

MEMPHIS LIGHT, GAS & WATER DIVISION OFFICIAL MINUTES	
Meeting Time: September 15, 2011 at 3:00 P.M.	
Meeting Location: Board Room, Fifth Floor, Administration Building, Memphis, Tennessee	



The meeting was called to order by Chairman Cobbins at 3:01 p.m.

The Pledge of Allegiance was recited.

The Acting Secretary-Treasurer called the roll. The following Board Members were present: Darrell T. Cobbins, Chairman; Dedrick Brittenum, Jr., Vice Chairman; V. Lynn Evans; Rick Masson; and Steven Wishnia.

The following staff members were present: Jerry R. Collins, Jr., President & CEO; Dana Jeanes, Acting 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 M. Vaughn, Vice President and Chief Technology Officer.

Commissioner Wishnia moved that after personally reading and reviewing the typed minutes of the Memphis Light, Gas and Water Board meeting held September 1, 2011, that they be recorded as the official record, seconded by Commissioner Evans and unanimously carried.

The Acting Secretary-Treasurer acknowledged receipt of Certified Copies of City Council Documents dated August 16, 2011, Item 27, reappointing Darrell Cobbins and Steven

Wishnia to the Board of Light, Gas and Water Commissioners (see Minute File No. 1344) and receipt of Certified Copies of City Council Resolutions dated September 6, 2011, Items 20 through 28, approving items approved by the Board at its meeting held August 4, 2011 (see Minute File No. 1344) and Items 35 and 36, approving Pension and OPEB Funding approved by the Board at its meeting held July 21, 2011 (see Minute File No. 1343).

GENERAL STATEMENTS FROM THE PUBLIC: (None)

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 in these minutes and the original documents.

REGULAR AGENDA

1. Resolution nominating Mr. Dana J. Jeanes as Vice President, CFO and Secretary-Treasurer, at an annual salary of \$166,004.80.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

2. Resolution directing MLGW staff to submit to the Board a proposed amendment of the 2011 Electric, Gas & Water Service Policy Manual to provide an alternative secured financing method substantially based on the conditions set forth in Exhibit "A" attached to this resolution and certain information related thereto.

ITEM NO. 2 WAS DEFERRED TO MEETING OF OCTOBER 6, 2011

CONSENT AGENDA

3. Resolution approving Change No. 8 to Contract No. 9955, Partial Funding of Pollution Control, Ground Water Quality Control Program, with Memphis & Shelby County Health Department, in the funded amount of \$140,267.60. (This renews the contract for 2011 with no increase in meters from the previous year).

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

4. Resolution approving Change No. 4 to Contract No. 11173, Weld Testing and Inspection Services, with American Industrial Testing, in the funded amount of \$17,747.50, for a new contract value of \$88,247.50.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

5. Resolution approving Change No. 6 to Contract No. 11193, Janitorial Services, with Eurest Services, in the funded amount of \$117,906.39. (This increases the current contract value to complete the final term of the contract ending March 1, 2012. An error was made in calculating the amount required for the current renewal period).

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

6. Resolution awarding contract for one plasma-cutting machine to Machinery Sales Company, Inc., in the amount of \$56,900.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

7. Resolution authorizing Contract No. 11522, Pipeline Capacity Release Contract, for the purchase of one or more pipeline capacity releases through the pipeline bulletin board for the transmission of natural gas in an aggregate amount not to exceed \$36,000,000.00 under terms that do not exceed a maximum of five years.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

8. Resolution approving Change No. 1 to Contract No. 11307, Voice System Network PBX Maintenance, with Black Box Network Services, in a funded amount not to exceed \$258,003.89. (This renews the contract for the first of two renewal terms, January 14, 2012 to January 13, 2013, with no increase in rates).

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

9. Resolution awarding Contract No. 11483, 10 Mbps Metro Ethernet for MLGW Capleville Plant, to AT&T, in the funded amount of \$32,400.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

10. Resolution awarding Contract No. 11492, 2012 External Corrosion Direct Assessment Inspection/Survey of Natural Gas Pipeline, to BGL Asset Services, LLC, in the funded amount of \$292,950.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

11. Resolution approving Change No. 9 to Contract No. 10336, EMS/SCADA System, with General Electric (GE) Energy Management Services, with no increase in contract value. (This change will allow MLGW to join the other GE SCADA Joint Utility Procurement (JUP) members in receiving substantially reduced pricing for the purchase of the necessary hardware, GE software version upgrade, third-party licenses, and GE maintenance and support for the scheduled 2012 JUP member system upgrade in the amount of \$657,600.00, which will be absorbed in the current contract value). (Jozelle Booker)

