



Board of Light, Gas and Water Commissioners

220 S. Main Street
Memphis, TN 38103
www.mlgw.com

Board Meeting

~ Preliminary Agenda ~

Wednesday, August 20, 2025

8:30 AM

Board Room

INFORMATION FOR THE BENEFIT OF THE PUBLIC:

Public Notice: Regular board meetings are held the first and third Wednesdays of the month at MLGW's Administration Building unless otherwise noted in the public notice filing and website. The proposed agenda will be posted in the public section of the ground floor lobby of the Administration Building and on MLGW's website at least 48 hours before the Board meets. You may access the proposed Board agenda and all available documents related to the items linked from the agenda on the Internet at: www.mlgw.com. Large agreements, items related to Homeland Security or items received too late to post may not be viewable. You may view those documents in the Public Records Office prior to or after the Board meeting. By Board action, agenda items may be added, deleted or held for later consideration at a later board meeting.

Consent Agenda: Items shown under the Consent Agenda consists of items considered to be routine and non-controversial upon which the documentation provided to the Board is adequate to give sufficient information for approval without inquiry or discussion during the Board meeting. The use of the Consent Agenda is designed to minimize the time required for the handling of routine matters in order to permit additional time to be spent on more significant matters. The Chairman will call for approval on the Consent Agenda as a whole and the vote will be treated as a separate vote on each item. At the request of a Board member, the Chairman may move any item on the Consent Agenda to the Regular Agenda.

Regular Agenda: Item(s) to be individually considered for Board action.

Filed Items: The Board may be provided information which does not require Board approval or Board discussion but which is noted for the official record as having been supplied to the Board.

Resolutions: Generally, there are two types of resolutions subject to approval by the MLGW Board of Commissioners. Internal Board Resolutions are within the full authority of the Board and considered final upon the acceptance of the minutes of that board action. External Board Resolutions are subject to the approval of the City Council and are not considered final until the City Council accepts the minutes of their approval for such.

ADA: As a covered entity under Title II of the Americans with Disabilities Act, MLGW does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services, and activities. To ensure availability, such request should be made 72 hours in advance by contacting Bessie Matthews at (901) 528-4351 during business hours.

To Officially Communicate to the Board: Any individual member or group of the general public desiring to address the Board orally on items of interest to the public that are within the subject matter jurisdiction of the Board, shall complete an **MLGW Board Speaker Card** to make such desire known to the Board Secretary. Such request to be heard should be marked with the date of the meeting; the agenda item number; if the comments are in support, opposition, or general as they relate to the item; the speaker's name and address; and if the speaker is representing someone else as a paid consultant. Paid lobbyists must complete the required disclosure of their client's name, phone number, and address. Statements shall not exceed three minutes unless additional time is granted by the Board Chair. When recognized, please proceed forward to the podium and state your name and address. The board and staff will not answer questions that are asked in this forum but written questions or a written statement may be provided to the Board Secretary for entry into the official record. If any Board member receives approval of the Board Chairman, that Board Member may address questions to the person providing the public statement.

*****All MLGW Board Speaker Cards must be received by Security no later than 8:30 a.m. the day of the Board Meeting in order to speak to the Board.**

CALL TO ORDER AND OPENING REMARKS:

Chairman Pohlman

PLEDGE OF ALLEGIANCE:

Chairman Pohlman

ROLL CALL:

Rodney Cleek

APPROVALS:

Chairman Pohlman

Approve Minutes from the Meeting of August 6, 2025.

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Rodney Cleek

Acknowledge receipt of Certified Copies of City Council Resolutions dated August 5, 2025, Items 12 through 25.

PRESENTATIONS:

(None)

GENERAL STATEMENT(S) FROM THE PUBLIC:

CONSENT AGENDA

(Items 1 through 10)

PRESIDENT & CEO

(None)

SVP, CHIEF OPERATING OFFICER

(None)

VP ELECTRIC ENGINEERING & OPERATIONS

(None)

VP WATER & GAS ENGINEERING & OPERATIONS

1. Resolution approving ratification and change (Change No. 1) to Contract No. 12487, LNG - Exterior Painting of Tanks with TMI Coatings, Inc. to ratify and expand the scope of the current contract in the funded amount of \$13,755.23. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP, CFO & SECRETARY-TREASURER

2. Resolution approving of extension (Change No. 3) to Contract No. 12142, Card Payment Processing Services to Card Connect, LLC to extend the current contract in the funded amount of \$3,186,460.29. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP & CIO

(None)

VP SHARED SERVICES

3. Resolution awarding purchase order for three-conductor cable to Universal Scaffold and Equipment in the amount of \$529,563.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution awarding purchase order for horizontal LED 200W luminaires to Engineered Sealing Components LLC in the amount of \$232,404.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP & CHIEF INTERNAL AUDITING OFFICER

5. Resolution awarding Contract No. 12555, External Auditing Services to CBIZ CPAs P.C. in the funded amount of \$875,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
6. Resolution approving ratification and extension (Change No. 1) to Contract No. 12167, Retirement and Pension System and Other Post Employment Benefits (OPEB) Audits with Forvis Mazars (formerly Dixon Hughes Goodman, LLP) to ratify and extend the current contract in the funded amount of \$74,200.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP CUSTOMER EXPERIENCE & ENERGY SERVICES

(None)

VP CORPORATE COMMUNICATIONS

7. Resolution awarding twenty-four-month purchase order for utility bill paper to Mac Papers, LLC in the amount of \$382,470.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
8. Resolution awarding twenty-four-month purchase order for utility bill mailing and return envelopes to Mac Papers, LLC in the amount of \$561,594.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP & GENERAL COUNSEL

(None)

VP & CPO PEOPLE SERVICES

9. Resolution approving an annual salary in the amount of \$167,211.00 for a new hire to fill the vacant position of Customer Experience & Energy Services Director, Strategic Initiatives & Execution. (Alonzo Weaver) (REQUIRES CITY COUNCIL APPROVAL)
10. Resolution approving of extension (Change No. 3) to Contract No. 12314 (formerly C2372), Broker of Record for Cyber Insurance and Other Insurance Coverages with Willis Towers Watson Southeast, Incorporated, to extend the current contract in the funded amount of \$147,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S BRIEFING

11. Review Consent Agenda - Doug McGowen
12. Grid Modernization Update and Discussion of MLGW Control Room - Doug McGowen
13. Other - Doug McGowen

COMMITTEE REPORTS:

Human Resources Committee Report - Alonzo Weaver

ADJOURNMENT

ADDITIONAL MEETINGS ON AUGUST 20, 2025:

Pension Board Meeting - Immediately Following the BOC Meeting - MLGW Board Room

OPEB Trust Committee Meeting - Immediately Following Pension Board Meeting - MLGW Board Room

RESOLUTION SUMMARY

- 1. Short title description – Contract No. 12487 - LNG Exterior Painting of Tanks**
- 2. Funded Amount - \$13,755.23**
- 3. Award Duration – October 28, 2024 through October 27, 2025**
- 4. Type of Bid – Sealed Bid**
- 5. Awarded to – TMI Coatings, Inc.**
- 6. Plain Language Description – This change is to ratify the change order for work already performed which includes caulking of the roof toe plate and anchor bolts on MLGW LNG Plant Firewater Tank recommended by MLGW's third-party inspector. This change includes remobilization cost and a credit for MLGW's cost to clean blast media from the firewater tank.**
- 7. Impact - This addition to the scope of work will provide improved rust and corrosion protection to the roof toe plate and anchor bolts. This improvement was identified by MLGW's third-party inspector, an expert in this field.**

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
August 20, 2025

The Manager of Procurement and Contracts recommends to the Board of Light, Gas and Water Commissioners the approval of Ratification and Change (*Change No. 1*) to Contract No. 12487, LNG - Exterior Painting of Tanks with TMI Coatings, Inc. to ratify and expand the scope of the current contract in the funded amount of \$13,755.23.

The project scope is to provide all supervision, labor, tools, equipment and materials to paint the exterior of various tanks at MLGW's LNG Capleville Plant located at 5101 East Holmes Road, Memphis, Tennessee 38118. The Work shall include the following: 1) surface preparation; 2) coating and inspection procedures; 3) abrasive; 4) piping; 5) pipe racks; 6) catwalks; 7) ladders; and 8) miscellaneous steel. The contract award was selected based on the lowest and best bid received using the Sealed bid process.

This change is to ratify, change and expand the scope of the current contract for work already performed. MLGW allowed the Contractor to complete the work due to the risk of corrosion or rusting of MLGW's equipment, if left exposed. This additional work included the following: 1) caulking of the roof toe plate and anchor bolts on the LNG Plant Firewater Tank in the amount of \$1,700.00; 2) remobilization costs due to the Contractor returning to the site after the initial demobilization in the amount of \$24,000.00; and 3) a credit for labor costs incurred by MLGW for cleaning blast media from the firewater tank in the amount of -\$11,944.77. The total amount for this ratification and change is \$13,755.23. The contract term will remain October 28, 2024 through October 27, 2025. This ratification and change complies with all applicable laws and policies. The new contract value is \$1,413,255.23.

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, Subject to the consent and approval of the Council of the City of Memphis, the approval of the Ratification and Change (*Change No. 1*) to Contract No. 12487, LNG - Exterior Painting of Tanks with TMI Coatings, Inc. to ratify and expand the scope of the current contract in the funded amount of \$13,755.23, as outlined in the above preamble, is approved; and further

THAT, the President, or his designated representative is authorized to execute the Ratification and Change.

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of August 20, 2025 approved the Ratification and Change (*Change No. 1*) to Contract No. 12487, LNG – Exterior Painting of Tanks with TMI Coatings, Inc. to ratify and expand the scope of the current contract in the funded amount of \$13,755.23; and is now recommending to the Council of the City of Memphis that it approves said ratification and change as approved; and

WHEREAS, the project scope is to provide all supervision, labor, tools, equipment and materials to paint the exterior of various tanks at MLGW's LNG Capleville Plant located at 5101 East Holmes Road, Memphis, Tennessee 38118. The Work shall include the following: 1) surface preparation; 2) coating and inspection procedures; 3) abrasive; 4) piping; 5) pipe racks; 6) catwalks; 7) ladders; and 8) miscellaneous steel. The contract award was selected based on the lowest and best bid received using the Sealed bid process; and

WHEREAS, this change is to ratify, change and expand the scope of the current contract for work already performed. MLGW allowed the Contractor to complete the work due to the risk of corrosion or rusting of MLGW's equipment, if left exposed. This additional work included the following: 1) caulking of the roof toe plate and anchor bolts on the LNG Plant Firewater Tank in the amount of \$1,700.00; 2) remobilization costs due to the Contractor returning to the site after the initial demobilization in the amount of \$24,000.00; and 3) a credit for labor costs incurred by MLGW for cleaning blast media from the firewater tank in the amount of -\$11,944.77. The total amount for this ratification and change is \$13,755.23. The contract term will remain October 28, 2024 through October 27, 2025. This ratification and change complies with all applicable laws and policies. The new contract value is \$1,413,255.23; and

NOW THEREFORE BE IT RESOLVED by the Council of the City of Memphis, that there be and is hereby approved Ratification and Change (*Change No. 1*) to Contract No. 12487, LNG – Exterior Painting of Tanks with TMI Coatings, Inc. to ratify and change the current contract in the funded amount of \$13,755.23 as approved.

CONTRACT CHANGE FORM

MEMPHIS LIGHT, GAS AND WATER DIVISION
CITY OF MEMPHIS
CONTRACT NUMBER 12487

CONTRACT CHANGE NO. 1
DATE OF CHANGE AUGUST 20, 2025
SHEET 1 OF 2

TO: MS. SCOTT SALMON

TMI COATINGS, INC.

3291 TERMINAL DRIVE

ST. PAUL, MN 55121

YOU ARE ADVISED THAT THE MEMPHIS LIGHT, GAS AND WATER DIVISION, CITY OF MEMPHIS, MEMPHIS, TENNESSEE HEREBY AUTHORIZES THE FOLLOWING CHANGE IN REGARDS TO THE ABOVE CONTRACT NUMBER. THE CONTRACTOR AGREES TO BE BOUND BY ALL OF THE TERMS AND CONDITIONS OF SAID CONTRACT AND PREVIOUS CHANGES.

THE PROJECT SCOPE IS TO PROVIDE ALL SUPERVISION, LABOR, TOOLS, EQUIPMENT AND MATERIALS TO PAINT THE EXTERIOR OF VARIOUS TANKS AT MLGW'S LNG CAPLEVILLE PLANT LOCATED AT 5101 EAST HOLMES ROAD, MEMPHIS, TENNESSEE 38118. THE WORK SHALL INCLUDE THE FOLLOWING: 1) SURFACE PREPARATION; 2) COATING AND INSPECTION PROCEDURES; 3) ABRASIVE; 4) PIPING; 5) PIPE RACKS; 6) CATWALKS; 7) LADDERS; AND 8) MISCELLANEOUS STEEL. THE CONTRACT AWARD WAS SELECTED BASED ON THE LOWEST AND BEST BID RECEIVED USING THE SEALED BID PROCESS.

THIS CHANGE IS TO RATIFY, CHANGE AND EXPAND THE SCOPE OF THE CURRENT CONTRACT FOR WORK ALREADY PERFORMED. MLGW ALLOWED THE CONTRACTOR TO COMPLETE THE WORK DUE TO THE RISK OF CORROSION OR RUSTING OF MLGW'S EQUIPMENT, IF LEFT EXPOSED. THIS ADDITIONAL WORK INCLUDED THE FOLLOWING: 1) CAULKING OF THE ROOF TOE PLATE AND ANCHOR BOLTS ON THE LNG PLANT FIREWATER TANK IN THE AMOUNT OF \$1,700.00; 2) REMOBILIZATION COSTS DUE TO THE CONTRACTOR RETURNING TO THE SITE AFTER THE INITIAL DEMOBILIZATION IN THE AMOUNT OF \$24,000.00; AND 3) A CREDIT FOR LABOR COSTS INCURRED BY MLGW FOR CLEANING BLAST MEDIA FROM THE FIREWATER TANK IN THE AMOUNT OF -\$11,944.77. THE TOTAL AMOUNT FOR THIS RATIFICATION AND CHANGE IS \$13,755.23. THE CONTRACT TERM WILL REMAIN OCTOBER 28, 2024 THROUGH OCTOBER 27, 2025. THIS RATIFICATION AND CHANGE COMPLIES WITH ALL APPLICABLE LAWS AND POLICIES. THE NEW CONTRACT VALUE IS \$1,413,255.23.

Contract Amount	\$1,399,500.00	
Change Amount	\$ <u>13,755.23</u>	- Ratification and Change (Change No.1)
Total Contract Amount	\$1,413,255.23	

APPROVED BY THE BOARD OF LIGHT, GAS AND WATER COMMISSIONERS

APPROVED BY THE PRESIDENT

DATE

BOARD RESOLUTION TRANSMITTAL

Expenditure Org Executive: Alonzo Weaver
 Procurement Contracts Specialist: Arma Orr

Board Meeting Date: 8/20/2025
 Purchase Order/Requisition Number: 12487
 Purchase Commodity: _____
 Other (Non-Procurement Items): _____

Responsible Group (Requesting Area/ Contact Person) (Telephone number/email address)	Gas Engineering & Operations / Cole McDaniel / 901-321-6996 / cmcdaniel@mlgw.org
Scope: Contract ☒ Purchase _____ Other _____	The project scope is to provide all supervision, labor, tools, equipment and materials to paint the exterior of various tanks at MLGW's LNG Capleville Plant located at 5101 East Holmes Road, Memphis, Tennessee 38118. The Work shall include the following: 1) surface preparation; 2) coating and inspection procedures; 3) abrasive; 4) piping; 5) pipe racks; 6) catwalks; 7) ladders; and 8) miscellaneous steel.
Explanation of Action. (Contract/Purchase invoice payments, land purchase, dues, other)	This change is to ratify and expand the scope to reflect caulking of the roof toe plate and anchor bolts on the LNG Plant Firewater Tank for work that has been completed.
Where will the work take place? (MLGW facility or jobsite, etc.)	The work will take place at MLGW's LNG Capleville Plant located at 5101 East Holmes Road, Memphis, Tennessee 38118.
Why the need exists? (Contract/Purchase invoice payments, land purchase, dues, other)	The need exists to perform caulking work on the LNG Firewater Tank which was recommended by MLGW's third party inspector to protect the bolts, nuts, and the interface of the roof toe plates from corrosion.
Are there any anticipated vendor issues? (If so, please explain)	No
Are there any contract services, labor or IBEW issues? If yes, has cost comparison been provided to IBEW? Date Provided?	No
Is there a Budget deficit? If yes, please explain why. Identify in the Budget section below the area, charge code and amount which will absorb the shortfall.	No
If applicable, how was the recommendation determined? (Bid, RFQ or RFP) Sealed Bid	

BUDGET:

Amount Requested

2025 Budget*

Amount Spent Year-to-Date

2025 Budget Balance Available

Budget Balance After Award

	Total	In 2025 Budget Year	After Budget Year
\$	13,755.23	\$ 13,755.23	\$ -
\$	798,000.00		
\$	-	\$ 798,000.00	
		\$ 784,244.77	

*Please indicate category (O&M or Capital).

