

**MEMPHIS LIGHT, GAS & WATER DIVISION  
OFFICIAL MINUTES****Meeting Time:** August 21, 2008 at 1:30 P.M.**Meeting Location:** Board Room, Fifth Floor,  
Administration Building, Memphis, Tennessee

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The meeting was called to order by Chairman Evans. Chairman Evans welcomed Cheryl Patterson, the new Vice President and General Counsel, and thanked Charlotte Knight Griffin for serving as Acting Vice President and General Counsel.

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

The following staff members were present: Jerry R. Collins, Jr., President and CEO; John McCullough, Vice President, CFO and Secretary-Treasurer; Cheryl Patterson, 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 present.

Commissioner Masson moved that after personally reading and reviewing the typed minutes of the Memphis Light, Gas and Water Board meeting held August 7, 2008, that they be recorded as the official record as amended, seconded by Vice Chairman Cobbins and unanimously carried.

The Secretary-Treasurer acknowledged receipt of Certified Copies of City Council Resolutions dated August 5, 2008, Items 8 through 19, approving items approved by the MLGW Board at meeting held July 10, 2008 (see Minute File No. 1307).

**GENERAL STATEMENTS FROM THE PUBLIC:**

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

The President and staff members briefed the Board on the following items: (see Minute File No. 1308 for handouts).

1. TVA Fuel Cost – Gary Harris, TVA
2. Corporate Scorecard – 2<sup>nd</sup> Quarter 2008 - Cliff DeBerry
3. Budget Update – 2<sup>nd</sup> Quarter 2008 – Angie Moore
4. Release and Settlement Agreement – Jerry R. Collins, Jr.  
Robert Spence, Joseph Lee's attorney, addressed the Board. (Complete discussion is on tape in Minute File No. 1308).
5. Plus-1 – Gale Jones Carson  
The first drawing was held today for the winner of the Plus-1 Lotto. Thomas Campbell's name was drawn and he will receive a Visa card valued at \$131.00.
6. Credit Policy – Clint Richardson
7. Workers' Compensation – Armstead Ward
8. Review of Consent Agenda

**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. 11232, Medical Insurance Plan, to Cigna Insurance Company in an estimated funded amount not to exceed \$7,206,263.52 in the 2009 budget and subsequent budgets as approved.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

2. Resolution awarding Contract No. 11233, Employee Benefit Dental Plan, to Delta Dental of Tennessee in an estimated funded amount not to exceed \$1,857,104.00 in the 2009 budget and subsequent budgets as approved.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

3. Resolution awarding Contract No. 11303, Medical Insurance Plan, to Aetna Insurance Company in an estimated funded amount not to exceed \$1,023,269.76 in the 2009 budget and subsequent budgets as approved.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

4. Resolution approving Change No. 4 to Contract No. 9547, IBM Maintenance, with IBM (International Business Machines) in the funded amount of \$167,304.00. (This covers new software releases: z/OS, WebSphere MQ V6, Enterprise Cobol for z/OS V3.4, and the Client Attachment feature for WebSphere MQ.)

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

5. Resolution approving Change No. 3 to Contract No. 11009, MLGW Utility Payment Centers, with Fizerv (formerly CheckFree Pay Corporation) in the funded amount of \$200,000.00. (This changes the corporation name to Fizerv and renews the contract for the third renewal term, October 3, 2008 to October 2, 2009.)

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

6. Resolution approving Change No. 6 to Contract No. 11013, Line Clearance, with Blume Tree Services, with no change in contract amount. (This decreases the unit rates by 4% and the hourly rates by 5% for the period June 29, 2008 to December 27, 2008.)

**APPROVED**

7. Resolution approving Change No. 2 to Contract No. 11109, Systems Furniture, with Corporate Express, Inc., with no change in contract amount. (This extends the current contract for the period September 20, 2008 to December 31, 2008.)

