

MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
October 18, 2007

A regular meeting of the Board of Light, Gas and Water Commissioners, City of Memphis, was held at Memphis Light, Gas & Water Division, 220 S. Main, Thursday, October 18, 2007 at 1:30 p.m. The following were in attendance: Rick Masson, Chairman and Acting President & CEO; Nick Clark, Commissioner; William L. Taylor, Commissioner; Jerry R. Collins, Jr., Interim Chief Utility Officer; 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; and Linda Peppers, Vice President and Chief Technology Officer. V. Lynn Evans, Vice Chairman; Alonzo Weaver, Vice President, Engineering and Operations; and Armstead Ward, Vice President, Human Resources, were not in attendance.

Commissioner Taylor moved that after personally reading and reviewing the typed minutes of the Memphis Light, Gas and Water Board meeting held October 11, 2007, that they be recorded as the official record, seconded by Commissioner Clark and unanimously carried.

The Secretary-Treasurer acknowledged receipt of certified copies of City Council Resolutions dated October 2, 2007, Item 23, approving item approved by the MLGW Board at its meeting held June 7, 2007 (see Minute File No. 1294) and Items 24 through 40, approving items approved by the MLGW Board at its meeting held September 20, 2007 (see Minute File No. 1297).

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. 2 to Contract No. 11208, Water Production Wells, with Layne-Central in an estimated funded amount of \$20,520.00. (This covers the drilling of 55 feet of outer casing and 87 feet of surface casing.)

APPROVED

2. Resolution awarding contract for hazardous materials/chemical outdoor storage buildings to New Pig Corporation in the amount of \$59,705.03.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

3. Resolution amending Purchase Order No. 124065 with Xerox covering 36-month rental of a Docucolor 6060 Copier System in the amount of \$70,004.11, for a total amount of \$468,539.97.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

4. Resolution approving revisions to MLGW Human Resources Policies, as follows: Policy No. 21-01, Employment of Relatives; Policy No. 21-04, Termination of Employment; Policy No. 21-18, Job Posting; Policy No. 22-01, Tuition Assistance; Policy No. 22-22, Time Off for Death in Family or to Attend an Employee's Funeral; Policy No. 23-09, Prohibition of Alcohol/Drug Possession and Consumption; Policy No. 23-18, Prohibition of the Sale of Narcotics or Controlled Substances; and Policy No. 23-22, Internal Election Campaign Literature.

APPROVED

5. Resolution approving line-of-progression mass job reclassifications for six Utility Workers I.

APPROVED

6. Resolution approving Position No. 00294, Inspector Contracted Services; Position No. 00442, Crew Leader Operator; Position No. 01516, Foreman, Main Construction & Maintenance; Position No. 03470, General Foreman, Gas System Maintenance; Position No. 05088, Service Engineer I; Position No. 06232, Customer Service Tech I; Position No. 06233, Customer Service Tech I; and Position No. 06234, Customer Service Tech I.

APPROVED

7. Resolution requesting the City Council to consider amending Substitute Ordinance No. 5046 to expand the definition of emergency in order to permit MLGW to promptly respond to safety and regulatory compliance issues and to enter into time sensitive natural gas purchases and derivative instruments.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

8. Resolution approving revisions to the MLGW Credit Policy.

APPROVED

9. 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.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

10. Resolution approving actuarial funding to the Retirement and Pension Fund for the 2007 Plan Year.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

11. Resolution approving the 2008 Electric, Gas and Water Operations and Capital Budgets which include an increase in gas rates of 6.8%, an increase in water rates of 14.9%, along with a one-year 3.1% decrease in electric rates, to be effective with meters read on Cycle One of the January 2008 revenue month on a non-prorated basis.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

12. Resolution requesting the City Council to schedule a public hearing to be held on November 20, 2007, for consideration and determination of revisions in tariffs to reflect increases in gas rates (6.8%) and water rates (14.9%), along with a one-year 3.1% decrease in electric rates, effective with meters read on Cycle One of the January 2008 revenue month on a non-prorated basis.

APPROVED (SUBJECT TO CITY COUNCIL APPROVAL)

ROLL CALL AGENDA ITEMS

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

AGENDA APPROVED

APPEARANCES BEFORE THE BOARD

Mark Allen, Attorney, 5050 Poplar, Suite 700, Memphis, TN

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

Kenneth Williamson, Personal Safety First, LLC, P.O. Box 9026, Memphis, TN

G. A. Hardaway, Sr., Tennessee State Representative, 1243 Worthington, Memphis, TN

OTHER BUSINESS

Chairman Masson stated for the record that he expects Memphis Networkx to answer questions raised by MLGW.

Commissioner Clark stated that MLGW needs to do everything legally possible to secure the answers from Memphis Networkx.

There being no further business, the meeting was adjourned.

SEE MINUTE FILE NO. 1298.