

<p>MEMPHIS LIGHT, GAS & WATER DIVISION OFFICIAL MINUTES</p>	
<p>Meeting Time: October 16, 2008 at 1:30 P.M.</p>	
<p>Meeting Location: Board Room, Fifth Floor, Administration Building, Memphis, Tennessee</p>	



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

Commissioner Wishnia moved that after personally reading and reviewing the typed minutes of the Memphis Light, Gas and Water Board meeting held October 2, 2008, that they be recorded as the official record, seconded by Vice Chairman Cobbins and unanimously carried.

The Secretary-Treasurer acknowledged receipt of Certified Copies of City Council Resolutions dated October 7, 2008, Items 6 through 11, approving items approved by the MLGW Board at their meeting held September 18, 2008 (see Minute File No. 1309); and receipt of Certified Copy of City Council Resolution dated October 7, 2008, Item 15, failing

settlement of claims made by Joseph Lee, III, approved by the MLGW Board at their meeting held August 21, 2008 (see Minute File No. 1308.)

GENERAL STATEMENTS FROM THE PUBLIC:

1. Bill Hawkins, Assistant Business Manager, IBEW Local 1288, 4000 Clearpool Circle, Memphis, TN
2. Dick Gardiner, 1734 Gosnold Bluff Road, Collierville, TN

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

1. United Way Presentation – United Way Steering Committee/Bryce Haugsdah of United Way. The goal is \$775,000.00. MLGW employee J. R. Whiteaker presented a check to United Way in the amount of \$3,190.00.
2. Energy Efficiency Initiatives – Clint Richardson
3. 2009 Budget – Dana Jeanes
4. Pension Board Overview – John McCullough
John McCullough gave a brief update of the Pension Fund.
5. Review of Consent Agenda – Jerry R. Collins, Jr.

COMMITTEE REPORTS: (See Page 99)

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. 1 to Contract No. 11099, AT&T Voice and Data Services, with AT&T Business Systems in the amount of \$720,000.00. (This change increases the contract value in the amount of \$126,000.00 to fund services through the current contract term ending December 31, 2008, and renews the contract for the first of two renewal terms, January 1, 2009 to December 31, 2009, in the amount of \$594,000.00.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

2. Resolution approving Change No. 7 to Contract No. 10336, EMS/SCADA System, with GE Energy Management Services in the funded amount of \$372,305.00. (This change is to replace the front-end communications cabinet on the SCADA system and to implement a backup system at the Netters Business Center.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

3. Resolution approving Change No. 1 to Contract No. 11117, Internet Service Provider, with AT&T Business Systems in the funded amount of \$21,600.00. (This change is to renew the contract for the first of four renewal terms, December 28, 2008 to December 27, 2009.)

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

4. Resolution awarding contract for 12 Uninterruptible Power Systems (UPS) and accessories to Computer AC, Inc. in the amount of \$137,733.36.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

5. Resolution amending MLGW Procurement Policy to include a Local Business Bidding Preference.

APPROVED

6. Resolution approving an agreement between MLGW and the U. S. Green Building Council (USGBC) Memphis Chapter in the amount of \$75,000.00 to fund a Leadership in Energy and Environmental Design (LEED) grant.

ITEM NO. 6 WAS DELETED FROM THE AGENDA

7. Resolution approving Identity Theft Prevention Policy (“Red Flags”) as required by the final regulations adopted pursuant to the Fair and Accurate Credit Transactions Act (FACTA) of 2003, effective immediately.

APPROVED

8. Resolution approving 2008 Revised Customer Care Policy Manual, effective January 1, 2009, with the exception of Section 108.13 (Annual Moratorium on Cutoffs for Non-Payment) which will become effective December 1, 2008 replacing existing language. This policy replaces the existing Credit Policy Manual dated January 1, 2008.

APPROVED

9. Resolution approving revised MLGW Policy No. 22-14 – Workers’ Compensation Program (Occupational Injury/Illness).

APPROVED

10. Resolution approving Amendment No. 11 to Resolution approved by the Board on July 7, 2005, listing those persons authorized to sign and/or countersign Division and Pension System checks:

By **deleting** Charlotte Knight Griffin and Armstead Ward from the list and by **adding** Cheryl Patterson, Carolyn Turman and Steven Wishnia to the list of personnel authorized to **sign or countersign** MLGW Common Account checks (**First TN – MLGW Common Account No. 00-0090239**); and further,

By **deleting** Charlotte Knight Griffin and Armstead Ward from the list and by **adding** Cheryl Patterson and Carolyn Turman to the list of personnel authorized to sign or countersign Customer Deposit checks (First TN – MLGW Customer Deposit Account No. 00-0090352).

APPROVED

11. Resolution amending and adopting the investment policy for management of the assets of the MLGW Retirement and Pension System in accordance with the provisions of the Tennessee Uniform Prudent Investor Act of 2002.

APPROVED

12. Resolution adopting the MLGW Retirement and Pension System Investment Policy for the OPEB Trust.

APPROVED

13. Resolution approving actuarial funding to the Retirement and Pension Fund for the 2008 Plan Year.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

14. Resolution approving amendment to the MLGW Retirement and Pension System, as amended and restated effective January 1, 2001 (the “Plan”), increasing the minimum benefit multiplier.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

15. Resolution approving Position No. 00940, Utility Worker II; Position No. 01948, Distribution Engineer I; Position No. 00070, Supervisor, Residential Energy Services; Position No. 01497, Customer Service Technician I; Position No. 01840, Customer Service Technician I; Position No. 03113, Lead Residential Marketing Rep; and Position No. 03598, Customer Service Technician I.

APPROVED

16. Resolution approving the 2009 Electric, Gas and Water Operations and Capital Budgets.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

17. Resolution increasing the 2008 approved amount of W. R. No. C1J61345 from \$1,000,000.00 to \$1,400,000.00 for initial design and construction of proposed Brookfield Substation No. 23. (This covers substitution of funds in the amount of \$400,000.00 to be taken from Line Item 7-9 of the 2008 Electric Capital Budget).

APPROVED

ROLL CALL AGENDA ITEMS

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

AGENDA APPROVED, AS AMENDED**ROLL CALL FOR APPROVAL OF MINUTES OF ITEMS 7 AND 8 OF TODAY'S AGENDA**

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

MINUTES APPROVED FOR ITEMS 7 AND 8 OF TODAY'S AGENDA

COMMITTEE REPORTS: (See Minute File No. 1310 for handouts).

1. Supplier Diversity Committee – Commissioner Cobbins
 - a. Supplier Diversity Update – 3rd Quarter 2008 – Kimberly Lehew
2. HR Committee – Commissioner Brittenum
 - a. Grievance Update – 3rd Quarter 2008 – Steve Day

The next Human Resources Committee meeting will be held November 20, 2008.

OTHER BUSINESS:

Jerry Collins updated the Board on the J. D. Power Survey. Since the last quarterly survey, MLGW has picked up 25 points and is now ranked 108 out of 122.

There being no further business, the meeting was adjourned.

SEE MINUTE FILE NO. 1310.

Secretary-Treasurer