



# Board of Light, Gas and Water Commissioners

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

## Board Meeting

~ Minutes ~

Wednesday, March 6, 2019

1:00 PM

Board Room

### CALL TO ORDER AND OPENING REMARKS:

Chairwoman McCullough

The meeting was called to order at 1:00 p.m.

### PLEDGE OF ALLEGIANCE:

Chairwoman McCullough

The Pledge of Allegiance was recited.

### SAFETY BRIEFING:

J. T. 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.

A moment of silence was held for Mr. Chew Shannon. He worked for MLGW for 36-years and recently passed away.

### ROLL CALL:

Dana Jeanes

Attendee Name	Title	Status	Arrived
Michael Pohlman	Board Member	Present	
Steven Wishnia	Board Member	Present	
Carlee McCullough	Chairman	Present	
Mitch Graves	Vice-Chair	Present	
Leon Dickson	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; Nick Newman, VP, Engineering & Operations; Cliff DeBerry, VP Design, Construction & Delivery; Christopher Bieber, VP, Innovation & Business Analytics; Lashell Vaughn, VP & CIO; Gale Carson, VP Community and External Affairs; Jim West, VP, Chief Customer Officer, Roland McElrath, Controller; and Lesa Walton, Chief Internal Auditing Officer. Von Goodloe, VP, Shared Services did not attend the meeting.

### Advisory Board Members:

Dwain Kicklighter - Present  
Kevin Young - Present

**APPROVALS:**

Motion To: Approve Minutes of the Meeting of February 20, 2019.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Steven Wishnia, Board Member
<b>SECONDER:</b>	Michael Pohlman, Board Member
<b>AYES:</b>	Pohlman, Wishnia, McCullough, Graves, Dickson

**CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:**

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated February 19, 2019, Items 8 through 10 and 16. (See Minute File No. 1434.)

**PRESENTATIONS:**

United Way - 2018 Check Presentation - Bryan Hutton/Sharon Strahan/Dr. Kenneth Robinson/Annette Knox/Al Edwards/Stephanie Douglass - Bryan pointed out that MLGW has been partnering with United Way since the 1960's. He talked about the lives they save and the difference the funding makes to so many people. Sharon Strahan thanked upper management for their continued support. The Steering Committee employees were introduced. A check in the amount of \$661,173.54 for the 2018 campaign. Dr. Robinson thanked everyone for their generosity and ended his talk with the saying that "Where There is a You, There is a Way".

**GENERAL STATEMENTS FROM THE PUBLIC:**

1) Randy Johnson, 599 Northaven - Mr. Johnson addressed the Board stating he owns several rental properties and is having a problem with our Service Agreement. He stated tenants are having problems in having services turned on due to the previous tenant's unpaid utility bill. Jim West took Mr. Johnson into a private area to discuss this with him and to resolve the problem.

2) Bill Hawkins, 4000 Clearpool Circle - Mr. Hawkins wanted to point out that the 2018 Healthcare Report does not show the true savings on page 8 for the entire plan. He stated page 9 of the report reflects the rebates and page 8 does not. He stated he knows there has been a lot of discussion pertaining to budget cuts and wanted to remind everyone that the Union worked with Management and arrived at a substantial savings in regard to cuts. He noted that he informed Charles Perry he does not like the way the report is set up.

**PRESIDENT'S BRIEFING:**

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

(President's Briefing Continued on Page 30)

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 15)**

**RESULT:** ADOPTED [UNANIMOUS] – Delete Items 1, 2 and 11 from Consent Agenda  
**MOVER:** Steven Wishnia, Board Member  
**SECONDER:** Mitch Graves, Vice-Chair  
**AYES:** Pohlman, Wishnia, McCullough, Graves, Dickson

**RESULT:** APPROVED [UNANIMOUS] – Items 3 through 10 and Items 12 through 15  
**MOVER:** Mitch Graves, Vice-Chair  
**SECONDER:** Steven Wishnia, Board Member  
**AYES:** Pohlman, Wishnia, McCullough, Graves, Dickson