☐ O&M☒ Capital

Project

Expenditure Organization

Expenditure Type

Task

LNG Processing Facilities

0570420 Liquid Natural Gas Plant Caplev

eAM Contracted Svcs

Gas

Comments:

Expenditure Type	Budget	Actual	Available
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
			\$ -

APPROVED:

Ronda Croft

Budget & Financial Planning

07.07.2025

Date

Rev. 11/01/2018



PAINTING &
RESTORATION
CONTRACTORS

3291 Terminal Drive
St. Paul, Minnesota 55121
P: 651 452 6100 F: 651 452 0598

tmicoatings.com

June 27, 2025

Memphis Light, Gas and Water Division
220 South Main Street
Memphis, TN 38103

RE: Change Order Request

Cole,

TMI Coatings, LLC respectfully submits this change order request in the amount of \$13,755.23 for additional work performed under the Absorber Towers project. This amount reflects the following:

- Additional caulking required to complete the scope of work: \$1,700.00
- Remobilization costs due to returning to the site after initial demobilization: \$24,000.00
- Credit for the labor incurred by the Owner in cleaning blast media from the firewater tank: (\$11,944.77)

The final total cost for this change order is \$13,755.23.

Please let us know if any additional documentation is required to support your internal change order process.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Salmon".

Scott Salmon
Construction Manager

TMI Coatings, LLC
3291 Terminal Drive
St. Paul, MN 55121

DocuSigned by:
Virgil Deanes
38075A0F3D64490...

7/2/2025

Contractor:

TMI Coatings, Inc.

8/20/2025

Contract Number: 12487

Actions		Date	Amount
Original Award		Award 07.7.2024	\$1,399,500.00
Current Contract Amount			\$1,399,500.00
Amount Paid to Date as of 08.05.2025			\$1,358,040.00
Current Contract Balance			\$41,460.00
Ratification and Extension (Change Order No. 1)	<i>This change is to ratify, change and expand the scope of the current contract for work already performed. MLGW allowed the Contractor to complete the work due to the risk of corrosion or rusting of MLGW's equipment, if left exposed. This additional work included the following: 1) caulking of the roof toe plate and anchor bolts on the LNG Plant Firewater Tank in the amount of \$1,700.00; 2) remobilization costs due to the Contractor returning to the site after the initial demobilization in the amount of \$24,000.00; and 3) a credit for labor costs incurred by MLGW for cleaning blast media from the firewater tank in the amount of -\$11,944.77. The total amount for this ratification and change is \$13,755.23. The contract term will remain October 28, 2024 through October 27, 2025.</i>	8/20/2025	\$13,755.23
Available Balance			\$55,215.23
Cumulative Contract Value			\$1,413,255.23

RESOLUTION SUMMARY

- 1. Short Title Description – Contract No. 12142 - Card Payment Processing Services**
- 2. Requested Funding – \$3,186,460.29**
- 3. Award Duration – Extension (January 1, 2026 through December 31, 2026)**
- 4. Type of Bid – RFP**
- 5. Awarded To – Card Connect, LLC**
- 6. Plain Language Description – A recommendation is being made to renew the existing contract for 1-year based on the renewal terms of the contract. The additional funding for the contract is \$3,186,460.29. The funding will cover the interchange fees or swipe fees set by the payment networks such as VISA, Mastercard, Discover, and American Express for charging merchants to run credit cards on their networks related to interchange cost for 2026 in the amount of \$3,032,775.59. The interchange cost for 2026 is 0.005% of projected sales figure of \$606,555,117.01. Also, the additional funding will cover transaction processing cost in the amount of \$0.05 per transaction related to the contract for Debit/ATM card transaction fees, Discover authorization fees, Mastercard authorization fees, and VISA authorization fees in the amount of \$153,684.70 related to 1-year transaction processing cost for 2026 based on a one-year percentage increase of 5.00% from 2024 to 2025 related to transaction volume.**
- 7. Impact – MLGW customers will not have the ability to pay their utility bills by debit/atm cards and credit cards via the web, IVR, or at MLGW community offices.**

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
August 20, 2025

The Manager of Procurement and Contracts recommends to the Board of Light, Gas and Water Commissioners the approval of Extension (*Change No. 3*) to Contract No. 12142, Card Payment Processing Services to Card Connect, LLC to extend the current contract in the funded amount of \$3,186,460.29.

The project scope is to provide Card Payment Processing Services for the following MLGW payment channels: (1) Web, (2), IVR, (3) CNG (Compressed Natural Gas) fueling stations, and (4) In-Office. The services will offer transaction processing, returns processing as well as reporting for debit card (pin debits/no pin) and credit card payments. The contract award was based on the Request for Proposal (“RFP”) evaluation process.

This change is to extend the existing contract for the period covering January 1, 2026 through December 31, 2026 in the funded amount of \$3,186,460.29, with no increase in rates from the previous term. MLGW is requesting additional funding to cover the following expenses: 1) Interchange fees of \$3,032,775.79 charged by payment networks (VISA, Mastercard, Discover, and American Express) for credit card transactions ran on the merchants network (based on .005% of the 2026 projected sales figure of \$606,555,117.01); and 2) Transaction processing costs of \$153,684.70 associated with debit/ATM card fees and Discover, Mastercard, and VISA authorization fees (one (1) year processing cost for 2026 based on a 5% increase from 2024 to 2025 related to transaction volume). The total requested amount for this extension is in the funded amount of \$3,186,460.29. This extension complies with all applicable laws and policies. The new contract value is \$14,598,817.44.

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, Subject to the consent and approval of the Council of the City of Memphis, the approval of Extension (*Change No. 3*) to Contract No. 12142, Card Payment Processing Services to Card Connect, LLC to extend the current contract in the funded amount of \$3,186,460.29, as outlined in the above preamble, is approved; and further,

THAT, the President, or his designated representative is authorized to execute the Extension.

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of August 20, 2025, approved Extension (*Change No. 3*) to Contract No. 12142, Card Payment Processing Services to Card Connect, LLC to extend the current contract in the funded amount of \$3,186,460.29, and is now recommending to the Council of the City of Memphis that it approves said extension as approved; and

WHEREAS, the project scope is to provide Card Payment Processing Services for the following MLGW payment channels: (1) Web, (2), IVR, (3) CNG (Compressed Natural Gas) fueling stations, and (4) In-Office. The services will offer transaction processing, returns processing as well as reporting for debit card (pin debits/no pin) and credit card payments. The contract award was based on the Request for Proposal (“RFP”) evaluation process; and

WHEREAS, this change is to extend the existing contract for the period covering January 1, 2026 through December 31, 2026 in the funded amount of \$3,186,460.29, with no increase in rates from the previous term. MLGW is requesting additional funding to cover the following expenses: 1) Interchange fees of \$3,032,775.79 charged by payment networks (VISA, Mastercard, Discover, and American Express) for credit card transactions ran on the merchants network (based on .005% of the 2026 projected sales figure of \$606,555,117.01); and 2) Transaction processing costs of \$153,684.70 associated with debit/ATM card fees and Discover, Mastercard, and VISA authorization fees (one (1) year processing cost for 2026 based on a 5% increase from 2024 to 2025 related to transaction volume). The total requested amount for this extension is in the funded amount of \$3,186,460.29. This extension complies with all applicable laws and policies. The new contract value is \$14,598,817.44; and

NOW THEREFORE BE IT RESOLVED BY THE Council of the City of Memphis, that there be and is hereby approved Extension (*Change No. 3*) to Contract No. 12142, Card Payment Processing Services to Card Connect, LLC to extend the current contract in the funded amount of \$3,186,460.29 as approved.

CONTRACT CHANGE FORM

MEMPHIS LIGHT, GAS AND WATER DIVISION
 CITY OF MEMPHIS
 CONTRACT NUMBER 12142

CONTRACT CHANGE NO. 2
 DATE OF CHANGE AUGUST 20, 2025
 SHEET 1 OF 3

TO: MR. RICH YANEK

CARD CONNECT, LLC

1000 CONTINENTAL DRIVE, SUITE 300

KING OF PRUSSIA, PA 19406

YOU ARE ADVISED THAT THE MEMPHIS LIGHT, GAS AND WATER DIVISION, CITY OF MEMPHIS, MEMPHIS, TENNESSEE HEREBY AUTHORIZES THE FOLLOWING CHANGE IN REGARD TO THE ABOVE CONTRACT NUMBER. CONTRACTOR AGREES TO BE BOUND BY ALL OF THE TERMS AND CONDITIONS OF SAID CONTRACT AND PREVIOUS CHANGES.

THE PROJECT SCOPE IS TO PROVIDE CARD PAYMENT PROCESSING SERVICES FOR THE FOLLOWING MLGW PAYMENT CHANNELS: (1) WEB, (2), IVR, (3) CNG (COMPRESSED NATURAL GAS) FUELING STATIONS, AND (4) IN-OFFICE. THE SERVICES WILL OFFER TRANSACTION PROCESSING, RETURNS PROCESSING AS WELL AS REPORTING FOR DEBIT CARD (PIN DEBITS/NO PIN) AND CREDIT CARD PAYMENTS. THE CONTRACT AWARD WAS BASED ON THE REQUEST FOR PROPOSAL ("RFP") EVALUATION PROCESS.

THIS CHANGE IS TO EXTEND THE EXISTING CONTRACT FOR THE PERIOD COVERING JANUARY 1, 2026 THROUGH DECEMBER 31, 2026 IN THE FUNDED AMOUNT OF \$3,186,460.29, WITH NO INCREASE IN RATES FROM THE PREVIOUS TERM. MLGW IS REQUESTING ADDITIONAL FUNDING TO COVER THE FOLLOWING EXPENSES: 1) INTERCHANGE FEES OF \$3,032,775.79 CHARGED BY PAYMENT NETWORKS (VISA, MASTERCARD, DISCOVER, AND AMERICAN EXPRESS) FOR CREDIT CARD TRANSACTIONS RAN ON THE MERCHANTS NETWORK (BASED ON .005% OF THE 2026 PROJECTED SALES FIGURE OF \$606,555,117.01); AND 2) TRANSACTION PROCESSING COSTS OF \$153,684.70 ASSOCIATED WITH DEBIT/ATM CARD FEES AND DISCOVER, MASTERCARD, AND VISA AUTHORIZATION FEES (ONE (1) YEAR PROCESSING COST FOR 2026 BASED ON A 5% INCREASE FROM 2024 TO 2025 RELATED TO TRANSACTION VOLUME). THE TOTAL REQUESTED AMOUNT FOR THIS EXTENSION IS IN THE FUNDED AMOUNT OF \$3,186,460.29. THIS EXTENSION COMPLIES WITH ALL APPLICABLE LAWS AND POLICIES. THE NEW CONTRACT VALUE IS \$14,599,817.44.

CHANGE IN CONTRACT PRICE:

Contract Amount	\$	11,412,857.15	
Change Amount	\$	<u>3,186,460.29</u>	Extension (<i>Change No. 3</i>)
Total Contract Amount	\$	14,599,317.44	

APPROVED BY THE BOARD OF LIGHT, GAS AND WATER COMMISSIONERS

APPROVED BY THE PRESIDENT

DATE

BOARD RESOLUTION TRANSMITTAL

Expenditure Org Executive: Rodney Cleek
 Procurement Contracts Specialist: TaShay Yates

Board Meeting Date: 8/20/2025
 Purchase Order/Requisition Number: 12142
 Purchase Commodity: _____
 Other (Non-Procurement Items): _____

Responsible Group (Requesting Area/ Contact Person) (Telephone number/email address)	331400 / Wayne Allen / 901-528-4662 / wallen@mlgw.org	
Scope: Contract ☒ X Purchase _____ Other _____	The project scope is to provide Card Payment Processing Services for the following MLGW payment channels: (1) Web, (2) IVR, (3) CNG (Compressed Natural Gas) fueling stations and (4) In-Office. The services will offer transaction processing, returns processing as well as reporting for debit card (pin debits/no pin) and credit card payments.	
Explanation of Action. (Contract/Purchase invoice payments, land purchase, dues, other)	The change is to extend the current contract for the period covering January 1, 2026 thru December 31, 2026.	
Where will the work take place? (MLGW facility or jobsite, etc.)	The work will take place at various MLGW facilities.	
Why the need exists? (Contract/Purchase invoice payments, land purchase, dues, other)	The need exists to continue providing debit and credit card transactions.	
Are there any anticipated vendor issues? (If so, please explain)	No	
Are there any contract services, labor or IBEW issues? If yes, has cost comparison been provided to IBEW? Date Provided?	No	
Is there a Budget deficit? If yes, please explain why. Identify in the Budget section below the area, charge code and amount which will absorb the shortfall.	No	
If applicable, how was the recommendation determined? RFP		

BUDGET:

Amount Requested

2025 Budget*

Amount Spent Year-to-Date

2025 Budget Balance Available

Budget Balance After Award

	Total	In 2025 Budget Year	After Budget Year
Amount Requested	\$ 3,186,460.29	\$ 1,455,830.62	\$ 1,730,629.67
2025 Budget*	\$ 2,706,625.00		
Amount Spent Year-to-Date	\$ 1,210,586.36		
2025 Budget Balance Available		\$ 1,496,038.64	
Budget Balance After Award		\$ 40,208.02	

*Please indicate category (O&M or Capital).

☒ O&M☐ Capital

Project

Expenditure Organization

Expenditure Type

Task

Payment and Banking R2025

0331400 Payments Payroll and Banking

Bank Fees

Admin Expense

Comments:

Expenditure Type	Budget	Actual	Available
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
			\$ -

APPROVED:

Ronda Croft

Budget & Financial Planning

07.07.2025

Date

Rev. 11/01/2018

cardconnect

April 10, 2025

Memphis Light Gas and Water Division (MLGW)
Attn: Contracts Management Department

Dear Valued Merchant,

Notwithstanding anything to the contrary, CardConnect LLC agrees to renew the existing Agreement from January 1st, 2026 through December 31st, 2026 based on annual renewal terms and based on existing contract pricing, in relation to Contract No. 12142 - Card Processing Services (Original RFP Contract). All other terms and conditions of the Original RFP Contract shall otherwise remain the same.

Sincerely,

CardConnect, LLC

Signed by:
Erik Nicholson SVP
erik nicholson

40F029B8EE2249C...

Date 5/12/2025

Approved and Reviewed by
Wayne Allen
Mgr. Payments, Payroll, Banking
07/03/2025

Contractor:

Card Connect, LLC

8/20/2025

Contract Number: 12142

	Actions	Date	Amount
	Original Award 04.12.22		\$5,332,000.00
Renewal (Change Order No. 1)	This change was to renew the current contract for the first of two (2) annual renewal terms for the period covering January 1, 2024 through December 31, 2024 in the funded amount of \$3,374,232.00, with no increase in rates from the initial award. MLGW requested additional funding to cover the following expenses: 1) Interchange fees in the amount of \$3,175,457.00 charged by payment networks (VISA, Mastercard, Discover, and American Express) for credit card transactions. This amount includes \$951,704.00 for six (6) months of interchange costs in 2023 and \$2,223,753.00 for one (1) year of interchange costs in 2024 (based on a 16.83% increase from 2021 to 2022 related to transaction volume); 2) Transaction processing costs in the amount of \$198,775.00 associated with debit/ATM card fees and Discover, Mastercard, and VISA authorization fees. This amounts to \$61,260.00 for six (6) months in 2023 and \$137,515.00 for one (1) year in 2024 (based on a 12.24% increase from 2021 to 2022 related to transaction volume). The total funded amount of this renewal is \$3,374,232.00.	8/2/2023	\$3,374,232.00
Renewal (Change Order No. 2)	This change was to renew the current contract for the second and final annual renewal term for the period covering January 1, 2025 through December 31, 2025 in the funded amount of \$2,706,625.15, with no increase in rates from the previous term. MLGW is requesting additional funding to cover the following expenses: 1) Interchange fees of \$2,562,479.60 charged by payment networks (VISA, Mastercard, Discover, and American Express) for credit card transactions ran on the merchants network (based on .005% of the 2025 projected sales figure of \$512,495,919.30; and 2) Transaction processing costs of \$144,145.55 associated with debit/ATM card fees and Discover, Mastercard, and VISA authorization fees (one (1) year processing cost for 2025 based on a 7% increase from 2023 to 2024 related to transaction volume). The total requested amount for this renewal is in the funded amount of \$2,706,625.15.	9/4/2024	\$2,706,625.15
Current Contract Amount			\$11,412,857.15
Amount Paid to Date as of 08.07.25			\$10,891,064.33
Current Contract Balance			\$521,792.82

Extension (Change Order No. 3)	<i>This change is to extend the existing contract for the period covering January 1, 2026 through December 31, 2026 in the funded amount of \$3,186,460.29, with no increase in rates from the previous term. MLGW is requesting additional funding to cover the following expenses: 1) Interchange fees of \$3,032,775.79 charged by payment networks (VISA, Mastercard, Discover, and American Express) for credit card transactions ran on the merchants network (based on .005% of the 2026 projected sales figure of \$606,555,117.01); and 2) Transaction processing costs of \$153,684.70 associated with debit/ATM card fees and Discover, Mastercard, and VISA authorization fees (one (1) year processing cost for 2026 based on a 5% increase from 2024 to 2025 related to transaction volume). The total requested amount for this extension is in the funded amount of \$3,186,460.29.</i>	8/20/2025	\$3,186,460.29
Available Balance			\$3,708,253.11
Cumulative Contract Value			\$14,599,317.44
<i>MLGW's Payment Payroll and Banking Department will utilize the remaining balance for credit card fees covering the current term through December 31, 2025.</i>			

RESOLUTION SUMMARY

1. **Short Title Description** – Three-Conductor Cable
2. **Requested Funding** – \$529,563.00
3. **Award Duration** – One-Time Purchase
4. **Type of Bid** – Sealed Bid
5. **Awarded To** – Universal Scaffold and Equipment
6. **Plain Language Description** – To purchase 2,400 feet of three-conductor cable. This cable facilitates the transition of service from the substation to the overhead distribution network and is also deployed in the Downtown network.
7. **Impact** – The cable is necessary for ongoing infrastructure updates and maintaining system reliability through the replacement of failed components.



EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
August 20, 2025

The Manager of Procurement and Contracts recommends to the Board of Light, Gas and Water Commissioners that it awards a purchase order for three-conductor cable to Universal Scaffold and Equipment in the amount of \$529,563.00.

The three-conductor cable facilitates the transition of service from the substation to the overhead distribution network and is also deployed in the Downtown network. The cable is necessary for ongoing infrastructure updates and maintaining system reliability through the replacement of failed components.

Bids were opened on July 9, 2025. Notice to Bidders was advertised. Twelve bids were solicited, and one bid was received with the best complying and most responsive bidder being the firm of Universal Scaffold and Equipment. This award complies with all applicable laws and policies.

The 2025 budgeted amount for Electric Planned Maintenance – Miscellaneous Accounting Technician is \$7,343,000.00; the amount spent year-to-date is \$6,882,021.74; leaving a balance available of \$460,978.26; of which \$529,563.00 will be spent on this purchase in subsequent budget year as approved; and

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, subject to the consent and approval of the Council of the City of Memphis, awards a purchase order to Universal Scaffold and Equipment is approved for furnishing:

2,400 ft. approximately – Cable 3/C Assy 750 KCM CU 25 KV PILS-PE JKT, 750 KCMIL three conductor, paper-insulated, lead covered and PE-Jacketed cable, 25 KV, made in accordance with MLGW Specification No. 35-6987 dated March 24, 1997;

Totaling \$529,563.00; f.o.b. Memphis, Tennessee, our dock; transportation prepaid; said prices are subject to escalation / de-escalation; delivery in sixteen weeks, terms net 30 days.

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of August 20, 2025 approved the purchase of three-conductor cable and is now recommending to the Council of the City of Memphis that it approves said purchase; and

WHEREAS, the three-conductor cable facilitates the transition of service from the substation to the overhead distribution network and is also deployed in the Downtown network. The cable is necessary for ongoing infrastructure updates and maintaining system reliability through the replacement of failed components; and

WHEREAS, bids were opened on July 9, 2025. Notice to Bidders was advertised. Twelve bids were solicited, and one bid was received with the best complying and most responsive bidder being the firm of Universal Scaffold and Equipment. This award complies with all applicable laws and policies; and

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Memphis that there be and is hereby approved the purchase of three-conductor cable from Universal Scaffold and Equipment in the amount of \$529,563.00 chargeable to subsequent budget year as approved.

BOARD RESOLUTION TRANSMITTAL

Expenditure Org Executive: Von Goodloe
 Procurement Contracts Specialist: Debby White

Board Meeting Date: 8/20/2025
 Requisition Number: 5141872
 Purchase Commodity: Three-Conductor Cable
 Other (Non-Procurement Items): _____

Responsible Group (Requesting Area/ Contact Person) (Telephone number/email address)	Purchasing Department / Debby White / 901-528-4701 / debby.white@mlgw.org	
Scope: Contract _____ Purchase <u>X</u> _____ Other _____	A purchase order will be issued to procure three-conductor cable.	
Explanation of Action. (Contract/Purchase invoice payments, land purchase, dues, other)	To purchase approximately 2,400 feet of three-conductor cable.	
Where will the work take place? (MLGW facility or jobsite, etc.)	The cable will be installed in MLGW's infrastructure within Shelby County, Tennessee.	
Why the need exists? (Contract/Purchase invoice payments, land purchase, dues, other)	The cable is necessary for ongoing infrastructure updates and maintaining system reliability through the replacement of failed components.	
Are there any anticipated vendor issues? (If so, please explain)	No	
Are there any contract services, labor or IBEW issues? If yes, has cost comparison been provided to IBEW? Date Provided?	No	
Is there a Budget deficit? If yes, please explain why. Identify in the Budget section below the area, charge code and amount which will absorb the shortfall.	No	
If applicable, how was the recommendation determined? (Bid, RFQ or RFP) RFQ		

BUDGET:

	Total	In 2025 Budget Year	After Budget Year	Class Item #
Amount Requested	\$ 529,563.00	\$ -	\$ 529,563.00	
2025 Budget*	\$ 7,343,000.00			
Amount Spent Year-to-Date	\$ 6,882,021.74			
2026 Budget Balance Available		\$ 460,978.26		
Budget Balance After Award		\$ 460,978.26		

*Please indicate category (O&M or Capital).

☐ O&M **Project** Elec Planned Maintenance
Expenditure Organization 0988888 Misc Accounting Technician
☒ Capital **Expenditure Type** eAM Outside Purchases
Task Various

Comments: C/I 0356987

Expenditure Type	Budget	Actual	Available
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
			\$ -

APPROVED: Ronda Croft 07.18.2025
 Budget & Financial Planning Date

Rev. 11/01/2018

BID ON THREE-CONDUCTOR CABLE								
FOR BOARD MEETING OF AUGUST 20, 2025								
		BIDS OPENED ON JULY 9, 2025						
		BASE UNIT: FEET						
BIDDER	ITEM QUANTITY	Line 1	Total	Hedge Total	Local Bidding Preference	Local Bidding Presence	Terms	Delivery
COMPLYING BIDDER	DESCRIPTION	CABLE 3/C ASSY 750KCM CU 25KV PILS-PE JKT						
Universal Scaffold and Equipment Memphis, TN		\$182.20	\$437,280.00	\$529,563.00	N/A	N/A	Net 30	16 Weeks
RECOMMEND AWARD AS FOLLOWS: Universal Scaffold and Equipment.....					\$529,563.00			

MEMPHIS LIGHT, GAS AND WATER INTERDEPARTMENTAL COMMUNICATION

To: Debby White

16 July 2025

FROM: Mark Sporer

Mark Sporer

SUBJECT: Evaluation Of Paper Lead Cable – RFQ 1800335

Notes Regarding Individual Bidders

There was one (1) bidder for one (1) item of 750kcmil 3C Paper Lead cable, 2400ft cls-item 35-6987.

Universal Scaffolding – This bidder has quoted cable manufactured by Okonite with a submitted price of \$437,280.00.

Okonite cited some minor exceptions to MLGW specifications, which will be acceptable.

Bid Recommendations

Evaluation of Bids – Bids were evaluated based upon normalizing the metals cost and content based upon bidder supplied information.

For Item 1 – 35-6987 Quantity – 2400 ft

CABLE 3/C ASSY 750KCM CU 25KV PILS-PE JKT ; 750 KCMIL THREE CONDUCTOR, PAPER-INSULATED, LEAD-COVERED AND PE-JACKETEDCABLE, 25 KV, MADE IN ACCORDANCE WITH MLGW SPECIFICATION NO. 35-6987 DATED MARCH 24, 1997.

Bid	Manufacturer	Supplier	Evaluated ^{††}	Meets Spec	Hedge ^{††}
Bid 1	Okonite	Universal	\$454,688	Y	\$529,563

Therefore, I recommend the **award of Item 1 to Universal Scaffolding – Okonite**, as the lowest and best evaluated bid meeting all MLGW requirements at \$454,688. I also recommend the **hedge price to be submitted to the MLGW board to be \$529,563¹**, in addition to the evaluated price. Universal Scaffolding - Okonite submitted the lowest evaluated bid without LVCA; therefore there is no additional cost to MLGW for utilizing a local vendor.

Please let me know if you have any questions or concerns.

¹ Hedge prices are based upon (1) a manufacturing tolerance of +10%, (2) no reel credits if applicable and (3) the highest cost for metals in the last 12 months, unless the current pricing is within 20% of the 12 month high; in this case, 120% of the one-year high is used. This is an attempt to take into consideration of market volatility so that the delivered product cost does not exceed the amount presented to the MLGW board and city council. Only the hedge price (without LVCA) for the lowest evaluated bidder is applicable.

Evaluation of Cable Bids - Detailing All Cost Adjustments/Normilization - Based Upon Metals Pricing On:

15 July 2025

Cable Type: 35-6987 - CABLE 3/C ASSY 750KCM CU 25KV PILS-PE JKT

Number Of Conductor Feet On Order: 2,400 3-Φ Circuit Feet

Number Of Reels: 3 Reels

Number Of Samples Required: 1

Base Metals Price For Bid Evaluation:

Copper Price \$5.5480 [USD/Lb]

CME Date> 15 July 2025

Aluminum Price \$0.0000 [USD/Lb]

LME-MWUST Date> 15 July 2025

Lead Price \$0.8947 [USD/Lb]

LME-MWUST Date> 15 July 2025

Typical Metals Content For Bid Evaluation:

Copper 7.2980 [Lbs/Ft]

Aluminum 0.0000 [Lbs/Ft]

Lead 4.7840 [Lbs/Ft]

↓ ↓ Data Input ↓ ↓		Bid 1	Bid 2	Bid 3	Bid 4	
	Manufacturer ►	Okonite	Mfr 2	Mfr 3	Mfr 4	
	Supplier ►	Universal	Sup 2	Sup 3	Sup 4	
Quoted Price Per Conductor Foot	[US Dollars]	\$182.2000	\$0.0000	\$0.0000	\$0.0000	
Quoted Cu Content Per Conductor Foot	[Lbs]	7.2980	0.0000	0.0000	0.0000	
Quoted Al Content Per Conductor Foot	[Lbs]	0.0000	0.0000	0.0000	0.0000	
Quoted Pb Content Per Conductor Foot	[Lbs]	4.7840	0.0000	0.0000	0.0000	
Quoted Cu Price	[USD/Lb]	\$4.8300	\$0.0000	\$0.0000	\$0.0000	
Quoted Al Price	[USD/Lb]	\$0.0000	\$0.0000	\$0.0000	\$0.0000	
Quoted Pb Price	[USD/Lb]	\$0.8658	\$0.0000	\$0.0000	\$0.0000	
Reel Deposit	[USD Each]	\$3,000	\$0	\$0	\$0	
Escalation - Year 2	[%]	0.0	0.0	0.0	0.0	
Escalation - Year 3	[%]	0.0	0.0	0.0	0.0	
Escalation - Year 4	[%]	0.0	0.0	0.0	0.0	
Escalation - Year 5	[%]	0.0	0.0	0.0	0.0	
Discounts (%)	[%]	0.0	0.0	0.0	0.0	
Lagging/Cut Charges Per Reel	[USD Each]	\$0	\$0	\$0	\$0	
Pulling Eyes	[USD Each]	\$100	\$0	\$0	\$0	
Samples	[USD Set]	\$0	\$0	\$0	\$0	
Value Of Reels Returned 1st Year	[USD Each]	\$3,000	\$0	\$0	\$0	
Value Of Reels Returned 2nd Year	[USD Each]	\$1,500	\$0	\$0	\$0	
Value Of Reels Returned 3rd Year	[USD Each]	\$300	\$0	\$0	\$0	
Number Of Reels Returned 1st Year	[Each]	1	1	1	1	
Number Of Reels Returned 2nd Year	[Each]	1	1	1	1	
Number Of Reels Returned 3rd Year	[Each]	1	1	1	1	
Labor Adjustment For Free Stripping Shield	[USD Cndr Foot]	\$0.00	\$0.00	\$0.00	\$0.00	
Present Value Of Dielectric Losses (30 Yr Life Basis)	[USD]	\$0.00	\$0.00	\$0.00	\$0.00	
Meets MLGW Specifications	[Y/N]	Y	Y	Y	Y	

↓ ↓ Data Output ↓ ↓

Price Of Cable Less Metals	[USD/Cndr Foot]	\$142.8086	\$0.0000	\$0.0000	\$0.0000
Price Of Cable Adjusted To Base Metals	[USD/Cndr Foot]	\$187.58	\$44.77	\$44.7697	\$44.7697
Average Price Of Cable After Escellations & Discounts	[USD/Cndr Foot]	\$187.58	\$44.77	\$44.77	\$44.77
Lagging Charges, Pulling Eyes & Samples - Total	[USD]	\$300	\$0	\$0	\$0
Total Cable Order - Metals, Esc, Disc - Adjusted	[USD]	\$450,187.85	\$107,447.26	\$107,447.26	\$107,447.26
Reel Deposits	[USD]	\$9,000	\$0	\$0	\$0
Total Item Order Cost Before Reel Refunds	[USD]	\$459,488	\$107,447	\$107,447	\$107,447
Total Reel Credits	[USD]	\$4,800	\$0	\$0	\$0
Total Item Order Cost After Reel Refunds	[USD]	\$454,688	\$107,447	\$107,447	\$107,447
Evaluated Cost Per Foot Before Loss/Labor Adj ustments	[USD]	\$189.45	\$44.77	\$44.77	\$44.77
Evaluated Total Cost With Loss/Labor Adjustment	[USD]	\$454,688	\$0	\$0	\$0

Notes

1. Evaluation of bids are based upon the costs of: metals adjusted cables, pulling eyes, samples/test reports, reel deposits, lagging, installation labor, dielectric losses and reel credits, as appropriate. Bids are evaluated based upon metals prices at bid due date

2. The "Board Presentation" ("Hedge") pricing is based upon evaluated at metals future price without reel deposits/credits and early payment discounts.

3. Metals future adjustment is based upon the highest metal value in the past year unless the current pricing is within 20% of the one year high; in this event the metals adjustment is based upon 120% of the 1 year high pricing.

4. The "Board Presentation" ("Hedge") pricing is based upon +10% cable manufacturing quantity.

5. Labor adjustment is based upon \$220 per hour labor & equipment, 6 minute per termination labor differential, and average span length of 240 feet.

6. Losses are based upon present value of the calculated 30 yr. dielectric losses (only) at the predicted average temperature of the cable type, with energy inflation, and investment interest rate

Evaluation of Cable Bids - Detailing All Cost Adjustments/Normilization - Based Upon Metals Pricing On:

Hedge

Cable Type: 35-6987 - CABLE 3/C ASSY 750KCM CU 25KV PILS-PE JKT

Number Of Conductor Feet On Order: 2,640 3-Φ Circuit Feet

Number Of Reels: 3 Reels

Number Of Samples Required: 1

Base Metals Price For Bid Evaluation:

Copper Price \$6.6576 [USD/Lb]

CME Date> Hedge

Aluminum Price \$0.0000 [USD/Lb]

LME-MWUST Date> Hedge

Lead Price \$1.0736 [USD/Lb]

LME-MWUST Date> Hedge

Typical Metals Content For Bid Evaluation:

Copper 7.3710 [Lbs/Ft]

Aluminum 0.0000 [Lbs/Ft]

Lead 4.8318 [Lbs/Ft]

		Bid 1	Bid 2	Bid 3	Bid 4	
↓↓ Data Input ↓↓	Manufacturer ►	Okonite	Mfr 2	Mfr 3	Mfr 4	
	Supplier ►	Universal	Sup 2	Sup 3	Sup 4	
Quoted Price Per Conductor Foot	[US Dollars]	\$182.2000	\$0.0000	\$0.0000	\$0.0000	
Quoted Cu Content Per Conductor Foot	[Lbs]	7.2980	0.0000	0.0000	0.0000	
Quoted Al Content Per Conductor Foot	[Lbs]	0.0000	0.0000	0.0000	0.0000	
Quoted Pb Content Per Conductor Foot	[Lbs]	4.7840	0.0000	0.0000	0.0000	
Quoted Cu Price	[USD/Lb]	\$4.8300	\$0.0000	\$0.0000	\$0.0000	
Quoted Al Price	[USD/Lb]	\$0.0000	\$0.0000	\$0.0000	\$0.0000	
Quoted Pb Price	[USD/Lb]	\$0.8658	\$0.0000	\$0.0000	\$0.0000	
Reel Deposit	[USD Each]	\$3,000	\$0	\$0	\$0	
Escalation - Year 2	[%]	0.0	0.0	0.0	0.0	
Escalation - Year 3	[%]	0.0	0.0	0.0	0.0	
Escalation - Year 4	[%]	0.0	0.0	0.0	0.0	
Escalation - Year 5	[%]	0.0	0.0	0.0	0.0	
Discounts	[%]	0.0	0.0	0.0	0.0	
Lagging Charges Per Reel	[USD Each]	\$0	\$0	\$0	\$0	
Pulling Eyes	[USD Each]	\$100	\$0	\$0	\$0	
Samples	[USD Set]	\$0	\$0	\$0	\$0	
Labor Adjustment For Free Stripping Shield	[USD Cndr Foot]	\$0.00	\$0.00	\$0.00	\$0.00	
Present Value of Dielectric Losses (30 Yr Life Basis)	[USD]	\$0.00	\$0.00	\$0.00	\$0.00	
Meets MLGW Specifications	[Y/N]	Y	Y	Y	Y	

↓↓ Data Output ↓↓

Price Of Cable Less Metals	[USD/Cndr Foot]	\$142.8086	\$0.0000	\$0.0000	\$0.0000
Price Of Cable Adjusted To Base Metals	[USD/Cndr Foot]	\$197.07	\$54.2607	\$54.2607	\$54.2607
Average Price Of Cable After Escallations	[USD/Cndr Foot]	\$197.07	\$54.26	\$54.26	\$54.26
Lagging Charges, Pulling Eyes & Samples - Total	[USD]	\$300	\$0	\$0	\$0
Reel Deposits	[USD]	\$9,000	\$0	\$0	\$0
Total Cable Order - Metals, Esc, Disc - Adjusted	[USD]	\$520,262.87	\$143,248.23	\$143,248.23	\$143,248.23
Evaluated Total Cost Before Loss/Labor Adj	[USD]	\$529,563	\$143,248	\$143,248	\$143,248
Evaluated Cost Per Foot Before Loss/Labor Adjustments	[USD]	\$200.59	\$54.26	\$54.26	\$54.26
Evaluated Total Cost With Loss/Labor Adjustment	[USD]	\$529,563	\$0	\$0	\$0

Notes

1. Evaluation of bids are based upon the costs of: metals adjusted cables, pulling eyes, samples/test reports, reel deposits, lagging, installation labor, dielectric losses and reel credits, as appropriate. Bids are evaluated based upon metals prices at bid due date

2. The "Board Presentation" ("Hedge") pricing is based upon evaluated at metals future price without reel deposits/credits and early payment discounts.

