



# Board of Light, Gas and Water Commissioners

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

## Board Meeting

~ Minutes ~

Thursday, November 20, 2014

1:30 PM

Board Room

### CALL TO ORDER AND OPENING REMARKS:

Chairman Masson

The meeting was called to order at 1:31 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	
Carlee McCullough	Board Member	Present	
Rick Masson	Chairman	Present	
Steven Wishnia	Board Member	Present	
Darrell T. Cobbins	Board Member	Late	1:34 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 November 6, 2014.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Steven Wishnia, Board Member
<b>SECONDER:</b>	Carlee McCullough, Board Member
<b>AYES:</b>	Derwin Sisnett, Carlee McCullough, 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 November 4, 2014, Items 16 through 31. (See Minute File No. 1382)

**GENERAL STATEMENTS FROM THE PUBLIC:**

(None)

**PRESIDENT'S BRIEFING:**

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

(President's Briefing Continued on Page 112)

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 40)

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Steven Wishnia, Board Member
<b>SECONDER:</b>	Derwin Sisnett, Vice Chairman
<b>AYES:</b>	Sisnett, McCullough, Masson, Wishnia, Cobbins

**CONSTRUCTION & MAINTENANCE DIVISION**

1. Resolution awarding thirty-six month contracts to Lehman-Roberts in the amount of \$194,497.00, Standard Construction Company in the amount of \$475,405.00, and APAC-Tennessee in the amount of \$388,620.00, for the purchase of asphalt. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
2. Resolution approving Change No. 3 to Contract No. 11491, System Furniture, with Staples, in the funded amount of \$264,450.00. (This change renews the current contract for the second of four renewal terms covering the period January 23, 2015 to January 22, 2016 with no increase in rates from the previous year in the funded amount of \$264,450.00.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**CUSTOMER CARE DIVISION**

3. Resolution approving Change No. 12 to Contract No. 10765, Private Label Service Agreement, with Aclara Technologies, LLC, in the funded amount of \$2,297,780.00. (This change is to expand the scope of services and extend the current contract, which ends December 31, 2014, to an additional five year term covering the period January 1, 2015 through December 31, 2019, with the option of two additional one year renewals. This change reflects a 3% increase allowing MLGW customers with enhanced information on utility use, cost and savings options through MLGW's My Account as well as access to customer service channels.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution awarding a twenty-four month contract to Border States, for instrument transformers, in the amount of \$143,902.06. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

5. Resolution approving Change No. 12 to Contract No. 10562, PBX/ACD System, with Black Box Network Services, in the funded amount of \$153,518.00. (This change is to produce custom features and tools for the existing OpenScape Contact Center v8.0 application. This change is also to increase the number of licenses of existing products to cover supervisors in other Customer Care departments; to setup personal automatic greetings to preclude agents from speaking same greeting multiple times a day; to allow management to extract and read chat dialogues when a dispute is raised by a customer; and to provide an alert notification when a customer's chat or e-mail arrives to mirror voice notification capabilities.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
6. Resolution approving revisions to the 2015 Electric, Gas and Water Schedule of Charges to become effective January 1, 2015. (Chris Bieber)
7. Resolution approving revisions to the 2015 Incentive Policy to become effective January 1, 2015. (Chris Bieber)
8. Resolution approving revisions to the 2015 Electric, Gas and Water Service Policy to become effective January 1, 2015. (Chris Bieber)
9. Resolution approving revisions to the 2015 Customer Care Policy to become effective January 1, 2015. (Chris Bieber)
10. Resolution requesting approval to exercise an option to renew Purchase Order Number 146925 with Elster American Meter Company LLC in the amount of \$937,112.25, and Purchase Order Number 146927 with Romet International Limited in the amount of \$686,321.00, for the final twelve month period for gas meters. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
11. Resolution awarding twenty-four month contracts to Milbank Manufacturing in the amount of \$210,866.27 and The Durham Company in the amount of \$437,880.73, for electric meter sockets and pedestals. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
12. Resolution awarding twenty-four month contracts to WESCO Distribution in the amount of \$236,060.00, Landis & Gyr, Inc. in the amount of \$30,000.00, and Border States in the amount of \$706,176.00, for electric meters. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

#### **ENGINEERING & OPERATIONS DIVISION**

13. Resolution approving Change No. 2 to Contract No. 11501, Geotechnical Investigation, with Professional Services Industries, Incorporated, with no increase in contract value. (This change is to renew the current contract for the second of four annual renewal terms covering the period October 16, 2014 through October 15, 2015.) (Jozelle Booker)
14. Resolution approving a single source award for Contract No. 11759, Choctaw CNG Compressor Rebuild, to Varitech, Incorporated, in the funded amount of \$92,867.78. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
15. Resolution awarding Contract No. 11727, 2015 External Corrosion Direct Assessment (ECDA) Inspection/Survey for MLGW's Natural Gas Pipeline, to Southern Cross Pipeline Integrity Services, LLC, in the funded amount of \$189,700.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