**CHIEF CUSTOMER OFFICER**

1. Item Deleted - Resolution awarding a twenty-four month purchase order to Milbank Manufacturing for electric meter sockets and pedestals, in the amount of \$858,608.68. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
2. Item Deleted - Resolution awarding a twenty-four month purchase order to Brighter Days and Nites, Inc. for instrument transformers, in the amount of \$154,176.10. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

**CHIEF INFORMATION OFFICER**

3. Resolution approving Change No. 1 to Contract No. 11673, Physical Archive Storage with Vital Records Control, Incorporated, in the funded amount of \$19,039.83. (This change is to ratify the approval of funds to pay outstanding invoices related to the MAOP project which resulted in additional retrieval and archival storage of pertinent federal documentation. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution awarding a purchase order to Thomas Consultants, Inc. for Microsoft Unified software annual maintenance and support, in the amount of \$85,803.22. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
5. Resolution awarding a purchase order to vCloud Tech, Inc. for Citrix Software annual maintenance and support, in the amount of \$100,198.52. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

**RESULT:** APPROVED [UNANIMOUS] – Item 6 Same Day Minutes  
**MOVER:** Mitch Graves, Vice-Chair  
**SECONDER:** Steven Wishnia, Board Member  
**AYES:** Pohlman, Wishnia, McCullough, Graves, Dickson

**CHIEF PEOPLE OFFICER**

6. Resolution approving Position No. 02954 - Distribution Design Engineer 3. (JT Young/Von Goodloe) (SAME DAY MINUTES REQUESTED)
7. Resolution approving Change No. 1 to Contract No. 11997, Commercial Auto Insurance for Out-of-State Travel with Pete Mitchell and Associates, Incorporated, in the funded amount of \$136,009.00. (This change is to renew the current contract for the first of four annual renewal terms for the period covering March 14, 2019 through March 13, 2020. This amount reflects an increase of covered vehicles from 91 to 103.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

**DESIGN CONSTRUCTION & DELIVERY**

8. Resolution approving Change No. 3 to Contract No. 12002, Emergency Storm Restoration with DeSoto County Electric, Incorporated, for an invoice payment, in the funded amount of \$35,309.12. (The contract term will remain through January 14, 2023. This payment request is for emergency restoration services performed on MLGW's electric system as a result of the December 31, 2018 storm for Invoice No. 5045.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
9. Resolution approving Change No. 5 to Contract No. 11961, Emergency Storm Restoration with Davis H. Elliot Company, Incorporated, based on agreed upon rates, in the funded amount of \$38,531.19. (This payment request is for emergency restoration services performed on MLGW's electric system as a result of the December 31, 2018 storm for Invoice No. 420715.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
10. Resolution approving the payment of an invoice for the 2019 annual membership dues plus locate request tickets from Tennessee One Call System in the amount of \$115,548.10 (Cliff DeBerry) (REQUIRES CITY COUNCIL APPROVAL)

**ENGINEERING & OPERATIONS DIVISION**

11. Item Deleted - Resolution approving payment of an invoice from the American Gas Association for the 2019 Annual Membership dues in the amount of \$59,600.00. (Dues help to fund efforts to monitor and shape regulations and legislation that effect the gas industry, allow members to share operational experiences and develop programs that improve safety, service delivery and compliance.) (Nick Newman) (REQUIRES CITY COUNCIL APPROVAL)
12. Resolution approving Change No. 13 to Contract No. 10332, ABB Software Maintenance with ABB Power Training and Development Company, Incorporated, in the funded amount of \$1,200,220.00. (This change is to add \$569,000.00 for an OMS Upgrade from NM 3.2 to NM 9.X. This change is to also renew annual software

maintenance, licenses, and support services for the DMS Software covering the period January 1, 2020 through December 31, 2022 in the funded amount of \$631,220.00. This renewal reflects a decrease in cost from a 5-year to a 3-year term. By taking advantage of the three year defined fixed cost, MLGW receives approximately \$100,000.00 in savings for this renewal.) (Clifton Davis) (REQUIRES CITY COUNCIL)