3. Metals future adjustment is based upon the highest metal value in the past year unless the current pricing is within 20% of the one year high; in this event the metals adjustment is based upon 120% of the 1 year high pricing.

4. The "Board Presentation" ("Hedge") pricing is based upon +10% cable manufacturing quantity.

5. Labor adjustment is based upon \$220 per hour labor & equipment, 6 minute per termination labor differential, and average span length of 240 feet.

6. Losses are based upon present value of the calculated 30 yr. dielectric losses (only) at the predicted average temperature of the cable type, with energy inflation, and investment interest rate

Summary Cable Bid Evaluation

Cable Type: 35-6987 - CABLE 3/C ASSY 750KCM CU 25KV PILS-PE JKT

	Bid	Manufacturer	Supplier	Evaluated ^{††}	Meets Spec	Hedge ^{††}	
	Bid 1	Okonite	Universal	\$454,688	Y	\$529,563	
	Bid 2	Mfr 2	Sup 2	\$0	Y	\$0	
	Bid 3	Mfr 3	Sup 3	\$0	Y	\$0	
	Bid 4	Mfr 4	Sup 4	\$0	Y	\$0	
	Bid 5	Mfr 5	Sup 5	\$0	Y	\$0	
	Bid 6	Mfr 6	Sup 6	\$0	Y	\$0	
	Bid 7	Mfr 7	Sup 7	\$0	Y	\$0	
	Bid 8	Mfr 8	Sup 8	\$0	Y	\$0	
	Bid 9	Mfr 9	Sup 9	\$0	Y	\$0	
	Bid 10	Mfr 10	Sup 10	\$0	Y	\$0	
	Bid 11	Mfr 11	Sup 11	\$0	0	\$0	
	Bid 12	Mfr 12	Sup 12	\$0	0	\$0	
	Bid 13	Mfr 13	Sup 13	\$0	0	\$0	
	Bid 14	Mfr 14	Sup 14	\$0	0	\$0	
	Bid 15	Mfr 15	Sup 15	\$0	0	\$0	
	Bid 16	Mfr 16	Sup 16	\$0	0	\$0	
	Bid 17	Mfr 17	Sup 17	\$0	0	\$0	
	Bid 18	Mfr 18	Sup 18	\$0	0	\$0	
	Bid 19	Mfr 19	Sup 19	\$0	0	\$0	
	Bid 20	Mfr 20	Sup 20	\$0	0	\$0	

^{††} Note: Evaluated price and hedge price is only valid for lowest bid meeting MLGW Specifications.



INTERDEPARTMENTAL MEMORANDUM

To: Camela Mitchell, Randy Orsby, Rodney Cleek
From: Debby White
Subject: Three Conductor Cable
Date: July 18, 2025

Memphis Light, Gas and Water opened bids for 2,400 feet of Three Conductor Cable on July 9, 2025. Bids were sent to twelve suppliers as well as posted on MLGW's Online Bid Notification System and advertised in The Daily Newspaper. However, MLGW only received one (1) bid response for this solicitation, from Universal Scaffold and Equipment.

The non-responsive bidders were ATG Supply, Brighter Days and Nites, Engineered Sealing Components, Industrials Sales, Southern Sales, Superior Industrial, Wesco Distribution, Border States, Stuart C Irby, Graybar Electric, and Tristate Armature. All were contacted to gain an understanding of why they didn't submit a quote.

Engineered Sealing and Brighter Days and Nites shared their feedback explaining why they didn't submit a quote. Both suppliers were unable to locate a manufacturer to quote the Three Conductor Cable.

Regards,
Debby White
Procurement Contracts Specialist II

AWARD RECOMMENDATION

To: Camela Mitchell

From: **Procurement Contracts Specialist II:** Debby White

Date: 7/18/2025

Requisition #: 5141872 Bid on: Three-Conductor Cable

Attached are bid(s) for items requisitioned by your department. Please complete the applicable portions of this form in order that proper presentation and recommendations may be made. Please return this form to the Procurement Specialist as soon as possible.

1. PROCUREMENT COMMENTS:

See attached Recommendation Letter from Mark Sporer.

2. RECOMMENDATION:

A. Which bid(s) do you recommend? Universal Scaffold and Equipment

B. Does this meet specifications as per your request and/or as advertised?

YES ☒
NO ☐

If No, is the variance considered: MINOR ☐ or MAJOR ☐

Explain:

C. Is the recommendation the lowest bid received? YES ☒ NO ☐

If no, list the bids that are low; but which you believe **DO NOT** meet specifications and list reasons why each does not meet specifications. Please attach a memo of explanation to this form, if necessary. If recommendation is based on local bidding preference, supplier diversity policy application, or earliest delivery based on need, please include in your recommendation.

(attach an additional sheet if further comment or explanation is required)

PRINT NAME Camela Mitchell
Area Supervisor or designee

SIGNATURE Debby White
Procurement Contracts Specialist II

SIGNATURE Camela Mitchell

DATE 7/18/2025

DATE 7/17/2025

PHONE 901-528-4701

3. PROCUREMENT ACTION/RECOMMENDATION(S): (Purchasing to complete)

This award complies with all applicable laws and policies.

Revised 5/17/10

RESOLUTION SUMMARY

1. **Short Title Description** – Horizontal LED 200W Luminaires
2. **Requested Funding** – \$232,404.00
3. **Award Duration** – One-Time Purchase
4. **Type of Bid** – Sealed Bid
5. **Awarded To** – Engineered Sealing Components LLC
6. **Plain Language Description** – To purchase 543 horizontal LED 200W luminaires which will be used for MLGW's electric infrastructure.
7. **Impact** – The horizontal LED 200W luminaires are needed for upcoming projects and for infrastructure updates.



EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
August 20, 2025

The Manager of Procurement and Contracts recommends to the Board of Light, Gas and Water Commissioners that it awards a purchase order for horizontal LED 200W luminaires to Engineered Sealing Components LLC in the amount of \$232,404.00.

The horizontal LED 200W luminaries, serving as high-pressure sodium cobra head equivalents, are vital for maintaining and supporting MLGW's street light system infrastructure. The horizontal LED 200W luminaires are needed for upcoming projects and for infrastructure updates.

Bids were opened on June 25, 2025. Notice to Bidders was advertised. Thirteen bids were solicited, and five bids were received with the best complying and most responsive bidder being the firm of Engineered Sealing Components LLC. This award complies with all applicable laws and policies.

The 2025 budgeted amount for Electric Street Light Maintenance – Miscellaneous Accounting Transaction is \$2,898,000.00; the amount spent year-to-date is \$1,718,973.68; leaving a balance available of \$1,179,026.32; of which \$232,404.00 will be spent on this purchase in 2025; leaving a balance available of \$946,622.32; and

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, subject to the consent and approval of the Council of the City of Memphis, awards a purchase order to Engineered Sealing Components LLC is approved for furnishing:

543 – Luminaire horizontal LED 200W equivalent, 3000K, 200W high pressure sodium cobra head equivalent, shall comply with MLGW Specification 43-60XX dated April 22, 2022. Each unit shall be boxed individually and marked with MLGW class item #43-6085;

Totaling \$232,404.00; f.o.b. Memphis, Tennessee, our dock; transportation prepaid; said prices being firm; delivery in six weeks, terms net 30 days.

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of August 20, 2025 approved the purchase of horizontal LED 200W luminaires and is now recommending to the Council of the City of Memphis that it approves said purchase; and

WHEREAS, the horizontal LED 200W luminaries, serving as high-pressure sodium cobra head equivalents, are vital for maintaining and supporting MLGW's street light system infrastructure. The horizontal LED 200W luminaires are needed for upcoming projects and for infrastructure updates; and

WHEREAS, bids were opened on June 25, 2025. Notice to Bidders was advertised. Thirteen bids were solicited, and five bids were received with the best complying and most responsive bidder being the firm of Engineered Sealing Components LLC. This award complies with all applicable laws and policies; and

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Memphis that there be and is hereby approved the purchase of horizontal LED 200W luminaires from Engineered Sealing Components LLC in the amount of \$232,404.00 chargeable to the MLGW 2025 fiscal year budget.

BOARD RESOLUTION TRANSMITTAL

Expenditure Org Executive: Dr. Von Goodloe
 Procurement Contracts Specialist: Demetria D. Bowers-Adair

Board Meeting Date: 8/20/2025
 Requisition Number: 5142339
 Purchase Commodity: Horizontal LED 200W Luminaires
 Other (Non-Procurement Items): _____

Responsible Group (Requesting Area/ Contact Person) (Telephone number/email address)	Purchasing Department / Demetria D. Bowers-Adair / 901-528-4701 / dbowers-adair@mlgw.org	
Scope: Contract _____ Purchase <u>X</u> _____ Other _____	A purchase order will be issued to procure horizontal LED 200W luminaires.	
Explanation of Action. (Contract/Purchase invoice payments, land purchase, dues, other)	To purchase 543 horizontal LED 200W luminaires.	
Where will the work take place? (MLGW facility or jobsite, etc.)	The horizontal LED 200W luminaires will be installed in MLGW's infrastructure within Shelby County, Tennessee.	
Why the need exists? (Contract/Purchase invoice payments, land purchase, dues, other)	The horizontal LED 200W luminaires are needed for upcoming projects and for infrastructure updates.	
Are there any anticipated vendor issues? (If so, please explain)	No	
Are there any contract services, labor or IBEW issues? If yes, has cost comparison been provided to IBEW? Date Provided?	No	
Is there a Budget deficit? If yes, please explain why. Identify in the Budget section below the area, charge code and amount which will absorb the shortfall.	No	
If applicable, how was the recommendation determined? (Bid, RFQ or RFP) RFQ		

BUDGET:

Amount Requested

2025 Budget*

Amount Spent Year-to-Date

2025 Budget Balance Available

Budget Balance After Award

Total	In 2025 Budget Year	After Budget Year
\$ 232,404.00	\$ 232,404.00	\$ -
\$ 2,898,000.00		
\$ 1,718,973.68	\$ 1,179,026.32	
	\$ 946,622.32	

*Please indicate category (O&M or Capital).

☐ O&M☒ Capital

Project Elec-Street Light Maintenance
 Expenditure Organization 0988888 Misc Accounting Transaction
 Expenditure Type eAM Outside Purchases
 Task Various

Comments: C/I 0436085

Expenditure Type	Budget	Actual	Available
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
			\$ -

APPROVED:

Ronda Croft

Budget & Financial Planning

07.14.2025

Date

Rev. 11/01/2018

BID ON HORIZONTAL LED 200W LUMINAIRES							
FOR BOARD MEETING OF AUGUST 20, 2025							
		BIDS OPENED ON JUNE 25, 2025					
		BASE UNIT: EACH					
BIDDERS	ITEM QUANTITY	Line 1	Total	Local Bidding Preference	Local Bidding Presence	Terms	Delivery
COMPLYING BIDDERS	DESCRIPTION	543					
		LUMINAIRE HORIZONTAL LED 200W					
Engineered Sealing Components LLC Memphis, TN		\$428.00	\$232,404.00	N/A	N/A	Net 30	6 Weeks
Brighter Days & Nites Inc. Memphis, TN		\$452.60	\$245,761.80	N/A	N/A	Net 15	4-6 Weeks
ATG Supply LLC Memphis, TN		\$470.00	\$255,210.00	N/A	N/A	Net 15	4-6 Weeks
NON-COMPLYING BIDDERS							
SolarMax LED, Inc. Riverside , CA		\$189.95	\$103,142.85	N/A	N/A	Net 30	12-14 Weeks
SolarMax LED, Inc. was non-complying due to their failure to quote the manufacturer and catalog numbers on MLGW's approved products lists; therefore, their bid was deemed incomplete and not considered for evaluation or award.							
Wesco Distribution Inc. Memphis, TN		\$420.32	\$228,233.76	N/A	N/A	Net 30	4-6 Weeks
Wesco Distribution Inc. was non-complying due to their failure to sign and return the completed signature page; therefore, their bid was deemed incomplete and not considered for evaluation or award.							
RECOMMEND AWARD AS FOLLOWS: Engineered Sealing Components LLC.....				\$232,404.00			

AWARD RECOMMENDATION

To: Camela Mitchell

From: **Procurement Contracts Specialist I:** Demetria D. Bowers-Adair

Date: 6/30/2025

Requisition #: 5142339 **Bid on:** Horizontal LED 200W Luminaires

Attached are bid(s) for items requisitioned by your department. Please complete the applicable portions of this form in order that proper presentation and recommendations may be made. Please return this form to the Procurement Specialist as soon as possible.

1. PROCUREMENT COMMENTS:

2. RECOMMENDATION:

A. Which bid(s) do you recommend? I am recommending the award be made to Engineered Sealing Components LLC for the Horizontal LED 200W Luminaires.

B. Does this meet specifications as per your request and/or as advertised? YES ☒ NO ☐

If No, is the variance considered: MINOR ☐ or MAJOR ☐

Explain:

C. Is the recommendation the lowest bid received? YES ☐ NO ☒

If no, list the bids that are low, but which you believe **DO NOT** meet specifications and list reasons why each does not meet specifications. Please attach a memo of explanation to this form, if necessary. If recommendation is based on local bidding preference, supplier diversity policy application, or earliest delivery based on need, please include in your recommendation.

Solarmax LED, Inc. was the low bidder, however the vendor didn't quote the manufacturer and catalog number on MLGW's approved products lists. Therefore their bid was deemed non-complying. The data sheet for the product quoted has been submitted to the engineers to determine if the product can be added to the approved products list.

(attach an additional sheet if further comment or explanation is required)

PRINT NAME Camela Mitchell
Area Supervisor or designee

SIGNATURE Demetria D. Bowers-Adair
Procurement Contracts Specialist I

SIGNATURE Camela Mitchell

DATE 6/30/2025

DATE 6/30/2025

PHONE 901-528-4701

3. PROCUREMENT ACTION/RECOMMENDATION(S): (Purchasing to complete)

This award complies with all applicable laws and policies.

Revised 5/17/10

RESOLUTION SUMMARY

- 1. Short title description – Contract No. 12555 - External Auditing Services**
- 2. Funded Amount - \$875,000.00**
- 3. Award Duration – The term of this contract is for a period of 60 months from the date of the Notice to Proceed**
- 4. Type of Bid – RFP**
- 5. Awarded to – CBIZ CPAs P.C.**
- 6. Plain Language Description – This contract is for external auditing services with respect to the financial statements of MLGW's Electric, Gas, and Water Division.**
- 7. Impact – The contract will provide independent audit assurance that MLGW's Electric, Gas, and Water financial statements are accurate, complete, fairly presented, and in compliance with applicable standards.**

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
August 20, 2025

The Manager of Procurement and Contracts recommends to the Board of Light, Gas and Water Commissioners that it awards Contract No. 12555, External Auditing Services to CBIZ CPAs P.C. in the funded amount of \$875,000.00.

The project scope is to perform external auditing services and provide reports with respect to the financial statements of MLGW's Electric, Gas, and Water Divisions for the year ending December 31, 2025 and each of the four (4) consecutive years to follow, ending in 2029 with work completed in 2030.

The Request for Proposal was advertised using MLGW's Online Bid Notification System on March 10, 2025. MLGW solicited (30) firms. Six (6) proposals were received on April 15, 2025; of which, one (1) proposal was deemed non-compliant due to the firm failing to submit the required Signature Page with their proposal. The most responsive proposal received was from CBIZ CPAs P.C., which was evaluated based on the following criteria: 1) Past experience related to audits of utility companies; 2) Past experience related to audits of governmental units; 3) Qualification of staff, including consultants, to be assigned to the audit; 4) Firm's understanding of work to be performed; 5) Total estimated cost; and 6) Total Supplier Diversity percentage of participation. The total funded amount for this award is \$875,000.00. The term of this contract is for a period of 60 months from the date of the Notice to Proceed. This award complies with all applicable laws and policies.

