVISION

24. Resolution approving Change No. 1 to Contract No. 11589, Professional Service Support, with TEK System, Incorporated, in the funded amount of \$699,163.00. (This change is to renew the current contract for the first of four annual renewal terms covering the period January 1, 2014 through December 31, 2014, with no increase in rates.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
25. Resolution approving Change No. 1 to Contract No. 11586, Professional Service Support, with VACO Midsouth, LLC, in the funded amount of \$868,136.00. (This change is to renew the current contract for the first of four annual renewal terms covering the period January 1, 2014 through December 31, 2014 with no increase in rates.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
26. Resolution approving Change No. 1 to Contract No. 11537, Professional Service Support, with NexTech Solutions, in the funded amount of \$870,977.00. (This change is to renew the current contract for the first of four annual renewal terms covering the period January 1, 2014 through December 31, 2014 with no increase in rates.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
27. Resolution approving Change No. 1 to Contract No. 11590, Professional Services Support, with Conch Technologies Incorporated, in the funded amount of \$738,534.00. (This change is to renew the current contract for the first of four annual renewal terms covering the period January 1, 2014 through December 31, 2014 with no increase in rates.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
28. Resolution approving Change No. 1 to Contract No. 11591, Professional Services Support with Stragistics Technology, Incorporated, in the funded amount of \$910,395.20. (This change is to renew the current contract for the first of four renewal

terms covering the period January 1, 2014 through December 31, 2014 with no increase in rates.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

29. Resolution approving Change No. 1 to Contract No. 11588, Professional Services Support, with Cook Systems, in the funded amount of \$750,160.00. (This change is to renew the current contract for the first of four renewal terms covering the period January 1, 2014 through December 31, 2014 with no increase in rates.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
30. Resolution approving Change No. 1 to Contract No. 11587, Professional Services Support, with Zycron, Incorporated, in the funded amount of \$820,103.83. (This change is to renew the current contract for the first of four annual renewal terms covering the period January 1, 2014 through December 31, 2014 with no increase in rates.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S DIVISION

(None)

PRESIDENT'S BRIEFING (Continued):

2. Master Water Bond Resolution - Dana Jeanes summarized the need to update the Master Bond Resolution for the Water Division. He also introduced Michael Bradshaw with Butler Snow. Mr. Bradshaw was able to answer questions directed to him from the Board.

3. Interdivisional Loan - Dana Jeanes informed the Board that a Resolution would be presented at the next meeting requesting approval of an interdivisional loan from the Gas Division to the Water Division. The details of the repayment were discussed.

4. Supplier Diversity Policy Revisions - Jozelle Booker presented the changes of the Supplier Diversity Policy to be presented to the Board for approval at the next meeting. She also provided various statistical analyses and discussed market changes. She presented a timeline and stated she expects implementation to begin January 1, 2014.

5. Other

Jerry Collins, Jr. informed everyone that Commissioner Cobbins is celebrating his birthday. Everyone present sang "Happy Birthday".

COMMITTEE REPORTS:

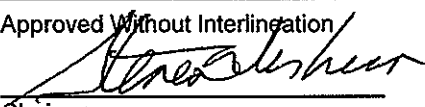
1. Audit Committee Report - Commissioner Rick Masson reported that the annual training has been conducted. He stated the various Audit Reports that were presented to the Committee at the last meeting.

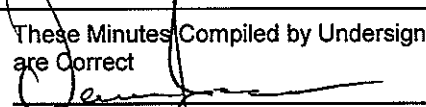
2. Supplier Diversity Update - 2nd Quarter 2013 - Renise Holliday reported the overall spend, reviewed statistics and provided additional details for the second quarter.

ADJOURNMENT:

The meeting was adjourned at 2:25 p.m.

SEE MINUTE FILE NO. 1371.

Approved Without Interlineation

Chairman

These Minutes Compiled by Undersigned and
are Correct

Secretary-Treasurer