

MEMPHIS LIGHT, GAS & WATER DIVISION OFFICIAL MINUTES	
Meeting Time: January 17, 2008 at 1:30 P.M.	
Meeting Location: Board Room, Fifth Floor, Administration Building, Memphis, Tennessee	



The meeting was called to order by Chairman Evans.

The Secretary-Treasurer called the roll. The following Board members were present: V. Lynn Evans, Chairman; William L. Taylor, Vice Chairman; Nick Clark; and Rick Masson.

The following staff members were present: Jerry R. Collins, Jr., President and CEO; John McCullough, Vice President, CFO and Secretary-Treasurer; Charlotte Knight Griffin, Acting Vice President and General Counsel; Nick Newman, Acting Vice President, Construction and Maintenance; Christopher Bieber, Vice President, Customer Care ; Alonzo Weaver, Vice President, Engineering and Operations; Armstead Ward, Vice President, Human Resources; and Linda Peppers, Vice President and Chief Technology Officer.

Barbara Swearngen Ware, City Council Member, was present.

Commissioner Clark moved that after personally reading and reviewing the typed minutes of the Memphis Light, Gas and Water Board meeting held January 3, 2008, that they be recorded as the official record, seconded by Vice Chairman Taylor and unanimously carried.

The Secretary-Treasurer acknowledged receipt of Certified Copies of City Council Resolutions dated January 8, 2008, Items 4 through 11, approving items approved by the MLGW Board at its meeting held December 20, 2007. (See Minute File No. 1300).

The President and staff members briefed the Board on the following items: (see Minute File No. 1301 for handouts).

1. Budget Update 2007 – Dana Jeanes
2. Ethics Policy – Armstead Ward
3. Natural Gas Purchasing – Laura Campbell
4. OPEB Update – John McCullough
5. Restructuring – Jerry R. Collins, Jr.

GENERAL STATEMENTS FROM THE PUBLIC:

1. Mr. Effort Alexander, 4612 Gilbert Road, Memphis, TN 38116.
2. Mr. Bill Hawkins, Assistant Business Manager, IBEW Local 1288, 4000 Clearpool Circle, Memphis, TN

NEW BUSINESS:

1. Election of Pension Board Chairman:

Nomination of V. Lynn Evans to serve as Chairman of the Pension Board for two-year term 2008 and 2009:

MOTION: Commissioner Masson
 SECOND: Commissioner Clark
 AYES: Commissioner Clark, Commissioner Masson, Vice Chairman Taylor, and Chairman Evans

APPROVED

Commissioner Clark moved to approve the Minutes of the election of V. Lynn Evans as Pension Board Chairman, seconded by Vice Chairman Taylor.

ROLL CALL ON APPROVAL OF MINUTES OF THE ELECTION OF V. LYNN EVANS AS PENSION BOARD CHAIRMAN

AYES: Commissioner Clark, Commissioner Masson, Vice Chairman Taylor and Chairman Evans

APPROVED

2. Committee Assignments

Chairman Evans appointed the Board members to serve on the following committees:

- Vice Chairman Taylor to serve on the Supplier Diversity Committee and the Human Resources Committee
- Commissioner Clark to serve on the Customer Appeal Committee, the Contractor Appeal Committee, and the Natural Gas Hedging Committee
- Commissioner Masson to serve as Chair of the Audit Committee

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

1. Resolution awarding Contract No. 11261, Commercial Auto Insurance, to Pete Mitchell and Associates, Inc. in the funded amount of \$87,609.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

2. Resolution approving Change No. 3 to Contract No. 10814, Online Legal Services, with Lexis Nexis in an estimated funded amount of \$206,670.00. (This renews the contract for a three-year period, December 1, 2007 through November 30, 2010, in the amount of \$190,332.00 and covers cost of services in the amount of \$16,338.00.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

3. Resolution approving Change No. 1 to Contract No. 10930, Long Distance Services, with AT&T with no increase in contract. (This extends the current contract until March 30, 2008, retroactive to December 1, 2007.)

APPROVED

4. Resolution approving Change No. 4 to Contract No. 11028, Security Services, with CDA, Inc. in an estimated funded amount of \$3,308,717.20. (This renews the contract for the third renewal term, April 1, 2008 to March 31, 2009, and covers additional manpower expenses.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

5. Resolution approving Change No. 5 to Contract No. 11168, Medical Services, with Nursefinders, Inc. in the funded amount of \$4,000.00. (This covers payment of additional invoices until permanent employee begins on January 14, 2008.)