**APPROVED**

8. Resolution rejecting bids received for Contract No. 11283, Outdoor Lighting Construction and Maintenance.

**APPROVED**

9. Resolution amending Purchase Orders 124902, 124903 and 124904 with Howard Industries, Inc.; Purchase Orders 124905 and 124906 with Central Moloney, Inc.; and Purchase Order 124907 with Pauwels Transformers for distribution transformers in the amount of \$5,238,005.10, for a total amount of \$22,698,022.10.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

10. Resolution awarding contract for utility bodies to Scruggs Equipment Company in the amount of \$112,744.00.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

11. Resolution awarding contract for radio equipment as follows:

Integrated Communications, Inc.....	\$12,080.00
Holzberg Communications, Inc.....	4,134.39
Motorola, Inc.....	34,680.00
Total:	\$50,894.39

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

12. Resolution authorizing MLGW to purchase unleaded fuel and #2 low sulfur diesel fuel from Truman Arnold under City of Memphis Contract No. 24577, and to purchase B20 blended biodiesel from Mansfield Oil Company under City of Memphis Contract No. 24616, totaling \$6,663,640.67 for a one-year period with options to extend for two additional years.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

13. Resolution awarding contract for one truck-mounted hydraulic digger derrick to Altec Industries in the amount of \$112,216.00.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

14. Resolution awarding contract for two front-mounted truck winches to Terex Utilities, Inc. in the amount of \$25,500.00.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

15. Resolution awarding contract for three air compressors to Scruggs Equipment Company in the amount of \$55,125.00.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

16. Resolution awarding 12-month contract for wedge-tap connectors to HD Supply Utilities in the amount of \$294,496.20.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

17. Resolution awarding contract for one transformer test system to Optimized Devices, Inc. in the amount of \$110,900.00.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

18. Resolution awarding contract for 12-month maintenance agreement for inserter system to Bell & Howell in the amount of \$52,364.00, including exercise of option to purchase the system in the amount of \$1.00, for a total of \$52,365.00.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

19. Resolution awarding 36-month contract for water meters as follows:

Neptune Technology Group.....	\$913,500.00
Badger Meter, Inc.....	1,505,369.36
Sensus Metering Systems.....	334,252.80
Total:	\$2,753,122.16

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

20. Resolution awarding 36-month contract for rental of one color printer system to R. J. Young Company in the amount of \$382,788.00.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

21. Resolution approving payment of invoice from the Tennessee Department of Environment and Conservation for annual facility maintenance fee for public water systems in the amount of \$124,901.70, payable to the Treasurer, State of Tennessee.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

22. Resolution approving release and settlement for Joseph Lee, III in the amount of \$426,422.33.

**APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)**

23. Resolution approving Position No. 04477, Special Officer; Position No. 04836, Machine Operator-Electric Drilling; Position No. 04895, Clerk-Human Resources I; and Position No. 05639, Customer Service Technician I.

**APPROVED**

24. Resolution approving five-year Lease Agreement for ATM machines with LG&W Federal Credit Union, commencing September 1, 2008 and ending August 31, 2013, in the amount of \$18,000.00, with the option to renew or extend the lease for three additional and consecutive five-year terms with a 10% increase.

**APPROVED**

25. Resolution approving release of easement to Kirk McGuire, property located on the west side of Pisgah Road; approximately 3173.16 feet south of the south line of Humphreys Road, as measured along the west line of Pisgah Road, for and in consideration of \$1.00.

**APPROVED**

26. Resolution approving W. R. No. C3435361 in the total amount of \$1,089,000.00 for the purchase of water meters. (This covers substitutions of funds in the amount of \$50,000.00 from 2008 Budget Line Item 37-15 and \$150,000.00 from 2008 Budget Line Item 37-16; the total amount of \$200,000.00 will be transferred to 2008 Budget Line Item 33-25.)

**APPROVED**

**ROLL CALL AGENDA ITEMS**

MOTION: Commissioner Masson  
SECOND: Vice Chairman Cobbins  
AYES: Commissioner Brittenum, Commissioner Masson, Vice Chairman Cobbins  
and Chairman Evans

Commissioner Brittenum recused himself on Item No. 11

**AGENDA APPROVED**

There being no further business, the meeting was adjourned.

SEE MINUTE FILE NO. 1308.

Secretary-Treasurer