

**MEMPHIS LIGHT, GAS & WATER DIVISION
OFFICIAL MINUTES**

Meeting Time: October 2, 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. Chairman Evans welcomed Steven Wishnia to the Board.

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

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; and Carolyn Turman, Interim Vice President, Human Resources. Nick Newman, Vice President, Construction and Maintenance and Linda Peppers, Vice President and Chief Technology Officer were not present.

Barbara Swearngen Ware, City Council Member, was present.

Commissioner Masson moved that after personally reading and reviewing the typed minutes of the Memphis Light, Gas and Water Board meeting held September 18, 2008, that they be recorded as the official record, seconded by Commissioner Wishnia and unanimously carried.

The Secretary-Treasurer acknowledged receipt of Certified Copies of City Council Resolutions dated September 23, 2008, Items 13 through 22, approving items approved

by the Board at their meeting held September 4, 2008 (see Minute File No. 1309); and receipt of Certified Copy of City Council Document dated September 23, 2008, Item 23, approving the appointment of Steven Wishnia to the Board of Light, Gas and Water Commissioners (see Minute File No. 1309).

The President and staff members briefed the Board on the following items: (see Minute File No. 1310 for handouts).

1. 2009 Preliminary Budget Presentation – Dana Jeanes
2. Proposed Identity Theft (Red Flags) Policy – Brenda Chism
3. Credit Policy Update – Clint Richardson
4. Restructure Update – Chris Bieber
5. Board Procedures – Jerry R. Collins, Jr.
6. Review of Consent Agenda

NEW BUSINESS:

Commissioner Masson moved that Jacqueline L. Nesbit be reappointed Citizen Member of the Retirement and Pension Board, seconded by Vice Chairman Cobbins and unanimously carried.

Chairman Evans added Steven Wishnia to the Audit Committee and appointed him to the Natural Gas Hedging 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 approving Contract No. 11225, Pole Audit, between MLGW, AT&T, Inc., Comcast, Kentucky Data Link, Inc., Zayo Bandwidth Tennessee, LLC, XO Communications, and Furr and Associates, Inc., all collectively known as the Pole Audit Committee (PAC), in an amount not to exceed \$367,000.00. (The amount of \$275,000.00 will be paid to Furr and Associates, Inc. and will be reimbursed to MLGW by applicable PAC members, and the amount of \$92,000.00 will be paid to AT&T, Inc.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

2. Resolution awarding Contract No. 11289, Storage Area Network (SAN) Addition, to EMC Corporation, in the funded amount of \$632,340.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

3. Resolution awarding Contract No. 11297, Electric Substation 86 Chain Link Fence, to South Memphis Fence Company, Inc., in the funded amount of \$47,970.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

4. Resolution approving Change No. 8 to Contract No. 10705, Oracle Software License and Service Agreement, with Oracle, Inc., in the funded amount of \$313,744.50. (This covers the purchase of 90 additional professional user licenses, pursuant with the software agreement between Oracle Corporation and MLGW, and includes the first year of support.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

5. Resolution approving Change No. 7 to Contract No. 10923, Worker's Compensation Claims Administrator, with Brentwood Services, with no change in contract value. (This extends the current contract term effective December 1, 2008 to December 31, 2008 to prevent a lapse of service until the execution of a new contract).

APPROVED

6. Resolution approving Change No. 1 to Contract No. 11070, Utility Meter Data Application, with Automated Energy, Inc., (AEI), in the funded amount of \$18,000.00. (This increases the contract value to accommodate additional enrolled meters.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

7. Resolution awarding 12-month contract for ornamental poles to Southern Sales & Service Company, Inc. in the amount of \$515,500.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

8. Resolution awarding contract for approximately 80,625 pounds of 954 KCMIL wire to HD Supply Utilities in the amount of \$144,318.75.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

9. Resolution authorizing exercise of option to extend contracts for electro fusion gas fittings with Chris George Sales and M.T. Deason Company, Inc. for the second 12-month period in the amount of \$4,282.00 and \$27,791.38 respectively, totaling \$32,073.38.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

10. Resolution awarding contract for a dump truck to Tag Truck Center in the amount of \$80,052.49.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

11. Resolution awarding contract for polyethylene drainage pipe to Williams Equipment & Supply Co. in the amount of \$54,930.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

12. Resolution awarding contract for a fiber management system to JDSU Corporation in the amount of \$70,381.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

13. Resolution awarding contract for SCADA remote radios to Edison Automation, Inc. in the amount of \$47,970.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

14. Resolution authorizing exercise of option to extend contract for luminaries with American Electric c/o Ruffin & Associates for the second 12-month period with no increase in award amount.

APPROVED

15. Resolution awarding contract for a multi-power unit to Scruggs Equipment Company in the amount of \$46,351.48.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

16. Resolution awarding contract for hydraulic cranes to:

All Wheel Drive Equipment.....	\$108,376.00
Altec Industries, Inc.....	<u>341,504.00</u>
Total.....	\$ 449,880.00

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

17. Resolution awarding contract for forklift trucks to Shaw Material Handling Systems in the amount of \$106,278.10.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

18. Resolution awarding 12-month contract to Patterson Welding Service to include two additional 12-month options to renew for fabrications and repairs of Substation equipment in the amount of \$90,000.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

19. Resolution awarding contract for approximately 2000 feet of 12" epoxy-coated steel pipe to Supply Line of Memphis in the amount of \$220,940.00.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

20. Resolution rejecting bids received for epoxy-coated steel pipe and rebid at a later time.

APPROVED

21. Resolution approving contract with the Memphis Regional Chamber in the amount of \$175,000.00 for the 2008 commitment to Memphis 2005 Economic Development Strategic Plan, and its successor, the Memphis ED Plan, provided that no part of this funding shall be used to oppose or promote ballot initiatives.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

22. Resolution approving the transfer of funds in the amount of \$28,540,672.71 from the Common Fund to the OPEB Trust.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

23. Resolution approving the adoption of the 2008 Revised Customer Care Policy Manual.

ITEM NO. 23 WAS DELETED FROM TODAY'S AGENDA

24. Resolution approving Position No. 00513, Utility Worker I; Position No. 00698, Utility Worker I; Position No. 00749, Executive Secretary; Position No. 00785, Customer Service Technician I; Position No. 01469, Customer Service Technician I; Position No. 01610, Utility Worker I; Position No. 02319, Secretary; Position No. 02751, Customer Service Technician I; Position No. 05659, Customer Service Technician I; Position No. 06295, Service Advisor; Position No. 06296, Service Advisor; Position No. 06297, Service Advisor; and Position No. 06298, Service Advisor.

APPROVED

ROLL CALL AGENDA ITEMS

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

Commissioner Brittenum recused himself on Item No. 1
Commissioner Masson recused himself on Item No. 21

AGENDA APPROVED, AS AMENDED

Chairman Evans announced that MLGW is hosting a joint meeting with the
Memphis City Council on Thursday, October 9, 2008.

There being no further business, the meeting was adjourned.

SEE MINUTE FILE NO. 1310.

Secretary-Treasurer