16. Resolution approving Change No. 2 to Contract No. 11582, Programmable Logic Controller (PLC) Maintenance, with Logical Systems Incorporated, with no increase in contract value. (This change is to renew the current contract for the first of four annual renewal terms covering the period January 4, 2015 through January 3, 2016. (Jozelle Booker)
17. Resolution awarding the purchase of a portable steel truck scale, to G. T. Michelli Company, Inc., in the amount of \$43,375.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
18. Resolution approving Change No. 4 to Contract No. 11413, Surveying Services, with Benchmark-Ollar Surveying, in the funded amount of \$144,381.00. (This is the fourth and final renewal term covering the period of January 19, 2015 through January 18, 2016. This renewal reflects a 3% increase in rates from the previous year due to an increase in operating costs.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**FINANCE DIVISION**

19. Resolution approving a twelve month extension of Purchase Order Number 137527 to HD Supply Power Solutions for underground secondary cable. The new expiration date for the contract with the twelve month extension is December 16, 2015, with no additional funds being requested for the extension. (Jozelle Booker)
20. Resolution awarding a twelve month contract to Brighter Days and Nites, Inc., for 600V class power cable in-duct, in the amount of \$116,848.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
21. Resolution awarding a twenty-four month contract to Universal Scaffold & Equipment LLC, for meter pedestals, in the amount of \$415,713.24. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
22. Resolution awarding a twenty-four month contract to Universal Scaffolding and Equipment, LLC, for cable, in the amount of \$954,318.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
23. Resolution awarding a twelve month contract to Brighter Days and Nites, Inc., for 500 Kcmil wire, in the amount of \$261,491.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**GENERAL COUNSEL DIVISION**

24. Resolution approving Change No. 7 to Contract No. 11279, Third Party Administrator for Workers' Compensation, with Brentwood Services Administrators, Incorporated, in the funded amount of \$30,000.00. (This change is to renew the current contract for the sixth and final renewal term for the period covering January 1, 2015 through December 31, 2015 with no increase in rates from the previous year. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

**HUMAN RESOURCES DIVISION**

25. Resolution approving Change No. 4 to Contract No. 11465, Contract Security Services, with CDA, Incorporated, in the funded amount of \$2,944,716.72. (This change is to renew the current contract for the fourth and final renewal term covering the period January 1, 2015 to

December 31, 2015, with no increase in rates from the previous year.) (Jozelle Booker)  
(REQUIRES CITY COUNCIL APPROVAL)

26. Resolution approving Change No. 3 to Contract No. 11499, Temporary Service for General Labor, with Pridestaff, in the funded amount of \$860,206.60. (This change is to renew the current contract for the third of four renewal terms covering the period January 4, 2015 through January 3, 2016 in the funded amount of \$807,541.00 with no increase in rates from the previous year. In addition, MLGW is requesting the approval of contingency funds in the amount of \$52,665.60 for unexpected vacancies for a total funded amount of \$860,206.60.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
27. Resolution approving Change No. 4 to Contract No. 11500, Temporary Service for Clerical Support, with Kelly Services, in the funded amount of \$574,087.40. (This change is to renew the current contract for the third of four renewal terms covering the period January 4, 2015 through January 3, 2016 in the funded amount of \$471,689.00 with no increase in rates from the previous year. In addition, MLGW is requesting the approval of contingency funds in the amount of \$102,398.40 for unexpected vacancies for a total funded amount of \$574,087.40.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
28. Resolution approving Change No. 3 to Contract No. 11529, Temporary Service for Skilled Craftsman, with Pridestaff, with no increase in the contract value. (This change is to renew the current contract for the third of four renewal terms covering the period January 4, 2015 through January 3, 2016 in the funded amount of \$70,220.80 which will be absorbed in the current contract value.) (Jozelle Booker)
29. Resolution approving Change No. 1 to Contract No. 11472, Healthcare Administration, with CIGNA Corporation, in the estimated funded amount of \$106,997,672.00. (This change is to renew the current contract for an additional two year term covering the period January 1, 2015 through December 31, 2016.) (Jozelle Booker)
30. Resolution approving position number 01032, Utility Worker 2. (Jerry R. Collins, Jr.)
31. Resolution awarding Contract No. 11670, Workers' Compensation Brokering to Willis of Tennessee, Incorporated, in the funded amount of \$495,000.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

#### **INFORMATION SERVICES DIVISION**

32. Resolution approving Change No. 6 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. (This change is to renew the current contract for annual software maintenance for the SAP Business Objects Web Intelligence software covering the period November 4, 2014 through November 3, 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 SAP Public Services, Incorporated.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
33. Resolution approving Change No. 4 to Contract No. 10927, Perpetual Licensing Agreement, with Pitney Bowes Software, Incorporated, in the funded amount of \$100,855.00. (This change is to renew the current contract for software maintenance and support services covering the period September 1, 2014 through August 31, 2017. This change includes an upgrade from the current DOC1 version 4 to EngageOne, which is replacing DOC1. The EngageOne product will have the same capabilities as the DOC1 version 4 but will have capabilities for future

expansion. This renewal allows MLGW to lock in a 2% increase compared to the company's standard 5% increase for the second and third year. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by Pitney Bowes.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