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, Subject to the consent and approval of the Council of the City of Memphis, the award of Contract No. 12555, External Auditing Services to CBIZ CPAs P.C. in the funded amount of \$875,000.00, as outlined in the foregoing preamble, is approved and further,

THAT, the President, or his designated representative is authorized to execute the Award.

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of August 20, 2025 awarded Contract No. 12555, External Auditing Services to CBIZ CPAs P.C. in the funded amount of \$875,000.00, and is now recommending to the Council of the City of Memphis that it approves said award as approved; and

WHEREAS, the project scope is to perform external auditing services and provide reports with respect to the financial statements of MLGW's Electric, Gas, and Water Divisions for the year ending December 31, 2025 and each of the four (4) consecutive years to follow, ending in 2029 with work completed in 2030; and

WHEREAS, the Request for Proposal was advertised using MLGW's Online Bid Notification System on March 10, 2025. MLGW solicited (30) firms. Six (6) proposals were received on April 15, 2025; of which, one (1) proposal was deemed non-compliant due to the firm failing to submit the required Signature Page with their proposal. The most responsive proposal received was from CBIZ CPAs P.C., which was evaluated based on the following criteria: 1) Past experience related to audits of utility companies; 2) Past experience related to audits of governmental units; 3) Qualification of staff, including consultants, to be assigned to the audit; 4) Firm's understanding of work to be performed; 5) Total estimated cost; and 6) Total Supplier Diversity percentage of participation. The total funded amount for this award is \$875,000.00. The term of this contract is for a period of 60 months from the date of the Notice to Proceed. This award complies with all applicable laws and policies; and

NOW THEREFORE BE IT RESOLVED by the Council of the City of Memphis, that there be and is hereby approved an award of Contract No. 12555, External Auditing Services to CBIZ CPAs P.C. in the funded amount of \$875,000.00 as approved.

MEMPHIS LIGHT, GAS & WATER DIVISION INTERDEPARTMENTAL

TO: Board of Commissioners
FROM: Randy Orsby - Manager of Procurement and Contracts
SUBJECT: Contract No. 12555, External Auditing Services

DATE: 8/20/2025

The Contracts Management Department, with an outline of work to be provided by the Internal Audit Assurance and Data Analytics solicited proposals to perform external auditing services and provide reports with respect to the financial statements of MLGW's Electric, Gas and Water Divisions for the year ending December 31, 2025 and each of the four (4) consecutive years to follow, ending in 2029 with work completed in 2030.

The Request for Proposal was advertised using MLGW's Online Bid Notification System on March 10, 2025. MLGW solicited (30) firms. Six (6) proposals were received on April 15, 2025; of which, one (1) proposal was deemed non-compliant due to the firm failing to submit the required Signature Page with their proposal. The most responsive proposal received was from CBIZ CPAs P.C., which was evaluated based on the following criteria: 1) Past experience related to audits of utility companies; 2) Past experience related to audits of governmental units; 3) Qualification of staff, including consultants, to be assigned to the audit; 4) Firm's understanding of work to be performed; 5) Total estimated cost; and 6) Total Supplier Diversity percentage of participation. The total funded amount for this award is \$875,000.00. The term of this contract is for a period of 60 months from the date of the Notice to Proceed. This award complies with all applicable laws and policies.

Respondent	Total Score Received	Total Score Received/Local Bidding Presence Applied	Local Bidding Preference and Presence Comments
CBIZ CPAs P.C. 5100 Poplar Avenue, 30 th Floor Memphis, TN 38137	8.50	8.50	Additional points were not provided to this Respondent. The additional points were provided to the Respondent who possessed the highest number of employees located within Shelby County, TN.
Maulden & Jenkins 200 W. Martin Luther King Blvd, Suite 1100 Chattanooga, TN 37402	8.50	8.50	The Respondent did not provide documentation to be considered for the Local Bidding Preference or the Local Bidding Presence.
Clifton Larson Allen (CLA) 600 Washington Avenue, Suite 1800 St. Louis, MO 63101	8.20	8.20	The Respondent did not provide documentation to be considered for the Local Bidding Preference or the Local Bidding Presence.
Forvis Mazars 1715 Aaron Brenner Drive, Suite 107 Memphis, TN 38120	5.55	5.83 (score includes additional points for the Local Bidding Presence)	The Respondent provided documentation to be considered for the Local Bidding Presence ** The Respondent received additional points for possessing the highest number of employees located within Shelby County, TN (84 employees).

Moss Adams, LLP 2707 Colby Avenue, Suite 801 Everett, WA 98201	3.31	3.31	The Respondent did not provide documentation to be considered for the Local Bidding Preference or Presence.
ATA, PLLC 227 Oil Well Road Jackson, TN 38305	The Respondent was deemed non-responsive due to their failure to submit the required Signature Page	N/A	N/A

MLGW through its evaluation and selection process recommends the award of Contract No. 12555, External Auditing Services to CBIZ CPAs P.C.

BOARD RESOLUTION TRANSMITTAL

Expenditure Org Executive: Lesa J.B. Walton
 Specialist: Arma Orr

Board Meeting Date: 8/20/2025
 Contract Number: 12555
 Purchase Commodity: _____
 Other (Non-Procurement Items): _____

Responsible Group (Requesting Area/ Contact Person) (Telephone number/email address)	Internal Audit/Shonda Summers/528-4082/ssummers@mlgw.org	
Scope: Contract <u>X</u> Purchase _____ Other _____	The project scope is to perform external auditing services and provide reports with respect to the financial statements of MLGW's Electric, Gas, and Water Divisions for the year ending December 31, 2025 and each of the four (4) consecutive years to follow, ending in 2029 with work completed in 2030.	
Explanation of Action. (Contract/Purchase invoice payments, land purchase, dues, other)	This is an award.	
Where will the work take place? (MLGW facility or jobsite, etc.)	The work will take place on-site at MLGW locations.	
Why the need exists? (Contract/Purchase invoice payments, land purchase, dues, other)	The need exists to perform external auditing services and provide reports with respect to the financial statements of MLGW's Electric, Gas and Water Division.	
Are there any anticipated vendor issues? (If so, please explain)	No	
Are there any contract services, labor or IBEW issues? If yes, has cost comparison been provided to IBEW? Date Provided?	No	
Is there a Budget deficit? If yes, please explain why. Identify in the Budget section below the area, charge code and amount which will absorb the shortfall.	No	
If applicable, how was the recommendation determined? (Bid or RFP) <u>RFP</u>		

BUDGET:

Amount Requested

2025 Budget*

Amount Spent Year-to-Date

2025 Budget Balance Available

Budget Balance After Award

	Total	In 2025 Budget Year	After Budget Year
\$	875,000.00	\$ -	\$ 875,000.00
\$	203,500.00		
\$	79,000.00	\$ 124,500.00	
		\$ 124,500.00	

*Please indicate category (O&M or Capital).

☒ O&M☐ Capital

Project VP Chief Internal Audit
 Expenditure Organization 0120000 VP Chief Internal Audit Officer
 Expenditure Type Outside Svc-Other Professional
 Task Admin Expense

Comments: This contract will be for year-end December 31, 2025 with four consecutive years to follow with work completed in 2030.

Expenditure Type	Budget	Actual	Available
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -

APPROVED:

Ronda Croft

6.12.2025

Budget & Financial Planning

Date

Rev. 11/01/2018



MEMPHIS LIGHT, GAS AND WATER DIVISION

DATE: July 18, 2025

TO: See Distribution List Below

RE: Notification of the Intent to Award
Contract No. 12555 ~ External Auditing Services

On behalf of MLGW, thank you for participating in the recent RFP process for **Contract No. 12555 ~ External Auditing Services** in which proposals were received on **April 15, 2025**.

After a deliberation of proposals received, a Notification of the Intent to Award recommendation to **CBIZ CPAs P.C.** for the referenced RFP has been received in the Contracts Management Department.

*It should be noted that **Contract No. 12555** is not legally effective until both the LGW Board of Commissioners and Memphis City Council approves its minutes. In addition, both the Vendor and MLGW must sign the Contract Documents. It should also be noted that no oral communications relating to the Contract Documents is effective and binding on you and MLGW.*

Again, thank you for your interest in doing business with MLGW. Please do not hesitate to contact me via email at aorr@mlgw.org or by phone at 901-528-4020 if you have any questions or concerns.

Sincerely,

Arma Orr
Procurement Contracts Specialist II
Contracts Management Department
Memphis Light, Gas and Water Division
Office: 901-528-4020
Email: aorr@mlgw.org

Distribution List:

- **CBIZ CPAs P. C.~5100 Poplar Avenue, 30th Floor, Memphis, TN 38137**
- **Maulden & Jenkins~200 W. Martin Luther King Blvd., Suite 1100, Chattanooga, TN 37402**
- **Clifton Larson Allen (CLA)~600 Washington Avenue, Suite 1800, St. Louis, MO 63101**
- **Forvis Mazars~1715 Aaron Brenner Drive, Suite 107, Memphis, TN 38120**
- **Moss Adams, LLP~2707 Colby Avenue, Suite 801, Everett, WA 98201**
- **ATA, PLLC~227 Oil Well Road, Jackson, TN 38305**

cc: Shonda Summers
Brittni Rhyan
Lesa Walton

RESOLUTION SUMMARY

1. **Short title description – Contract No. 12167 - Retirement and Pension System and Other Post Employment Benefits (OPEB) Audits**
2. **Funded Amount - \$74,200.00 (The custodial fees are paid directly by the respective MLGW Pension and OPEB accounts).**
3. **Award Duration – Ratification and one (1) year extension (January 1, 2026 through December 31, 2026)**
4. **Type of Bid – RFP**
5. **Awarded to – Forvis Mazars (*formerly Dixon Hughes Goodman, LLP*)**
6. **Plain Language Description – This contract is for external auditing services with respect to the financial statements for the Retirement and Pension System and Other Post-Employment Benefits (OPEB) Trust for the year ending 2025 with work to be completed in 2026.**
7. **Impact – The contract will provide independent audit assurance that MLGW's Retirement and Pension (OPEB) financial statements are accurate, complete, fairly presented, and in compliance with applicable standards.**

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
August 20, 2025

The Manager of Procurement and Contracts recommends to the Board of Light, Gas and Water Commissioners the approval of Ratification and Extension (*Change No. 1*) to Contract No. 12167, Retirement and Pension System and Other Post Employment Benefits (OPEB) Audits with Forvis Mazars (*formerly Dixon Hughes Goodman, LLP*) to ratify and extend the current contract in the funded amount of \$74,200.00.

The project scope is to perform external auditing services and provide reports with respect to the financial statements of the MLGW Retirement and Pension System and Other Post-Employment Benefits (“OPEB”) Trust. The audits shall be conducted in accordance with Governmental Auditing Standards issued by the Comptroller of the Treasury, State of Tennessee. The contract award was based on the Request for Proposals (“RFP”) evaluation process.

This change is to ratify and increase the current contract to pay an outstanding invoice in the amount of \$22,900.00, and to extend the current contract for one (1) year for the period covering January 1, 2026 through December 31, 2026 in the amount of \$51,300.00, which may not include any applicable processing fees. This extension is to allow Internal Audit, Finance, and Contracts Management time to solicit a 48-month Request for Proposal (“RFP”) for the services. This extension includes a negotiated increase of 4.79% over the previous 12 months. The contract will provide independent audit assurance that MLGW’s Retirement and Pension (OPEB) financial statements are accurate, complete, fairly presented, and in compliance with applicable standards. The custodial fees are paid directly by the respective MLGW Pension and OPEB accounts and do not have an impact on MLGW’s operating budget.

This Ratification and extension complies with all applicable laws and policies. The new contract value is \$304,300.00.

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, Subject to the consent and approval of the Council of the City of Memphis, the approval of Ratification and Extension (*Change No. 1*) to Contract No. 12167, Retirement and Pension System and Other Post Employment Benefits (OPEB) Audits with Forvis Mazars (*formerly Dixon Hughes Goodman, LLP*) to ratify and extend the current contract in the funded amount of \$74,200.00, as outlined in the above preamble, is approved; and further

THAT, the President, or his designated representative, is authorized to execute the Ratification and Extension.

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of August 20, 2025 approved Ratification and Extension (*Change No. 1*) to Contract No. 12167, Retirement and Pension System and Other Post Employment Benefits (OPEB) Audits with Forvis Mazars (*formerly Dixon Hughes Goodman, LLP*) to ratify and extend the current contract in the funded amount of \$74,200.00, and is now recommending to the Council of the City of Memphis that it approves said ratification and extension as approved; and

WHEREAS, the project scope is to perform external auditing services and provide reports with respect to the financial statements of the MLGW Retirement and Pension System and Other Post-Employment Benefits (“OPEB”) Trust. The audits shall be conducted in accordance with Governmental Auditing Standards issued by the Comptroller of the Treasury, State of Tennessee. The contract award was based on the Request for Proposals (“RFP”) evaluation process; and

WHEREAS, this change is to ratify and increase the current contract to pay an outstanding invoice in the amount of \$22,900.00, and to extend the current contract for one (1) year for the period covering January 1, 2026 through December 31, 2026 in the amount of \$51,300.00, which may not include any applicable processing fees. This extension is to allow Internal Audit, Finance, and Contracts Management time to solicit a 48-month Request for Proposal (“RFP”) for the services. This extension includes a negotiated increase of 4.79% over the previous 12 months. The contract will provide independent audit assurance that MLGW’s Retirement and Pension (OPEB) financial statements are accurate, complete, fairly presented, and in compliance with applicable standards. The custodial fees are paid directly by the respective MLGW Pension and OPEB accounts and do not have an impact on MLGW’s operating budget. This ratification and extension complies with all applicable laws and policies. The new contract value is \$304,300.00; and

NOW THEREFORE BE IT RESOLVED BY THE Council of the City of Memphis, that there be and is hereby approved Ratification and Extension (*Change No. 1*) to Contract No. 12167, Retirement and Pension System and Other Post Employment Benefits (OPEB) Audits with Forvis Mazars (*formerly Dixon Hughes Goodman, LLP*) to ratify and extend the current contract in the funded amount of \$74,200.00 as approved.

BOARD RESOLUTION TRANSMITTAL

Expenditure Org Executive: Lesa Walton
 Specialist: TaShay Yates

Board Meeting Date: 8/20/2025
 Contract Number: 12167
 Purchase Commodity: _____
 Other (Non-Procurement Items): _____

Responsible Group (Requesting Area/ Contact Person) (Telephone number/email address)	0120000 / Lesa Walton / 528-3500 / lwalton@mlgw.org	
Scope: Contract ☒ X Purchase _____ Other _____	The project scope is to perform external auditing services and provide reports with respect to financial statements of the MLGW Retirement and Pension System and Other Post-Employment Benefits ("OPEB") Trust.	
Explanation of Action. (Contract/Purchase invoice payments, land purchase, dues, other)	This change is to ratify and extend the current contract for one (1) year for the period covering January 1, 2026 through December 31, 2026.	
Where will the work take place? (MLGW facility or jobsite, etc.)	The work will take place on-site at MLGW's locations.	
Why the need exists? (Contract/Purchase invoice payments, land purchase, dues, other)	The need exists to perform external auditing services and provide reports with respect to the financial statements for the Retirement and Pension System and Other Post Employment Benefits (OPEB) Trust.	
Are there any anticipated vendor issues? (If so, please explain)	No	
Are there any contract services, labor or IBEW issues? If yes, has cost comparison been provided to IBEW? Date Provided?	No	
Is there a Budget deficit? If yes, please explain why. Identify in the Budget section below the area, charge code and amount which will absorb the shortfall.	No	
If applicable, how was the recommendation determined? (Bid or RFP) RFP		

BUDGET:

Amount Requested

2025 Budget*

Amount Spent Year-to-Date

2025 Budget Balance Available

Budget Balance After Award

Total	In 2025 Budget Year	After Budget Year
\$ -	\$ -	\$ -
\$ -		
\$ -	\$ -	
	\$ -	

*Please indicate category (O&M or Capital).

☐ O&M☐ Capital

Project

Expenditure Organization

Expenditure Type

Task

Comments: All fees will be paid directly by the respective Pension & OPED accounts.

