



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, February 6, 2019

1:00 PM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Chairwoman McCullough

The meeting was called to order at 1:01 p.m.

PLEDGE OF ALLEGIANCE:

Chairwoman McCullough

The Pledge of Allegiance was recited.

SAFETY BRIEFING:

President Young

President Young addressed the audience giving instructions in the event of an emergency during the meeting. He explained that an alarm would sound with instructions given over the loud speaker. He pointed out exits and explained the responsibilities of the Security Officers. He asked for everyone's cooperation should an emergency arise.

ROLL CALL:

Dana Jeanes

Attendee Name	Title	Status	Arrived
Carlee McCullough	Chairwoman	Present	
Mitch Graves	Vice-Chair	Present	
Leon Dickson	Board Member	Absent	
Mike Pohlman	Board Member	Present	
Steven Wishnia	Board Member	Present	

The following staff members were present: J. T. Young, President and CEO; Dana Jeanes, SVP, CFO and CAO (Secretary-Treasurer); Cheryl Patterson, VP and General Counsel; Alonzo Weaver, SVP & COO; Cliff DeBerry, VP Design, Construction & Delivery; Christopher Bieber, VP, Innovation & Business Analytics; Von Goodloe, VP, Shared Services; Gale Carson, VP Community and External Affairs; Roland McElrath, Controller; and Lesa Walton, Chief Internal Auditing Officer. The following staff members did not attend: Lashell Vaughn, VP & CIO; Nick Newman, VP, Engineering & Operations; and Jim West, VP, Chief Customer Officer.

Advisory Board Members:

Dwain Kicklighter - Present

Kevin Young - Present

APPROVALS:

Motion To: Approve Minutes of the Meeting of January 23, 2019.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Mitch Graves, Vice-Chair
SECONDER:	Steven Wishnia, Board Member
AYES:	Michael Pohlman, Steven Wishnia, Carlee McCullough, Mitch Graves
ABSENT:	Leon Dickson

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE: Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated January 22, 2019, Items 11 through 14. (See Minute File No. 1433.)

PRESENTATIONS:

(None)

GENERAL STATEMENTS FROM THE PUBLIC:

George Redmond, III, 1718 S. Barksdale, addressed the Board. He is an employee of MLGW. He provided a handout to the Board explaining details of his appearance today. He explained that one of his responsibilities is to test employees. He stated he administered a Performance Hands-On Test to Martin Lichterman. Eight months later he stated he received a an e-mail from Eric Conway to come to his office on December 5, 2018 along with Angela Hewlett, Chandrika Winston, Callen Hayes and Garland Crawford. He stated he was informed that allegations had been brought against him. His testing privileges were suspended. He stated he was called again to Eric Conway's office for more discussion and was told he would be contacted around the first of the year. Mr. Redmond is asking that this investigation end soon and stated it has caused a lot of stress for him. Discussions during the meeting between Mr. Redmond, Eric Conway, Von Goodloe and the Commissioners resulted in the decision to take a look at everything and get this issue closed. The Board did question why it would take eight months to address. Mr. Conway stated this was an area investigation.

PRESIDENT'S BRIEFING:

1. Review of Consent Agenda - J. T. Young

(President's Briefing Continued on Page 4)

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 7)

RESULT: APPROVED [UNANIMOUS]
MOVER: Steven Wishnia, Board Member
SECONDER: Mitch Graves, Vice-Chair
AYES: Michael Pohlman, Steven Wishnia, Carlee McCullough, Mitch Graves
ABSENT: Leon Dickson

CHIEF CUSTOMER OFFICER

(None)

CHIEF INFORMATION OFFICER

(None)

CHIEF PEOPLE OFFICER

(None)

DESIGN CONSTRUCTION & DELIVERY

(None)

ENGINEERING & OPERATIONS DIVISION

(None)

PRESIDENT'S DIVISION

(None)

SVP, CFO & CAO, FINANCE DIVISION

1. Resolution requesting approval of Pharos Capital Partners IV, L.P., a private equity manager, to manage approximately \$25,000,000 for the benefit of the MLGW Retirement and Pension Fund, as part of a reallocation. (Dana Jeanes)
2. Resolution approving selection of Gavion, LLC as investment consultant, for benefit of the MLGW Retirement and Pension Fund, in the amount of \$195,000 annually for a term of 60 months under contract #12047. (Dana Jeanes)
3. Resolution requesting approval of Pharos Capital Partners IV, L.P., a private equity manager, to manage approximately \$5,000,000 for the benefit of the MLGW OPEB Trust Fund, as part of a reallocation. (Dana Jeanes)
4. Resolution approving the selection of Gavion, LLC as investment consultant, for benefit of the MLGW OPEB Trust, in the amount of \$90,000 annually for a term of 60 months under contract #12067. (Dana Jeanes)

SHARED SERVICES

5. Resolution awarding a thirty-six month purchase order for gas regulators to Universal Scaffold & Equipment, LLC, in the amount of \$684,293.83. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

6. Resolution awarding purchase orders for light duty vehicles to AutoNation Ford Memphis in the amount of \$964,124.54 and Ford of Murfreesboro in the amount of \$124,186.00. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution awarding purchase orders for heavy duty equipment to Summit Truck Group in the amount of \$3,607,248.00, AutoNation Ford Memphis in the amount of \$258,842.80 and Tag Truck Center in the amount of \$92,053.70. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

VP & GENERAL COUNSEL DIVISION

(None)

PRESIDENT'S BRIEFING (Continued):**2. Budget Update - J. T. Young**

President Young informed the Board that the Gas rate increase resolution was voted down at the City Council meeting on February 5. The Electric, Water and Budget resolutions were held until the next meeting. He explained that the feedback received during the CC meeting was to conduct more community awareness around the need for infrastructure improvement and the timing of that. Commissioner Wishnia voiced the fact that President Young has done plenty of media interviews and press conferences. He asked if the budget was taken back to CC same as 2018, what effects would there be. Dana Jeanes stated there would be a negative impact in all divisions. Mr. Jeanes also clarified that the State only has the authority in the water division in relation to increasing rates. They can intervene after two years of loss in the water division only.

President Young stated we will try to continue to explain the facts and the need for the increases. Discussion among the Board Members regarding the fact this it is an election year for the CC is most likely playing a role in the votes. Several of the Board Members noted that the infrastructure is suffering and rate increases have been needed for several years for improvement. Commissioner Wishnia pointed out that we do not know what will happen with interest rates in the future and that could make a major impact in a negative way.

3. Other - J. T. Young

Motion To: Approve a Budget with No Rate Increases and Change in Net Assets No Less Than Zero

RESULT: ADOPTED [UNANIMOUS]
MOVER: Mitch Graves, Vice-Chair
SECONDER: Steven Wishnia, Board Member
AYES: Michael Pohlman, Steven Wishnia, Carlee McCullough, Mitch Graves
ABSENT: Leon Dickson

COMMITTEE REPORTS:

(None)

ADJOURNMENT:

The meeting was adjourned at 1:34 p.m.

(See Minute File No. 1434.)

Approved Without Interlineation


Chairwoman

These Minutes Compiled by Undersigned and
are Correct


Secretary-Treasurer