34. Resolution approving Change No. 5 to Contract No. 10908, Mobile Data, with Ventyx, Incorporated, in the funded amount of \$161,363.59. (This change is to renew annual software maintenance, license and support services for Mobile Dispatching System, Mobile Mapping, Street Level Routing through Customer Information System (CIS) covering the period January 1, 2015 through December 31, 2015 with no increase in rates from the previous year. This renewal also reflects a change in services to remove the Billgen Product, which Ventyx assigned and sold to another firm (Hansen Technologies), resulting in a reduction in price from the previous year. This product will now be provided under Contract No. 11754. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by Ventyx, Incorporated.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
35. Resolution approving Change No. 2 to Contract No. 11589, Professional Services Support, with TEKsystems, Incorporated, in the funded amount of \$847,688.00. (This change is to renew the current contract for the second of four annual renewal terms covering the period January 1, 2015 through December 31, 2015 with no increase in rates from the previous year.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
36. Resolution approving Change No. 6 to Contract No. 11004, Human Resources and Payroll System, with KBACE Technologies, Incorporated, with no increase in the contract value. (This change is to renew annual support services for HR Kube for the period covering June 1, 2015 through May 31, 2018 in the funded amount of \$13,971.06. In addition, this change is also to renew annual support services for Payroll Benefits Kube for the period covering November 1, 2014 through October 31, 2017, in the funded amount of \$51,247.79 for a combined funded amount of \$65,218.85. This renewal includes a 5% increase from the previous year, which will be absorbed in the current contract value.) (Jozelle Booker)
37. Resolution approving the assignment of Contract No. 11752, Software License and Services Agreement, to Hansen Technologies from Ventyx, Incorporated in the funded amount of \$47,720.03. (This service was previously provided by Ventyx, Incorporated, which was awarded under Contract No. 10908 Mobile Data Solutions. Ventyx, Incorporated has discontinued providing software license and support services for BillGen and has assigned this portion of the work to Hansen Technologies. The term of this contract is for the period covering January 1, 2015 through December 31, 2015 in the funded amount of \$47,720.03. This is a sole source award and Hansen Technologies is the only firm who can provide this service for the software.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

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

38. Resolution awarding contract to Konica Minolta Business Solutions for a forty-eight month rental of two digital black and white copier/printer systems, in the amount of \$481,728.00. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)
39. Resolution approving Change No. 2 to Contract No. 11543, Environmental Abatement Services, with General Construction Services, Incorporated, in the funded amount of \$6,000,000.00. (This change is to add additional funds in the funded amount of \$250,000.00 for unplanned environmental emergency response work at various MLGW facilities to meet regulatory requirements. In addition, this change is also to renew the current contract for the second of four

annual renewal terms covering the period January 1, 2015 through December 31, 2015 in the funded amount of \$5,750,000.00.) (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

40. Resolution awarding a contract to MSM Solutions, for a Barcode System, in the amount of \$71,430.25. (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

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

2. Budget Update - 3rd Quarter 2014 - Roland McElrath reviewed the budget to actual performance year to date as of September, 2014. In summary the Electric Division change in net position was favorable due to decreases in operating expense, offset by a decrease in operating margin. The Gas Division change in net position was favorable due to the increase in operating margin and decreases in operating expenses. The Water Division change in net position was favorable due to lower O&M expenses.

3. Groundwater Institute (GWI) Presentation - Jerry R. Collins, Jr. / Dr. Dan Larson / Mr. Scott Schoeferacker / Ms. Michelle Dry - Nick Newman introduced the speakers from the GWI and discussed the importance of the relationship between MLGW and GWI. Ms. Dry discussed the interactive mobile education trailer which allows young people to understand more about water. She also discussed the Water Education Garden that will be built at Memphis Botanic Garden. Mr. Schoeferacker discussed the Wellhead Protection Program. He also pointed out various universities working together on water related research. Dr. Dan Larson explained the charts and graphs from the presentation pertaining to age dating results. He stressed there is an assumption that water is abundant and the public needs to be better educated in regard to this. He explained the facts of "newer" water replacing "older" water.

4. Other - Jerry R. Collins, Jr.

President Collins encouraged everyone to tour the WOW mobile that was parked in the MLGW second street parking lot.

Chairman Masson announced that President Collins had just celebrated a birthday. Everyone sang "Happy Birthday".

#### ADJOURNMENT

There being no further business, the meeting was adjourned at 2:34 p.m.

See Minute File No. 1383.

Approved Without Interlineation

Rich Masson  
Chairman

These Minutes Compiled by Undersigned and  
are Correct

[Signature]  
Secretary-Treasurer