Expenditure Type	Budget	Actual	Available
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
			\$ -

APPROVED:

Ronda Croft

Budget & Financial Planning

06.12.2025

Date

Rev. 11/01/2018

Contractor: Forvis Mazars (formerly Dixon Hughes Goodman, LLP)
Contract Number: 12167
8/20/2025

Actions		Date	Amount
Original Award	Award	9/18/2020	\$230,100.00
Amount Paid to Date as of 07.25.2025			\$229,000.00
Current Contract Balance			\$1,100.00
Ratification and Extension (Change Order No. 1)	<i>This change is to ratify and increase the current contract to pay an outstanding invoice in the amount of \$22,900.00, and to extend the current contract for one (1) year for the period covering January 1, 2026 through December 31, 2026 in the amount of \$51,300.00, which may not include any applicable processing fees. This extension is to allow Internal Audit, Finance, and Contracts Management time to solicit a 48-month Request for Proposal (“RFP”) for the services. This extension includes a negotiated increase of 4.79% over the previous 12 months. The contract will provide independent audit assurance that MLGW’s Retirement and Pension (OPEB) financial statements are accurate, complete, fairly presented, and in compliance with applicable standards. The custodial fees are paid directly by the respective MLGW Pension and OPEB accounts and do not have an impact on MLGW’s operating budget.</i>	8/20/2025	\$74,200.00
Available Balance			\$52,400.00
Cumulative Contract Value			\$304,300.00

CONTRACT CHANGE FORM

MEMPHIS LIGHT, GAS AND WATER DIVISION
CITY OF MEMPHIS
CONTRACT NUMBER 12167

CONTRACT CHANGE NO. 1
DATE OF CHANGE AUGUST 20, 2025
SHEET 1 OF 3

TO: AMY CARNEY

FORVIS MAZARS (FORMERLY DIXON HUGHES GOODMAN, LLP)

999 S. SHADY GROVE ROAD, STE. 400

MEMPHIS, TN 38120

YOU ARE ADVISED THAT THE MEMPHIS LIGHT, GAS AND WATER DIVISION, CITY OF MEMPHIS, MEMPHIS, TENNESSEE, HEREBY AUTHORIZES THE FOLLOWING CHANGE IN REGARD TO THE ABOVE CONTRACT NUMBER. THE CONTRACTOR AGREES TO BE BOUND BY ALL OF THE TERMS AND CONDITIONS OF SAID CONTRACT AND PREVIOUS CHANGES.

THE PROJECT SCOPE IS TO PERFORM EXTERNAL AUDITING SERVICES AND PROVIDE REPORTS WITH RESPECT TO THE FINANCIAL STATEMENTS OF THE MLGW RETIREMENT AND PENSION SYSTEM AND OTHER POST-EMPLOYMENT BENEFITS ("OPEB") TRUST. THE AUDITS SHALL BE CONDUCTED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS ISSUED BY THE COMPTROLLER OF THE TREASURY, STATE OF TENNESSEE. THE CONTRACT AWARD WAS BASED ON THE REQUEST FOR PROPOSALS ("RFP") EVALUATION PROCESS.

THIS CHANGE IS TO RATIFY AND INCREASE THE CURRENT CONTRACT TO PAY AN OUTSTANDING INVOICE IN THE AMOUNT OF \$22,900.00, AND TO EXTEND THE CURRENT CONTRACT FOR ONE (1) YEAR FOR THE PERIOD COVERING JANUARY 1, 2026 THROUGH DECEMBER 31, 2026 IN THE AMOUNT OF \$51,300.00, WHICH MAY NOT INCLUDE ANY APPLICABLE PROCESSING FEES. THIS EXTENSION IS TO ALLOW INTERNAL AUDIT, FINANCE, AND CONTRACTS MANAGEMENT TIME TO SOLICIT A 48-MONTH REQUEST FOR PROPOSAL ("RFP") FOR THE SERVICES. THIS EXTENSION INCLUDES A NEGOTIATED INCREASE OF 4.79% OVER THE PREVIOUS 12 MONTHS. THE CONTRACT WILL PROVIDE INDEPENDENT AUDIT ASSURANCE THAT MLGW'S RETIREMENT AND PENSION (OPEB) FINANCIAL STATEMENTS ARE ACCURATE, COMPLETE, FAIRLY PRESENTED, AND IN COMPLIANCE WITH APPLICABLE STANDARDS. THE CUSTODIAL FEES ARE PAID DIRECTLY BY THE RESPECTIVE MLGW PENSION AND OPEB ACCOUNTS AND DO NOT HAVE AN IMPACT ON MLGW'S OPERATING BUDGET. THIS RATIFICATION AND EXTENSION COMPLIES WITH ALL APPLICABLE LAWS AND POLICIES. THE NEW CONTRACT VALUE IS \$304,300.00.

CHANGE IN CONTRACT PRICE:

Contract Value	\$ 230,100.00	
Change Amount	<u>\$ 74,200.00</u>	– Ratification and Extension (<i>Change No. 1</i>)
Total Contract Amount	\$ 304,300.00	

APPROVED BY THE BOARD OF LIGHT, GAS AND WATER COMMISSIONERS

APPROVED BY THE PRESIDENT

DATE

Forvis Mazars, LLP
999 S. Shady Grove Road, Suite 400
Memphis, TN 38120
P 901.761.3000 | F 901.761.9667
forvismazars.us



May 16, 2025

Retirement and Pension System and Other Post Employment Benefits Trust
Memphis Light, Gas and Water Division
Ms. Lesa Walton, Chief Internal Audit Officer
220 South Front Street
Memphis, Tennessee 38103

Thank you for the opportunity to provide a fee quote for a one-year extension of our contract to audit the financial statements of the Retirement and Pension System and Other Post-Employment Benefits (OPEB) Trust as of and for the year ended December 31, 2025. Within the requirements of our professional standards and any duties owed to the public, regulatory, or other authorities, our goal is to provide you an **Unmatched Client Experience®**.

The proposed fee for our services is \$30,800 for the pension system and \$20,500 for the OPEB trust.

The full terms of our engagements will be included in our standard engagement letters, which are expected to be delivered in December 2025.

Our team has enjoyed collaborating with the Division's management over the past five years, and we look forward to a continued mutually beneficial relationship. Please feel free to reach out to me with any questions.

Respectfully submitted,

Forvis Mazars, LLP

Amy Carney, Managing Director
Forvis Mazars, LLP



Shonda Sumner
Manager, Internal Audit
MLGW

RESOLUTION SUMMARY

1. **Short Title Description** – Utility Bill Paper
2. **Requested Funding** – \$382,470.00
3. **Award Duration** – Twenty-Four-Months
4. **Type of Bid** – Sealed Bid
5. **Awarded To** – Mac Papers, LLC
6. **Plain Language Description** – To purchase 16,800,000 sheets of utility bill paper to print customer utility bills.
7. **Impact** – Utility bill paper is required to print consolidated bills for electric, gas, water, and third-party fees collected on behalf of the City of Memphis.



EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
August 20, 2025

The Manager of Procurement and Contracts recommends to the Board of Light, Gas and Water Commissioners that it awards a twenty-four-month purchase order for utility bill paper to Mac Papers, LLC in the amount of \$382,470.00.

A twenty-four-month purchase order will be awarded for utility bill paper. The paper is critical for MLGW's monthly billing, enabling the distribution of statements that include charges for electric, gas, and water services, as well as third-party fees collected on behalf of the City of Memphis.

Bids were opened on June 25, 2025. Notice to Bidders was advertised. Five bids were solicited, and one bid was received with the most responsive and best complying bidder being the firm of Mac Papers, LLC. This award complies with all applicable laws and policies.

The 2025 budgeted amount for Communications Production and Distribution is \$762,380.00; the amount spent year-to-date is \$295,395.53; leaving a balance available of \$466,984.47; of which \$14,487.50 will be spent on this purchase in 2025; leaving a balance available of \$452,496.97 after award; of which \$367,982.50 will be spent in subsequent budget years as approved; and

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, subject to the consent and approval of the Council of the City of Memphis, awards a twenty-four-month purchase order to Mac Papers, LLC is approved for furnishing:

16,800,000 Sheets (Approximately) - Utility bill paper furnished in accordance to MLGW Specification for Utility Bill paper dated February 17, 2025;

Totaling \$382,470.00; f.o.b. Memphis, Tennessee, our dock; transportation prepaid; a 10% contingency is built into the total to absorb any unexpected cost fluctuations during the contract term; delivery once a month; terms net 30 days.

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of August 20, 2025 approved a twenty-four-month purchase order for utility bill paper and is now recommending to the Council of the City of Memphis that it approves said purchase; and

WHEREAS, a twenty-four-month purchase order will be awarded for utility bill paper. The paper is critical for MLGW's monthly billing, enabling the distribution of statements that include charges for electric, gas, and water services, as well as third-party fees collected on behalf of the City of Memphis; and

WHEREAS, bids were opened on June 25, 2025. Notice to Bidders was advertised. Five bids were solicited, and one bid was received with the most responsive and best complying bidder being the firm of Mac Papers, LLC. This award complies with all applicable laws and policies; and

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Memphis that there be and is hereby approved a twenty-four-month purchase order for utility bill paper from Mac Papers, LLC in the amount of \$14,487.50 chargeable to the MLGW 2025 fiscal year budget and the remaining balance of \$367,982.50 chargeable to subsequent budget years as approved.

BOARD RESOLUTION TRANSMITTAL

Expenditure Org Executive: Ursula Madden Board Meeting Date: 8/20/2025
 Procurement Contracts Specialist: Lucy Vick-Watson Requisition Number: 5136224
 Purchase Commodity: Utility Bill Paper
 Other (Non-Procurement Items): _____

Responsible Group (Requesting Area/ Contact Person) (Telephone number/email address)	Communications Production & Distribution / Ronald T. Shotwell / 901-528-4318 / rshotwell@mlgw.org	
Scope: Contract _____ Purchase <u>X</u> _____ Other _____	A purchase order will be issued for a twenty-four-month contract to procure utility bill paper for the Division.	
Explanation of Action. (Contract/Purchase invoice payments, land purchase, dues, other)	Over the duration of the contract term, approximately 16,800,000 sheets of utility bill paper will be purchased.	
Where will the work take place? (MLGW facility or jobsite, etc.)	The paper will be delivered to MLGW's Communications Production and Distribution department in the Administration building.	
Why the need exists? (Contract/Purchase invoice payments, land purchase, dues, other)	The paper is critical for MLGW's monthly billing, enabling the distribution of statements that include charges for electric, gas, and water services, as well as third-party fees collected on behalf of the City of Memphis.	
Are there any anticipated vendor issues? (If so, please explain)	No	
Are there any contract services, labor or IBEW issues? If yes, has cost comparison been provided to IBEW? Date Provided?	No	
Is there a Budget deficit? If yes, please explain why. Identify in the Budget section below the area, charge code and amount which will absorb the shortfall.	No	
If applicable, how was the recommendation determined? (Bid, RFQ, or RFP) RFQ		

BUDGET:

	Total	In 2025 Budget Year	After Budget Year
Amount Requested	\$ 382,470.00	\$ 14,487.50	\$ 367,982.50
2025 Budget*	\$ 762,380.00		
Amount Spent Year-to-Date	\$ 295,395.53		
2025 Budget Balance Available		\$ 466,984.47	
Budget Balance After Award		\$ 452,496.97	

*Please indicate category (O&M or Capital).

☒ O&M☐ Capital

Project

Expenditure Organization

Expenditure Type

Task

Comms Prod Distr R20250811300 Communications Production and DistributionOutside PurchasesAdmin Expense

Comments:

Expenditure Type	Budget	Actual	Available
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
			\$ -

APPROVED:

Ronda Croft

Budget & Financial Planning

07.08.2025

Date

Rev. 11/01/2018

BID ON UTILITY BILL PAPER									
FOR BOARD MEETING OF AUGUST 20, 2025									
		BIDS OPENED ON JUNE 25, 2025							
		BASE UNIT: PER THOUSAND AND EACH							
BIDDER	ITEM QUANTITY	Line 1	Line 2	Line 3	Total	Local Bidding Preference	Local Bidding Presence	Terms	Delivery
		16,800	1,000	6					
COMPLYING BIDDER	DESCRIPTION	MLGW Customer Utility Bill Paper (Page 1)	MLGW Customer Utility Bill Paper (Page 1 price over requested quantity)	MLGW Customer Utility Bill Paper (Page 1 price for up to 6 changes in artwork)					
Mac Papers, LLC Memphis, TN		\$19.50	\$19.50	\$100.00	\$382,470.00	N/A	N/A	Net 30	Monthly
*A 10% contingency is built into the total to absorb any unexpected cost fluctuations during the contract term.									
RECOMMEND AWARD AS FOLLOWS: Mac PAPERS, LLC.....					\$382,470.00				



Memorandum for Record

To: Purchasing department
From: Ronald T. Shotwell
Date: 17 JUL 25
Topic: Recommendation to award bid for Utility Bill Paper

I recommend that MAC Papers LLC be awarded the bid, for Utility Bill Paper.

MAC Papers LLC bid was \$347,700.00 for a 24-month agreement.

A contingency for potential vendor price increases has been included, estimated at 10% or \$34,770.00. Total requested \$382,470.00

Thank you.

Signed by:

Ronald Shotwell

D8C258EE39AB4F1...

Date: 17 JUL 25

Ronald T. Shotwell

Manager, Communication Production and Distribution



INTERDEPARTMENTAL MEMORANDUM

To: Randy Orsby
From: Lucy Vick-Watson
Subject: Utility Bill Paper
Date: July 9, 2025

Memphis Light, Gas and Water opened bids for Utility Bill Paper on June 25, 2025. Bids were sent to five (5) suppliers as well as posted on MLGW's Online Bid Notification System and advertised in The Daily Newspaper. However, MLGW only received one (1) bid from Mac Papers, LLC.

To encourage additional participation, a second round of the solicitation was conducted. Prior to opening the second round, suppliers who did not respond to the initial solicitation were contacted. Several suppliers acknowledged the communication and expressed interest in reviewing the opportunity; however, no addition bids were received.

We were able to obtain feedback from one of the suppliers that did not submit a response to the solicitation. Their response is as follows:

Metro Graphics – Laura Tant: Certain specifications within the contract doesn't fit with our scope of work.

Regards,

Lucy Vick-Watson

Lucy Vick-Watson
Procurement Contracts Specialist I

AWARD RECOMMENDATION

To: Ronald T. Shotwell

From: **Procurement Contracts Specialist I:** Lucy Vick-Watson

Date: 7/7/2025

Requisition #: 5136224

Bid on: Utility Bill Paper

Attached are bid(s) for items requisitioned by your department. Please complete the applicable portions of this form in order that proper presentation and recommendations may be made. Please return this form to the Procurement Specialist as soon as possible.

1. PROCUREMENT COMMENTS:

2. RECOMMENDATION:

A. Which bid(s) do you recommend? Mac Papers, LLC

B. Does this meet specifications as per your request and/or as advertised? YES ☒ NO ☐

If No, is the variance considered: MINOR ☐ or MAJOR ☐

Explain:

C. Is the recommendation the lowest bid received? YES ☒ NO ☐

If no, list the bids that are low; but which you believe **DO NOT** meet specifications and list reasons why each does not meet specifications. Please attach a memo of explanation to this form, if necessary. If recommendation is based on local bidding preference, supplier diversity policy application, or earliest delivery based on need, please include in your recommendation.

(attach an additional sheet if further comment or explanation is required)

PRINT NAME Ronald T. Shotwell
Area Supervisor or designee

SIGNATURE Lucy Vick-Watson
Procurement Contracts Specialist I

SIGNATURE Ronald T. Shotwell

DATE 7/8/2025

DATE 7/7/2025

PHONE 901-528-4318

3. PROCUREMENT ACTION/RECOMMENDATION(S): (Purchasing to complete)

This award complies with all applicable laws and policies.

Revised 5/17/10

RESOLUTION SUMMARY

1. **Short Title Description** – Utility Bill Mailing and Return Envelopes
2. **Requested Funding** – \$561,594.00
3. **Award Duration** – Twenty-Four-Months
4. **Type of Bid** – Sealed Bid
5. **Awarded To** – Mac Papers, LLC
6. **Plain Language Description** – To purchase 12,000,000 return #9 window envelopes and 16,800,000 mailing #10 window envelopes. Monthly utility bills are sent to customers using #10 mailing envelopes. Accompanying these bills are #9 return envelopes, enabling customers to easily submit their payments by mail.
7. **Impact** – These utility bill envelopes facilitate the consistent monthly distribution of utility bills and the efficient processing of payments.



EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
August 20, 2025

The Manager of Procurement and Contracts recommends to the Board of Light, Gas and Water Commissioners that it awards a twenty-four-month purchase order for utility bill mailing and return envelopes to Mac Papers, LLC in the amount of \$561,594.00.

A twenty-four-month purchase order will be awarded for utility bill mailing and return envelopes. The utility bill envelopes facilitate the consistent monthly distribution of utility bills and the efficient processing of payments.

Bids were opened on June 11, 2025. Notice to Bidders was advertised. Five bids were solicited, and one bid was received with the most responsive and best complying bidder being the firm of Mac Papers, LLC. This award complies with all applicable laws and policies.

The 2025 budgeted amount for Communications Production and Distribution is \$762,380.00; the amount spent year-to-date is \$295,395.53; leaving a balance available of \$466,984.47; of which \$42,545.00 will be spent on this purchase in 2025; leaving a balance available of \$424,439.47 after award; of which \$519,049.00 will be spent in subsequent budget years as approved; and

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, subject to the consent and approval of the Council of the City of Memphis, awards a twenty-four-month purchase order to Mac Papers, LLC is approved for furnishing:

16,800,000 (Approximately) - Utility bill #10 mailing envelopes furnished in accordance

with MLGW Specifications for Utility Bill Envelopes;

12,000,000 (Approximately) - Utility bill #9 return envelopes furnished in accordance with MLGW Specifications for Utility Bill Envelopes;

Totaling \$561,594.00; f.o.b. Memphis, Tennessee, our dock; transportation prepaid; said prices being firm for the first year with up to a 10% increase for the second year; delivery bi-weekly, terms net 30 days.