APPROVED

12. Resolution awarding contract for telecommunications equipment to Motorola Solutions, Inc., in the amount of \$132,005.24.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

13. Resolution rejecting bids received for a 2500 kVA 23/12 kV large distribution transformer.

APPROVED

14. Resolution approving Change No. 1 to Contract No. 10614, Bloomberg Data License and Maintenance, with Bloomberg, L.P., in an estimated funded amount of \$62,880.00. (This change modifies the renewal provision of the contract from automatic renewals to renewals after request and approval. This also renews annual software maintenance and support services and license fees. The term of the maintenance covers the period September 2, 2011 to September 1, 2013, with no increase from the previous term. MLGW is requesting approval of continuous maintenance of the acquired system which can only be performed by Bloomberg, L.P.).

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

15. Resolution approving Change No. 4 to Contract No. 11240, Influenza Vaccine, with Methodist Healthcare Alliance Health Services in an estimated funded amount of \$28,770.00, for a new contract value of \$157,106.00. (This change renews the contract for the fourth and final renewal term, October 20, 2011 to October 19, 2012, with a 48.44% increase in cost per injection from \$17.00 to \$25.00 from the previous year. The value of the renewal is \$47,500.00; however, MLGW will receive a wellness credit from Health Choice (a division of Methodist Healthcare Systems) in the amount of \$18,730.00 which offsets the cost per injection from \$25.00 to \$15.14).

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

16. Resolution approving Change No. 1 to Contract No. 11424, Certified Laboratory for Drug Testing, with Advanced Toxicology Network, in the funded amount of \$24,000.00, for a new contract value of \$48,000.00. (This renews the contract for the first of four renewal terms, October 28, 2011 to October 27, 2012, with no increase in rates). (Jozelle Booker) (REQUIRES CITY COUNCIL APPROVAL)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

17. Resolution approving Position No. 04085, Offset Press Operator, and Position No. 06458, Human Resources Compliance Coordinator. (Jerry R. Collins, Jr.)

APPROVED

18. Resolution awarding contract for hand-held devices to Itron, Inc., in the amount of \$74,008.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

19. Resolution awarding contract for the expansion of the wireless network to Venture Technologies, in the amount of \$152,742.90.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

20. Resolution awarding contract for Hewlett Packard hardware and software to Logicalis, Inc., in the amount of \$906,886.12.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

21. Resolution awarding 12-month contract for a maintenance agreement to Mitchell Graphic Repair for printing equipment in the amount of \$11,856.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

22. Resolution awarding 36-month contract to Konica Minolta Business Solutions for the rental of a color printing system in the amount of \$263,513.88.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

APPROVAL OF CONSENT AGENDA (Items 3 through 22):

MOTION: Commissioner Masson

SECOND: Commissioner Wishnia

ROLL CALL:

AYE: Commissioner Evans

AYE: Commissioner Masson

AYE: Commissioner Wishnia

AYE: Vice Chairman Brittenum

AYE: Chairman Cobbins

CONSENT AGENDA APPROVED

APPROVAL OF REGULAR AGENDA:

MOTION TO APPROVE ITEM 1:

MOTION: Commissioner Wishnia

SECOND: Commissioner Masson

After much discussion regarding the VP, CFO and Secretary-Treasurer position, Vice Chairman Brittenum moved to amend the main motion, that the Secretary position be separated

from the Chief Financial Officer position and established as a stand-alone position, it was seconded by Chairman Cobbins. More discussion was held and Vice Chairman Brittenum withdrew his motion. (Complete discussion is on tape in Minute File No. 1345). The Chairman called for the vote on Regular Agenda Item No 1.

ROLL CALL:

NAY: Commissioner Evans
AYE: Commissioner Masson
AYE: Commissioner Wishnia
NAY: Vice Chairman Brittenum
AYE: Chairman Cobbins

ITEM NO. 1 APPROVED

MOTION TO DEFER ITEM 2 TO MEETING OF OCTOBER 6, 2011:

MOTION: Vice Chairman Brittenum
SECOND: Commissioner Masson

AYE: Commissioner Evans
AYE: Commissioner Masson
AYE: Commissioner Wishnia
AYE: Vice Chairman Brittenum
AYE: Chairman Cobbins

ITEM NO. 2 DEFERRED TO OCTOBER 6, 2011

There being no further business, the meeting was adjourned at 3:51 p.m.

SEE MINUTE FILE NO. 1345.

APPROVED WITHOUT INTERLINEATION

Chairman

**These Minutes Compiled by
 Undersigned and are Correct.**

Acting Secretary-Treasurer