**PRESIDENT'S DIVISION**

(None)

**SVP, CFO & CAO, FINANCE DIVISION**

(None)

**SHARED SERVICES**

13. Resolution awarding Change No. 1 to Contract No. 11996, Operator Qualification Training with Veriforce, LLC, in the funded amount of \$29,700.00. (This change is to ratify and renew annual software maintenance, licenses, and support services for the period covering February 14, 2019 through February 13, 2020, with no increase in rates from the previous year.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
14. Resolution awarding a twenty-four month purchase order for fiber optic ground wire to WESCO Distribution, Inc., in the amount of \$645,293.00. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

**VP & GENERAL COUNSEL DIVISION**

15. Resolution approving and upholding the decisions reflected in the December 31, 2018 Quarterly Report of the Customer Appeal Committee. (Cheryl Patterson)

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

2. HR Policy 22-01 - Tuition Assistance - Eric Conway reviewed the summary of revisions for the policy. The Board did not have any questions.
3. HR Policy 22-13 - Sick Leave and Short Term Salary Continuation Program - Eric Conway reviewed the summary of revisions for the policy. The Board did not have any questions.
4. HR Policy 22-15 - Retirement Parties - Eric Conway reviewed the summary of the revisions of the policy. The Board did not have any questions.
5. HR Policy 22-23 - Life-Threatening Illness - Eric Conway explained that the policy is being removed/deleted. There are other policies in place that cover the content of this policy. There were no questions from the Board.
6. Other - J. T. Young

President Young pointed out that the employee contributions to United Way show how committed they are to the community and helping others. He noted that the merit review increases were 2%, but the increase in the United Way contribution check is about an 8% increase compared to last year.

President Young updated the Board on the latest pertaining to the budget cuts. He indicated that the areas have been given a target number to reach in cuts. He noted that there is \$40,000,000 in O&M and \$150,000,000 in Capital to cut and this is the scope of what we are trying to achieve. In addition, he added that we must be very careful to not make unwise cuts and remain strategic. He also mentioned that Mr. Hawkins' suggestions are valid and will be shared with the SLC on Friday. In closing President Young thanked the MLGW team for their cooperation and hard work over the past few weeks in working together through the budget cut processes.

Vice-Chairman Graves asked about the Corporate Scorecard and if there are any plans to reinstate that report to the Board. President Young advised that the report is being reinstated and the first report is scheduled to be given on May 1.

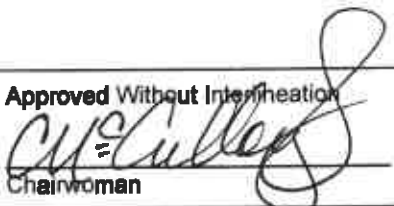
#### COMMITTEE REPORTS:

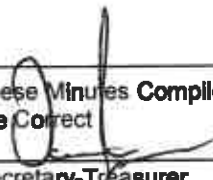
Supplier Diversity Report - Renise Holliday reported statistics from January 1, 2018 through December 31, 2018. Supplier Diversity spend had a great year with \$66.3 million. She went over the power point presentation explaining the percentages of the various categories. She stated the sourcing was increased in 2018. She thanked all of the staff from various departments for their support. Commissioner Wishnia asked if future reports could include a total count of the number of companies for each entity. Ms. Holliday agreed to provide that in future reports.

#### ADJOURNMENT:

There being no further business, the meeting was adjourned at 1:43 p.m.

(See Minute File No. 1435.)

Approved Without Intervention  
  
Chairwoman

These Minutes Compiled by Undersigned and  
are Correct  
  
Secretary-Treasurer