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of August 20, 2025 approved a twenty-four-month purchase order for utility bill mailing and return envelopes and is now recommending to the Council of the City of Memphis that it approves said purchase; and

WHEREAS, the twenty-four-month purchase order will be awarded for utility bill mailing and return envelopes. The utility bill envelopes facilitate the consistent monthly distribution of utility bills and the efficient processing of payments; and

WHEREAS, bids were opened on June 11, 2025. Notice to Bidders was advertised. Five bids were solicited, and one bid was received with the most responsive and best complying bidder being the firm of Mac Papers, LLC. This award complies with all applicable laws and policies; and

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Memphis that there be and is hereby approved a twenty-four-month purchase order for utility bill mailing and return envelopes from Mac Papers, LLC in the amount of \$42,545.00 chargeable to the MLGW 2025 fiscal year budget and the remaining balance of \$519,049.00 chargeable to subsequent budget years as approved.

BOARD RESOLUTION TRANSMITTAL

Expenditure Org Executive: Ursula Madden Board Meeting Date: 8/20/2025
 Procurement Contracts Specialist: Lucy Vick-Watson Requisition Number: 5136246
 Purchase Commodity: Utility Bill Mailing and Return Envelopes
 Other (Non-Procurement Items): _____

Responsible Group (Requesting Area/ Contact Person) (Telephone number/email address)	Communications Production and Distribution / Ronald T. Shotwell / 901-528-4318 / rshotwell@mlgw.org	
Scope: Contract _____ Purchase <u>X</u> _____ Other _____	A purchase order will be issued for a twenty-four-month contract to procure MLGW utility bill mailing and return envelopes.	
Explanation of Action. (Contract/Purchase invoice payments, land purchase, dues, other)	To purchase utility bill mailing and return envelopes.	
Where will the work take place? (MLGW facility or jobsite, etc.)	The paper will be delivered to MGLW's Communications Production and Distribution department in the Administration building.	
Why the need exists? (Contract/Purchase invoice payments, land purchase, dues, other)	The envelopes will be used to distribute MLGW customer utility bills, statements, letters, and the return envelopes will be used by customers to submit payments.	
Are there any anticipated vendor issues? (If so, please explain)	No	
Are there any contract services, labor or IBEW issues? If yes, has cost comparison been provided to IBEW? Date Provided?	No	
Is there a Budget deficit? If yes, please explain why. Identify in the Budget section below the area, charge code and amount which will absorb the shortfall.	No	
If applicable, how was the recommendation determined? (Bid, RFQ, or RFP) RFQ		

BUDGET:

Amount Requested

2025 Budget*

Amount Spent Year-to-Date

2025 Budget Balance Available

Budget Balance After Award

	Total	In 2025 Budget Year	After Budget Year
\$	561,594.00	\$ 42,545.00	\$ 519,049.00
\$	762,380.00		
\$	295,395.53		
		\$ 466,984.47	
		\$ 424,439.47	

*Please indicate category (O&M or Capital).

☒ O&M☐ Capital

Project

Expenditure Organization

Expenditure Type

Task

Comms Prod Distr R2025

0811300 Communications Production and Distribution

Outside Purchases

Admin Expense

Comments:

Expenditure Type	Budget	Actual	Available
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
			\$ -

APPROVED:

Ronda Croft

Budget & Financial Planning

07.08.2025

Date

Rev. 11/01/2018

BID ON UTILITY BILL MAILING AND RETURN ENVELOPES										
FOR BOARD MEETING OF AUGUST 20, 2025										
		BIDS OPENED ON JUNE 11, 2025								
		BASE UNIT: PER THOUSAND AND EACH								
BIDDER	ITEM QUANTITY	Line 1	Line 2	Line 3	Line 4	Total	Local Bidding Preference	Local Bidding Presence	Terms	Delivery
COMPLYING BIDDER	DESCRIPTION	MLGW Customer Utility Bill Mailing (#10) Envelopes	MLGW Customer Utility Bill Return (#9) Envelopes	MLGW Customer Utility Bill Mailing (#10) Envelopes (position/artwork change)	MLGW Customer Utility Bill Return (#9) Envelopes (position/artwork change)					
Mac Papers, LLC		\$18.50	\$16.52	\$125.00	\$125.00	\$561,594.00	N/A	N/A	Net 30	Bi-weekly
Memphis, TN										
*The total price includes a 10% contingency to cover any potential increases during the twenty-four-month period.										
RECOMMEND AWARD AS FOLLOWS: Mac Papers, LLC						\$561,594.00				



Memorandum for Record

To: Purchasing department
From: Ronald T. Shotwell
Date: 17 JUN 25
Topic: Recommendation to award bid for Utility Bill Envelopes

I recommend that MAC Papers LLC be awarded the bid, for Utility Bill Envelopes.

MAC Papers LLC bid was \$510,540.00 for a 24-month agreement.

A contingency for potential vendor price increases has been included, estimated at 10% or \$59,054.00. Total requested \$561,594.00

Thank you.

Signed by:
A handwritten signature in black ink that reads "Ronald Shotwell".
D8C258EE39AB4F1...

Date: 17 JUN 25

Ronald T. Shotwell

Manager, Communication Production and Distribution



INTERDEPARTMENTAL MEMORANDUM

To: Randy Orsby
From: Lucy Vick-Watson
Subject: Utility Bill Envelopes
Date: July 14, 2025

Memphis Light, Gas and Water opened bids for Utility Bill Envelopes, June 11, 2025. Bids were sent to five (5) suppliers as well as posted on MLGW's Online Bid Notification System and advertised in The Daily Newspaper. However, MLGW only received one (1) bid response to this solicitation from Mac Papers, LLC.

I was unable to obtain feedback from four (4) of the suppliers that did not submit a response to the solicitation. Although no supplier feedback was received specific to this solicitation, similar RFQ issues in the past have yielded consistent responses from potential suppliers. The most commonly cited reason for not submitting a quote are concerns with the delivery logistics – specifically, the inability to access our dock due to height restrictions. Additionally, some vendors expressed hesitation to commit to agreements that require ongoing or recurring deliveries. Despite these challenges, several vendors have indicated continued interest in doing business with us and have confirmed they will keep monitoring future RFQ opportunities.

Regards,

Lucy Vick-Watson

Lucy Vick-Watson
Procurement Contracts Specialist I

AWARD RECOMMENDATION

To: Ronald T. Shotwell

From: **Procurement Contracts Specialist I:** Lucy Vick-Watson

Date: 7/7/2025

Requisition #: 5136246 **Bid on:** Utility Bill Mailing and Return Envelopes

Attached are bid(s) for items requisitioned by your department. Please complete the applicable portions of this form in order that proper presentation and recommendations may be made. Please return this form to the Procurement Specialist as soon as possible.

1. PROCUREMENT COMMENTS:

2. RECOMMENDATION:

A. Which bid(s) do you recommend? Mac Papers, LLC

B. Does this meet specifications as per your request and/or as advertised? YES ☒ NO ☐

If No, is the variance considered: MINOR ☐ or MAJOR ☐

Explain:

C. Is the recommendation the lowest bid received? YES ☒ NO ☐

If no, list the bids that are low; but which you believe **DO NOT** meet specifications and list reasons why each does not meet specifications. Please attach a memo of explanation to this form, if necessary. If recommendation is based on local bidding preference, supplier diversity policy application, or earliest delivery based on need, please include in your recommendation.

(attach an additional sheet if further comment or explanation is required)

PRINT NAME Ronald T. Shotwell
Area Supervisor or designee

SIGNATURE Lucy Vick-Watson
Procurement Contracts Specialist I

SIGNATURE Ronald T. Shotwell

DATE 7/8/2025

DATE 7/7/2025

PHONE 901-528-4318

3. PROCUREMENT ACTION/RECOMMENDATION(S): (Purchasing to complete)

This award complies with all applicable laws and policies.

Revised 5/17/10

RESOLUTION SUMMARY

1. Description of the Item

Resolution approving the recommended annual salary of \$167,211.00 to fill the vacant new hire position of CEES Director, Strategic Initiatives & Execution.

2. Additional Information

The President & CEO and the Interim Chief People Officer have recommended to the Board of Light, Gas, and Water Commissioners that they approve an annual salary of \$167,211.00 for a new hire position: CEES Director, Strategic Initiatives & Execution, subject to the consent and approval of the City Council of the City of Memphis.

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
August 20, 2025

WHEREAS MLGW desires to hire a candidate to fill the vacant position of CEES Director, Strategic Initiatives & Execution at an annual salary of \$167,211.00; and

WHEREAS, the President & CEO and the Interim Chief People Officer recommend to the Board of Memphis Light, Gas & Water Commissioners an annual salary in the amount of \$167,211.00 for a candidate for the CEES Director, Strategic Initiatives & Execution.

NOW THEREFORE BE IT RESOLVED by the Board of Memphis Light, Gas & Water Commissioners:

THAT, subject to the consent and approval of the City Council of the City of Memphis, the annual salary for the CEES Director, Strategic Initiatives & Execution in the amount of \$167,211.00 is hereby approved.

RESOLUTION

WHEREAS, MLGW desires to hire a candidate to fill the vacant position of CEES Director, Strategic Initiatives & Execution; and

WHEREAS, the Board of Memphis Light, Gas, and Water Commissioners at their meeting on August 20, 2025, approved an annual salary of \$167,211.00 for the CEES Director, Strategic Initiatives & Execution position; and

WHEREAS, Memphis City Substitute Ordinance No. 5897 provides that the salary of executive management or other employees over \$120,000.00 be approved by the City Council.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis, That the annual salary of \$167,211.00 is hereby approved for the vacant CEES Director, Strategic Initiatives & Execution position.

RESOLUTION SUMMARY

- 1. Short Title Description – Contract No. 12134 (*formerly C2372*)-
Broker of Record for Cyber Security**
- 2. Requested Funding – \$147,000.00**
- 3. Award Duration – October 1, 2025 through September 30, 2026**
- 4. Type of Bid – RFP**
- 5. Awarded To – Willis Towers Watson Southeast, Incorporated**
- 6. Plain Language Description – To acquire mandated Broker of
Record to secure Cyber Insurance.**
- 7. Impact – Will assist in the implementation of a \$5,000,000 Cyber
insurance policy.**

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
August 20, 2025

The Manager of Procurement and Contracts recommends to the Board of Light, Gas and Water Commissioners the approval of Extension (*Change No. 3*) to Contract No. 12314 (*formerly C2372*), Broker of Record for Cyber Insurance and Other Insurance Coverages with Willis Towers Watson Southeast, Incorporated, to extend the current contract in the funded amount of \$147,000.00.

The project scope is to represent MLGW as its agent to provide consulting support regarding insurance questions and considerations. In addition, the Broker is to advise and provide assistance concerning insurance exposures and coverage acquisition. The contract award was selected based on the Request for Proposal (“RFP”) evaluation process.

This change is to extend the current contract for an additional one (1) year term for the period covering October 1, 2025 through September 30, 2026 in the funded amount of \$147,000.00, with a 27% decrease in rates from the previous term. The extension is needed to satisfy the mandates for the Broker of Record to secure Cyber Insurance and Other Insurance coverage needs. This extension complies with all applicable laws and policies. The new contract value is \$746,138.00.

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, Subject to the consent and approval of the Council of the City of Memphis, the approval of Extension (*Change No. 3*) to Contract No. 12314 (*formerly C2372*), Broker of Record for Cyber Insurance and Other Insurance Coverages with Willis Towers Watson Southeast, Incorporated, to extend the current contract in the funded amount of \$147,000.00, as outlined in the foregoing preamble, is approved and further,

THAT, the President, or his designated representative is authorized to execute the Extension.

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of August 20, 2025 approved Extension (*Change No. 3*) to Contract No. 12314 (*formerly C2372*), Broker of Record for Cyber Insurance and Other Insurance Coverages with Willis Towers Watson Southeast, Incorporated, to extend the current contract in the funded amount of \$147,000.00, and is now recommending to the Council of the City of Memphis that it approves said extension as approved; and

WHEREAS, the project scope is to represent MLGW as its agent to provide consulting support regarding insurance questions and considerations. In addition, the Broker is to advise and provide assistance concerning insurance exposures and coverage acquisition. The contract award was selected based on the Request for Proposal (“RFP”) evaluation process; and

WHEREAS, this change is to extend the current contract for an additional one (1) year term for the period covering October 1, 2025 through September 30, 2026 in the funded amount of \$147,000.00, with a 27% decrease in rates from the previous term. The extension is needed to satisfy the mandates for the Broker of Record to secure Cyber Insurance and Other Insurance coverage needs. This extension complies with all applicable laws and policies. The new contract value is \$746,138.00; and

NOW THEREFORE BE IT RESOLVED by the Council of the City of Memphis, that there be and is hereby approved Extension (*Change No. 3*) to Contract No. 12314 (*formerly C2372*), Broker of Record for Cyber Insurance and Other Insurance Coverages with Willis Towers Watson Southeast, Incorporated, to extend the current contract in the funded amount of \$147,000.00 as approved.

BOARD RESOLUTION TRANSMITTAL

Board Meeting Date: 8/20/202512314 (formerlyC2372)Expenditure Org Executive: Betty Hartwell

Purchase Order/Requisition Number: _____

Procurement Contracts Specialist: TaShay Yates

Purchase Commodity: _____

Other (Non-Procurement Items): _____

Responsible Group (Requesting Area/ Contact Person) (Telephone number/email address)	Risk Management / Marcus Tate / 528.4278/ mdtate@gmail.org	
Scope: Contract ☒ <u>X</u> Purchase _____ Other _____	The project scope is to represent MLGW as its agent to provide consulting support regarding insurance questions and considerations. In addition, the Broker is to advise and provide assistance concerning insurance exposures and coverage acquisition.	
Explanation of Action. (Contract/Purchase invoice payments, land purchase, dues, other)	This change is to extend the current contract for an additional one (1) year term for the period covering October 1, 2025 through September 30, 2026.	
Where will the work take place? (MLGW facility or jobsite, etc.)	The work will take place at the Broker's office located at 3340 Players Club Parkway, Suite 200 Memphis, TN 38125.	
Why the need exists? (Contract/Purchase invoice payments, land purchase, dues, other)	The need exist to satisfy the mandates for the Broker of Record to secure Cyber Insurance and other Insurance coverage needs.	
Are there any anticipated vendor issues? (If so, please explain)	No	
Are there any contract services, labor or IBEW issues? If yes, has cost comparison been provided to IBEW? Date Provided?	No	
Is there a Budget deficit? If yes, please explain why. Identify in the Budget section below the area, charge code and amount which will absorb the shortfall.	No	
If applicable, how was the recommendation determined? (Bid, RFQ or RFP) RFP		

BUDGET:

Amount Requested

2025 Budget*

Amount Spent Year-to-Date

2025 Budget Balance Available

Budget Balance After Award

	Total	In 2025 Budget Year	After Budget Year
\$	147,000.00	\$ -	\$ 147,000.00
\$	501,460.00		
\$	550,198.57	\$ (48,738.57)	
		\$ (48,738.57)	

*Please indicate category (O&M or Capital).

☒ O&M☐ Capital

Project

Expenditure Organization

Expenditure Type

Task

General Division Expenses

0988888 Misc Accounting Transaction

Contracted Svc-Other

Admin Expense

Comments:

Expenditure Type	Budget	Actual	Available
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
			\$ -

APPROVED:

Ronda Croft

07.29.2025

Budget & Financial Planning

Date

Rev. 11/01/2018



Memphis Light, Gas, and Water

Cyber Liability Insurance Primary Proposal for September 30, 2025-2026

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Attached:

- Recommended Carrier Quotations

DocuSigned by:

Marcus Tate

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7/29/2025

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Executive Summary

Thank you for the opportunity to market your insurance requirements. We are pleased to provide the results of those efforts in accordance with your instructions to provide you with quotes for your primary Cyber Liability coverage.

We confirm that your insurance coverage is due for renewal on September 30, 2025. The results of our negotiations with the carriers we approached are summarized below.

Please let us know if you have any questions or would like to discuss. We sincerely appreciate the opportunity to serve as Memphis Light, Gas, and Water's broker for this line of coverage.

Sincerely,

Conal McCurry, Senior Broker
WTW – Cyber/E&O Practice

Tyson Robinson, Associate Broker
WTW – Cyber/E&O Practice

Market Summary

CARRIER	LINE OF BUSINESS	RESPONSE	PREMIUM OR INDICATION
Berkley (Incumbent)	Primary Cyber Liability	Quoted	Refer to Financial Summary
QBE	Primary Cyber Liability	Quoted	Refer to Financial Summary
Resilience	Primary Cyber Liability	Quoted	Refer to Financial Summary
Tokio Marine Kiln	Primary Cyber Liability	Quoted	Refer to Financial Summary
Brit	Primary Cyber Liability	Quoted	Refer to Financial Summary
Aspen	Primary Cyber Liability	Declined	Class of Business
Starr	Primary Cyber Liability	Passed	Interested in excess
Safety National	Primary Cyber Liability	Passed	Interested in excess
SCOR	Primary Cyber Liability	Passed	Interested in excess
Sompo	Primary Cyber Liability	Passed	Interested in excess
Mosaic BDA	Primary Cyber Liability	Passed	Interested in excess



Financial Summary

Quotes included in this proposal are attached.