APPROVED

6. Resolution approving Change No. 1 to Contract No. 11191, Television Production and Broadcast Services, with Media Source in the amount of \$1,000.00. (This allocates additional funds to the contract due to video services required.)

APPROVED

- 7. Resolution approving Change No. 4 to Contract No. 11208, Water Production Wells, with Layne-Central in an estimated funded amount of \$14,880.00. (This covers an extra 124' of surface casing for screen testing.)

APPROVED

- 8. Resolution approving Change No. 1 to Contract No. 11217, Temporary Services, with Manpower, Inc. in an estimated funded amount of \$230,000.00. (This renews the contract for the second term, January 1, 2008 through December 31, 2008, with no increase in rates, to provide short-term temporary assignments of identified skills for clerical positions.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

- 9. Resolution approving Change No. 1 to Contract No. 11220, Temporary Services, with Kelly Services, Inc. in an estimated funded amount of \$595,000.00. (This renews the contract for the second term, January 1, 2008 through December 31, 2008, with no increase in rates, to provide short-term temporary assignments of identified skills for general laborer positions.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

- 10. Resolution awarding 12-month contract for concrete standards and brackets, as follows:

StressCrete c/o Curtis H. Stout of Tennessee.....	\$1,078,910.00
Southern Sales and Services Co., Inc. c/o SkyCast.....	<u>1,126,082.30</u>
Total.....	\$2,204,992.30

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

- 11. Resolution amending Purchase Order No. 129872 with Stuart C. Irby for ACSR wire in the amount of \$73,219.61, for a total approved amount of \$485,219.61.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

- 12. Resolution awarding 12-month contract for #2 triplex cable to Utilicor in the amount of \$130,000.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

- 13. Resolution amending Purchase Order No. 123325 with American Electric Lighting for luminaries in the amount of \$155,267.96, for a total approved amount of \$2,874,053.40.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

- 14. Resolution approving the December 31, 2007 Quarterly Report of the Customer Appeal Committee.

APPROVED

15. Resolution approving line-of-progression mass job reclassifications, effective through December 31, 2008, for: 10 - Utility Worker I – Water Distribution; 12 - Utility Worker I – Gas Distribution; and 12 - Utility Worker II – Gas Distribution.

APPROVED

16. Resolution approving Position No. 01382, Helper and Position No. 02316, Clerk, Human Resources II.

APPROVED

17. Resolution approving MLGW restructure to effectively align similar business functions to improve overall operational efficiency and business process accountability. (See Minute File No. 1301).

APPROVED

18. Resolution approving a new rate schedule for the law firm of Miller, Balis & O’Neil, P.C. effective January 1, 2008, for legal services rendered concerning regulatory, contracts, and other legal matters uniquely related to the utility industry, as follows:

Partners	-	\$340.00 - \$395.00
Associates	-	\$170.00 - \$290.00
Law Clerks	-	\$125.00
Legal Assistants	-	\$100.00

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

19. Resolution employing the law firm of Bass, Berry & Sims on an as-needed basis at agreed upon hourly rates, retroactive to January 1, 2005, for legal services rendered concerning bond issues, rates and other legal matters uniquely related to the utility industry, as follows:

Partners	-	\$375.00 - \$415.00
Associates	-	\$250.00 - \$265.00
Paralegals	-	\$120.00 - \$175.00

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

20. Resolution approving amendment to the MLGW Retirement and Pension Plan to include a buy-back option for eligible employees to purchase prior Division service time under certain limited conditions. This amendment deletes the language *his attainment of Normal Retirement Age* and adds the language *his/her Benefit Commencement Date* to Article II, ELIGIBILITY, Section 2.2 (a) (ii); and deletes the language *attainment of Normal Retirement Age* and adds the language *Benefit Commencement Date* to Article II, ELIGIBILITY, Section 2.2 (b) (iii) and (c).

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

21. Resolution ratifying transfer of funds in the amount of \$15,065,197.00 from the Common Fund to the OPEB Trust in order to meet 2007 funding requirements.

APPROVED (TO CITY COUNCIL FOR RATIFICATION)

22. Resolution approving release of easement, located north side of Harrell Road, east of the centerline of Collierville-Arlington Road, to Canale Properties, LLC, for the sum of \$1.00.

APPROVED

ROLL CALL AGENDA ITEMS

MOTION: Commissioner Masson
SECOND: Vice Chairman Taylor
AYES: Commissioner Clark, Commissioner Masson, Vice Chairman Taylor
and Chairman Evans

AGENDA APPROVED

There being no further business, the meeting was adjourned.

SEE MINUTE FILE NO. 1301.