

MEMPHIS LIGHT, GAS & WATER DIVISION OFFICIAL MINUTES	
Meeting Time: May 15, 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 Darrell T. Cobbins. Rick Masson was not in attendance.

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; 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. Nick Newman, Vice President, Construction and Maintenance, was not in attendance.

City Council Member, Barbara Swearingen Ware, was in attendance.

Vice Chairman Taylor moved that after personally reading and reviewing the typed minutes of the Memphis Light, Gas and Water Board meeting held May 1, 2008, that they be recorded as the official record, seconded by Commissioner Cobbins and unanimously carried.

The Secretary-Treasurer acknowledged receipt of Certified Copies of City Council Resolutions dated May 6, 2008, Items 10 through 16, approving items approved by the

MLGW Board at its meeting held April 17, 2008 (see Minute File No. 1304); and Item 20, approving the Energy Smart initiative, approved by the MLGW Board at its meeting held March 20, 2008 (see Minute File No. 1303).

The President and staff members briefed the Board on the following items: (see Minute File No. 1305 for handouts).

1. Corporate Scorecard Update – 1st Quarter 2008 – Valerie McKinney/Christopher Bieber
2. Budget Update – 1st Quarter 2008 – Rod Cleek
3. Transmission Line Construction Contract - Sub. 79-86 – Michael R. Russell

GENERAL STATEMENTS FROM THE PUBLIC:

1. Bill Hawkins, Assistant Business Manager, IBEW Local 1288, 4000 Clearpool Circle, Memphis, TN

Mr. Hawkins introduced Trent Ward, the new Assistant Business Manager of IBEW Local 1288 who replaces the late Jonnie Dawson.

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 approving Change No. 12 to Contract No. 10718, Long and Short-Term Disability, with Unum Provident, in the funded amount of \$2,353,206.00. (This renews the current contract for the period July 1, 2008 to March 31, 2009.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

2. Resolution approving Change No. 2 to Contract No. 10793, Professional Portfolio Software, with Advent Software, Inc., in the funded amount of \$24,594.24. (This renews the contract for the period May 11, 2008 to May 10, 2009.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

3. Resolution approving Change No. 3 to Contract No. 11015, Certified Laboratory for Drug Testing, with Advanced Toxicology Network, in the funded amount of \$24,000.00, with no change in rates. (This renews the contract for the third renewal term, June 24, 2008 to June 23, 2009.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

4. Resolution approving Change No. 3 to Contract No. 11039, Gas Leak Survey, with Heath Consultants, in the funded amount of \$529,563.00. (This renews the contract for the third renewal term, July 1, 2008 to June 30, 2009, and increases the current contract value for frequent surveys and inspections of gas facilities and appurtenances on bridges.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

5. Resolution approving Change No. 3 to Contract No. 11041, Right-of-Way Mowing, with Bean & Prince Contractors, in the funded amount of \$132,870.00. (This extends the current contract for 90 days and increases the contract value which will reflect a 3% increase in the previous year's rate.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

6. Resolution approving Change No. 1 to Contract No. 11066, Airline Road Water Main Installation, with Argo Construction Corporation, in the funded amount of \$13,287.28. (This covers an increase in the quantity of 30" water main installed in the asphalt.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

7. Resolution approving payment to McKinney Drilling in the amount of \$202,029.36 which covers drilling for pier foundations at Substations 85 and 86.

ITEM NO. 7 WAS DELETED FROM THE AGENDA

8. Resolution approving Energy Smart Memphis contractual agreements with Metropolitan Inter-Faith Association (MIFA) and Shelby County Community Assistance Agency (CSA), to provide all or some portion of the up to \$1,000,000.00 funding approved to supplement their existing programs for providing home energy repairs or improvements to low-income customers.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

9. Resolution approving purchase of Medicare Coverage for eligible employees, whose date of hire is prior to April 1, 1986, in an estimated amount of \$2,500,000.00 to \$7,500,000.00 one time, depending on participation, and an estimated average of \$300,000.00 per year going forward, for approximately 10 years. The benefit to MLGW is that the medical plan is expected to save from \$25,000,000.00 to \$30,000,000.00 or greater when the affected participants utilize the purchased Medicare benefits upon retirement and attainment of age 65; and ultimately reduces MLGW's Other Post Employment Benefit (OPEB) costs, contributes indirectly to MLGW's efforts toward viable human resource retention and the company's knowledge transfer strategy, while the employee enjoys a wider umbrella of medical coverage upon retirement.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

10. Resolution approving Position No. 00956, Utility Worker I; Position No. 01032, Utility Worker I; Position No. 04071, Helper-Electric Distribution (Pre-Apprentice); Position No. 04666, Office Clerk; and Position No. 04667, Office Clerk.

APPROVED

11. Resolution approving W. R. No. C3J73587 for the purchase and installation of a new well radio system at the Sheahan Pumping Station and well field, in the amount of \$405,000.00. (This covers transfer of funds in the amount of \$55,000.00 from 2008 Budget Line Item 34-3 to 2008 Budget Line Item 34-8 - \$350,000.00.)

APPROVED

12. Resolution approving Position No. 03957, Special Projects Manager.

APPROVED

ROLL CALL AGENDA ITEMS

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

AGENDA APPROVED, AS AMENDED

Chairman Evans stated there is an Attorney-Client meeting immediately following today's Board meeting.

There being no further business, the meeting was adjourned.

SEE MINUTE FILE NO. 1305.

Secretary-Treasurer