RECOMMENDED PRIMARY OPTIONS TO CONSIDER

Carrier	Coverage	Limit	Retention	2024 – 2025 Premium	2025 – 2026 Premium	Change	Commission
TMK	Primary Cyber Liability	\$5,000,000	\$500,000	\$200,395*	\$147,000*	-\$53,395/ -20.01%	DocuSigned by: <i>Marcus Tate</i> 7/29/2025 3D5D5F79E8B0476...
QBE	Primary Cyber Liability	\$5,000,000	\$500,000	\$200,395*	\$170,000*	-\$30,395/ -11.39%	-
Berkley	Primary Cyber Liability	\$5,000,000	\$500,000	\$200,395*	\$183,131*	-\$17,264 / -6.47%	-
Brit	Primary Cyber Liability	\$5,000,000	\$500,000	\$200,395*	\$147,000*	-\$53,395/ -20.01%	-

*Plus, Applicable Taxes & Fees

2024-2025 program was bound for 15 months; 15-month premium for 2024-2025 was \$266,828, plus applicable taxes and fees

- Change is Coverage – Berkley (Incumbent)

- Reduced retention
 - Offered renewal options inclusive of options for a \$1M SIR, \$750K SIR, or \$500K SIR
- Reduced Business/Contingent Business Interruption waiting period from 18 hours to 12 hours
- Increased specified coverage parts:
 - Contingent Business Interruption – Other Service Provider from \$1M to \$5M
 - Contingent System Failure Business Interruption – Outsourced Provider from \$2.5M to \$5M
 - Contingent System Failure Business Interruption – Other Service Provider from \$1M to \$5M
 - Data Protection Regulation (Wrongful Collection) - \$2.5M to \$5M
- Increased the period of recovery from 90 days to 180 days for Business Interruption/Contingent Business Interruption
- Open to removing validation provision within cyber-crime coverage part if a commercial crime policy is purchased, including social engineering coverage
- Added Utility Specific coverage parts (limits included within the later slide), Failure to Supply, Replacement Costs of Power, Replacement Costs of Water, NERC/FERC Fines and Penalties, and relighting expenses via manuscript endorsement

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- **Changes in Coverage – TMK or Brit (written on WTW CyNat Form)**

- Reduced Retention
 - Offered renewal options inclusive of options for a \$500K SIR or \$750K SIR (\$10M primary limit)
 - Reduced Business Interruption/Contingent Business Interruption waiting period from 18 hours to 12 hours
- Increased specified coverage parts:
 - Contingent Business Interruption – Other Service Provider from \$1M to \$5M
 - Contingent System Failure Business Interruption – Outsourced Provider from \$2.5M to \$5M
 - Contingent System Failure Business Interruption – Other Service Provider from \$1M to \$5M
 - Data Protection Regulation (Wrongful Collection) - \$2.5M to \$5M
- Increased the period of recovery from 90 days to 365 days for Business Interruption/Contingent Business Interruption
 - Added Utility Specific coverage parts (limits included within the later slide), Failure to Supply, Replacement Costs of Power, Replacement Costs of Water, NERC/FERC Fines and Penalties, and relighting expenses

- **Changes in Coverage – QBE**

- Reduced Retention
 - Offered renewal options inclusive of options for a \$500K SIR or \$750K SIR (\$10M primary limit)
 - Reduced Business Interruption/Contingent Business Interruption waiting period from 18 hours to 12 hours
- Increased specified coverage parts:
 - Contingent Business Interruption – Other Service Provider from \$1M to \$5M
 - Contingent System Failure Business Interruption – Outsourced Provider from \$2.5M to \$5M
 - Contingent System Failure Business Interruption – Other Service Provider from \$1M to \$5M
 - Data Protection Regulation (Wrongful Collection) - \$2.5M to \$5M
- Increased the period of recovery from 90 days to 365 days for Business Interruption/Contingent Business Interruption
 - Added Utility Specific coverage parts (limits included within the later slide), Failure to Supply, Replacement Costs of Power, Replacement Costs of Water, NERC/FERC Fines and Penalties, and relighting expenses



Quotes included in this proposal are attached.

OTHER PRIMARY OPTIONS TO CONSIDER

Carrier	Coverage	Limit	Retention	2024 – 2025 Premium	2025 – 2026 Premium	Change	Commission
Berkley	Primary Cyber Liability	\$5,000,000	\$1,000,000	\$200,395*	\$165,629*	-34,766/ -13.03%	-
Resilience	Primary Cyber Liability	\$5,000,000	\$1,000,000	\$200,395*	\$170,000*	-\$30,395/ -11.39%	-
Resilience	Primary Cyber Liability	\$5,000,000	\$750,000	\$200,395*	\$170,000* - edge	-\$30,395/ -11.39%	-
Berkley	Primary Cyber Liability	\$5,000,000	\$750,000	\$200,395*	\$174,926*	-\$25,469/ -9.55%	-
Brit	Primary Cyber Liability	\$10,000,000	\$750,000	\$200,395*	\$280,000*	+\$79,605 / +29.83%	-
Resilience	Primary Cyber Liability	\$5,000,000	\$500,000	\$200,395*	\$190,000*	-\$10,395/ -11.39%	-
TMK	Primary Cyber Liability	\$10,000,000	\$500,000	\$200,395*	\$315,000*	+\$114,605 / +42.95%	-
Resilience	Primary Cyber Liability	\$5,000,000	\$350,000	\$200,395*	\$190,000* - edge	-\$10,395/ -11.39%	-

*Plus, Applicable Taxes & Fees

2024-2025 program was bound for 15 months; 15-month premium for 2024-2025 was \$266,828, plus applicable taxes and fees



Standard Coverage Parts

Carrier	Cyber Extortion	Breach Response	Media Liability	Security and Privacy Liability	Regulatory Liability	Business Interruption	Dependent Business Interruption	System Failure	Dependent System Failure	Bricking	Data Restoration
Berkley (expiring)	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M – OP \$1M – other provider	\$5M	\$2.5M – OP \$1M – other provider	\$5M	\$5M
Berkley (renewal)	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M
QBE	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M
Resilience	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M
TMK	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M
Brit	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M	\$5M

Coverage Enhancements/Other Provisions

Carrier	Waiting Period	Period of Restoration	Wrongful Collection	Voluntary Shutdown	eCrime	Validation provision within eCrime?	Cancellation Provision	Settlement Clause	War Exclusion
Berkley (expiring)	18 hours	90 days	\$2.5M	Yes	\$250K	Partial – not applicable if the insured doesn't have a published verification process	Pro-rata	80/20	Traditional US Language
Berkley (renewal)	12 hours	180 days	\$5M	Yes	\$250K	As expiring	Pro-rata	80/20	Traditional US Language
QBE	12 hours	180 days	\$5M	Yes	\$250K	Removed via endorsement	Pro-rata	80/20	Traditional US Language via endorsement (manuscript)
Resilience	10 hours	180 days	\$5M	Yes	\$250K	No	Pro-rata	80/20	Lloyd's based language – type 4
TMK	12 hours	365 days	\$5M	Yes	\$250K	TBD	Pro-rata	70/30	Lloyd's based language – type 5 (WTW Amended AcuView)
Brit	12 hours	365 days	\$5M	Yes	\$250K	TBD	Pro-rata	50/50	Lloyd's based language – type 5 (WTW Amended AcuView)

****Brit is open to revising the settlement clause to 70/30, and are finalizing language for the eCrime limits.****



Utility Specific Coverage Enhancements

Carrier	Failure to Supply	Relighting Expense	NERC/FERC Fines & Penalties	Replacement Costs of Power	Replacement Costs of Water
Berkley (expiring)	N/A	N/A	N/A	Contemplated within definition of extra expense	Contemplated within definition of extra expense
Berkley (renewal)	Yes via MANU – <u>full limit</u>	Yes via MANU – <u>full limit</u>	Yes via MANU – <u>full limit</u>	Yes via MANU – <u>full limit</u>	Yes via MANU – <u>full limit</u>
QBE	-Yes, <u>full limit afforded</u> ; -Trigger is limited to items 2-6 within the definition of event (breach/unauthorized access to the network)	Yes, <u>\$500,000 limit</u>	Yes, the definition of regulatory proceeding is amended to include, <u>full limit afforded</u>	Yes, the definition of additional expenses is amended to include via endorsement, <u>full limit afforded</u>	Yes, the base definition of additional expense is confirmed to include, <u>full limit afforded</u>
Resilience	- Yes, <u>full limit afforded</u> ; - Trigger is limited to Security Failure	Yes, <u>full limit</u>	Yes, the definition of regulatory proceeding is amended to include via endorsement, <u>full limit afforded</u>	Yes, the definition of additional expenses is amended to include via endorsement, <u>full limit afforded</u>	Yes, the base definition of additional expense is confirmed to include, <u>full limit afforded</u>
TMK	- Yes, <u>full limit</u> - Trigger it tied to Business Interruption event, including security failure and all other noted perils	Yes, <u>full limit</u>	Yes, <u>full limit</u>	Yes, <u>full limit</u>	Yes, <u>full limit</u>
Brit	- Yes, <u>full limit</u> - Trigger it tied to Business Interruption event, including security failure and all other noted perils	Yes, <u>\$1M</u>	Yes, <u>full limit</u>	Yes, <u>full limit</u>	Yes, <u>full limit</u>



A.M. Best Company Rating Information

A.M. Best is the most widely recognized authority on the evaluation and rating of insurance companies based in part upon their financial strength and policyholders' surplus.

The A.M. Best's rating for the companies we are including in this proposal are:

Company Name	Rating	Financial Size	Paper Status
Berkley Assurance Company	A	XV	Non-Admitted
QBE Specialty Insurance Company	A	XV	Non-Admitted
Homeland Insurance Company of New York (Resilience)	A+	XV	Non-Admitted
TMK Syndicate 0510/1880 at Lloyd's of London (TMK)	A	XV	Non-Admitted
Brit Syndicate 2987/2988 at Lloyd's of London (Brit)	A	XV	Non-Admitted



SUBJECTIVITIES

- No material change in risk prior to policy inception
- Submitted applications to be currently signed and dated
- Resilience
 - Confirm risk manager and security (CISO or equivalent) contact information in order to schedule Resilience Onboarding Exercise (to be scheduled within 30 days of binding)
- Berkley
 - Additional information as to what relationships are in place to source water/power in the event of an outage (at the insured level or a sole supplier such as TVA) and what would MLGW do to find an alternate supplier.

Commission Disclosure

WTW negotiates commission rates with certain insurers on a corporate level. If the rate on your placement is lower than the negotiated rate, WTW will collect the difference directly from the insurer. These payments will not increase the cost of your insurance or otherwise impact your premium or rates. Details of these arrangements where there is compensation beyond the base compensation detailed in your Quote Proposal can be found at: <https://www.wtwco.com/en-us/notices/p-c-national-commission-rates>

Important Notices

INTERMEDIARY

In our search for your insurance coverage we used the following (intermediary):

LINE OF BUSINESS	INTERMEDIARY
Cyber Liability	Willis Limited (UK)

Willis Limited is an affiliate of the WTW. Any compensation it receives is included in the total compensation disclosed in the summary of quotes.

FINMAR

A separate business unit within the WTW, FINMAR Market Services, provides a wide range of services direct to certain insurers that write business for FINEX Global clients. A separate fee is paid to FINMAR Market services by insurers for the delivery of these services to them. This fee is calculated within a range of 2.75% and 7.5% (plus VAT, if applicable) of the overall premiums placed depending on the scale of services provided. Unless otherwise stated, premiums paid by the clients of FINEX Global will not be increased as a result of these arrangements.



SURPLUS LINES

The premium quoted for the Cyber Liability insurance is subject to Surplus Lines Tax, which is in addition to the premium charged.

INSURANCE PREMIUM TAX

Insurance Premium Tax is a tax, imposed by each state, on gross premium written by insurers allocable to risks located in that state, and payable by insurers.

PREMIUM FINANCING – PLEASE READ

<https://wtwonline.sharepoint.com/sites/market-solutions-group-na/SitePages/Premium-Finance.aspx>

Brokerage Terms, Conditions & Disclosures

An order to bind the coverage presented in this proposal shall be deemed an acceptance and agreement that this proposal is subject to WTW Brokerage Terms, Conditions, and Disclosures "Brokerage Terms" that are incorporated as part of this proposal and available at:

<https://www.wtwco.com/-/media/WTW/notices/BTCD-CRB-NA-June-2025.pdf>

If you would like a hard copy of the "Brokerage Terms," please contact any member of your WTW service team. If you have received a hard copy of this proposal, a hard copy of the "Brokerage Terms" is included for your convenience.

**ORDER TO BIND**

To request the binding of coverage, please send an e-mail and request that coverage be bound as set forth in the quotes recommended by WTW or indicate changes that you are requesting. Alternately, please complete and return the section below.

Please bind the coverage

_____ as follows:

Memphis Light, Gas, and Water

Name: _____

Title: _____

Date: _____

If you have any questions, or if you would like to discuss your insurance program, please contact us. We appreciate your business.

Please note that these are only summaries of the quotes from the insurers. Please review the attached quotes to understand the entirety of the coverage being offered.

Contractor: Willis Towers Watson Southeast, Incorporated
8/20/2025

Contract Number: 12314 (formerly C2372)

Actions		Date	Amount
Original Award 11/1/21			\$118,500.00
Amendment (Change Order No. 1)	This change was to include the annual premium fees for Berkley Assurance Company as the cyber carrier for MLGW. The premium was for the period covering June 1, 2023 through May 31, 2024. The amount of the premium was \$200,793.00; however the amount of \$130,293.00 was added to the contract value for this amendment.	7/14/2023	\$130,293.00
Ratification and Extension (Change Order No. 2)	This change was to ratify and extend the current contract for the following services: 1) Cyber Security coverage with Berkley Assurance Company for an additional 16 months for the period covering June 1, 2024 through September 30, 2025, in the amount of \$267,395.00; 2) Cyber Security Consulting renewal services for the period covering June 1, 2024 through September 30, 2024, in the amount of \$39,500.00; and 3) Consulting Services for the period covering October 1, 2024 through September 30, 2025, in the amount of \$43,450.00, with an increase from the initial term. The extended annual fee reflects a 10% increase in rates due to inflation. The total funded amount of this extension is \$350,345.00.	6/19/2024	\$350,345.00
Current Contract Amount			\$599,138.00
Amount Paid to Date as of 08.04.25			\$546,621.00
Current Contract Balance			\$52,517.00
Extension (Change Order No. 3)	<i>This change is to extend the current contract for an additional one (1) year term for the period covering October 1, 2025 through September 30, 2026 in the funded amount of \$147,000.00, with a 27% decrease in rates from the previous term. The extension is needed to satisfy the mandates for the Broker of Record to secure Cyber insurance and other insurance coverage needs.</i>	8/20/2025	\$147,000.00
Available Balance			\$199,517.00
Cumulative Contract Value			\$746,138.00

CONTRACT CHANGE FORM

MEMPHIS LIGHT, GAS, AND WATER DIVISION
 CITY OF MEMPHIS
 CONTRACT NUMBER 12314 (FORMERLY C2372)

CONTRACT CHANGE NO. 3
 DATE OF CHANGE AUGUST 20, 2025
 SHEET 1 OF 12

TO: DARRISON WHARTON

WILLIS TOWERS WATSON SOUTHEAST, INCORPORATED

3340 PLAYERS CLUB PARKWAY, SUITE 200

MEMPHIS, TN 38125

YOU ARE ADVISED THAT THE MEMPHIS LIGHT, GAS AND WATER DIVISION, CITY OF MEMPHIS, MEMPHIS, TENNESSEE HEREBY AUTHORIZES THE FOLLOWING CHANGE IN REGARD TO THE ABOVE CONTRACT NUMBER. THE CONTRACTOR AGREES TO BE BOUND BY ALL OF THE TERMS AND CONDITIONS OF SAID CONTRACT AND PREVIOUS CHANGES.

THE PROJECT SCOPE IS TO REPRESENT MLGW AS ITS AGENT TO PROVIDE CONSULTING SUPPORT REGARDING INSURANCE QUESTIONS AND CONSIDERATIONS. IN ADDITION, THE BROKER IS TO ADVISE AND PROVIDE ASSISTANCE CONCERNING INSURANCE EXPOSURES AND COVERAGE ACQUISITION. THE CONTRACT AWARD WAS SELECTED BASED ON THE REQUEST FOR PROPOSAL ("RFP") EVALUATION PROCESS.

THIS CHANGE IS TO EXTEND THE CURRENT CONTRACT FOR AN ADDITIONAL ONE (1) YEAR TERM FOR THE PERIOD COVERING OCTOBER 1, 2025 THROUGH SEPTEMBER 30, 2026 IN THE FUNDED AMOUNT OF \$147,000.00, WITH A 27% DECREASE IN RATES FROM THE PREVIOUS TERM. THE EXTENSION IS NEEDED TO SATISFY THE MANDATES FOR THE BROKER OF RECORD TO SECURE CYBER INSURANCE AND OTHER INSURANCE COVERAGE NEEDS. THIS EXTENSION COMPLIES WITH ALL APPLICABLE LAWS AND POLICIES. THE NEW CONTRACT VALUE IS \$746,138.00.

CHANGE IN CONTRACT PRICE:

CONTRACT AMOUNT	\$ 599,138.00	
CHANGE AMOUNT	\$ 147,000.00 -	EXTENSION (Change No. 3)
TOTAL CONTRACT AMOUNT	\$ 746,138.00	

APPROVED BY THE BOARD OF LIGHT, GAS AND WATER COMMISSIONERS

 APPROVED BY THE PRESIDENT

 DATE