



# Board of Light, Gas and Water Commissioners

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

## Board Meeting

~ Minutes ~

Wednesday, August 4, 2021

8:30 AM

Board Room

### CALL TO ORDER AND OPENING REMARKS:

Chairman Graves

The meeting was called to order at 8:29 a.m.

### PLEDGE OF ALLEGIANCE:

Chairman Graves

The Pledge of Allegiance was recited.

### ROLL CALL:

Dana Jeanes

Attendee Name	Title	Status	Arrived
Michael Pohlman	Board Member	Present	
Steven Wishnia	Board Member	Remote	
Carlee McCullough	Board Member	Present	
Mitch Graves	Chairman	Present	
Leon Dickson	Vice Chair	Remote	

### APPROVALS:

**Motion To:** Approve Minutes of the Meeting of July 21, 2021.

**RESULT:** ADOPTED [3 TO 0]

**MOVER:** Michael Pohlman, Board Member

**SECONDER:** Carlee McCullough, Board Member

**AYES:** Michael Pohlman, Carlee McCullough, Mitch Graves

**REMOTE:** Steven Wishnia, Leon Dickson – Cannot vote

### CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated July 20, 2021, Items 20 through 32. (See Minute File No. 1462.)

### PRESENTATIONS:

(None)

### GENERAL STATEMENTS FROM THE PUBLIC:

(None)

### PRESIDENT'S BRIEFING:

1. Review of Consent Agenda - J. T. Young

(President's Briefing Continued on Page 80)

The original of the resolutions and documents relating to each item is filed in the vault on the fifth floor of the MLGW Administration Building, 220 South Main. The original documents shall control in the event of any conflict between the description and these minutes and the original documents.

### **CONSENT AGENDA**

(Items 1 through 16)

<b>RESULT:</b>	<b>APPROVED [3 TO 0]</b>
<b>MOVER:</b>	Carlee McCullough, Board Member
<b>SECONDER:</b>	Michael Pohlman, Board Member
<b>AYES:</b>	Michael Pohlman, Carlee McCullough, Mitch Graves
<b>REMOTE:</b>	Steven Wishnia, Leon Dickson – Cannot vote

#### **CHIEF CUSTOMER OFFICER**

(None)

#### **CHIEF INFORMATION OFFICER**

1. Resolution awarding a purchase order to Technogent, for Splunk Enterprise license subscription renewals, in the amount of \$630,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

#### **CHIEF PEOPLE OFFICER**

2. Resolution approving revisions to Policy #23-02 (Disciplinary Actions). (J. T. Young/Jackie Jones)
3. Resolution approving revisions to Policy #22-16 (Jury Duty). (J. T. Young/Jackie Jones)
4. Resolution approving revisions to Policy #22-10 (Employee Assistance Program). (J. T. Young/Jackie Jones)
5. Resolution approving revisions to Policy #22-08 (Time Off to Vote). (J. T. Young/Jackie Jones)
6. Resolution approving revisions to Policy #22-01 (Tuition Assistance). (J. T. Young/Jackie Jones)
7. Resolution approving revisions to Policy #22-02 (Training Programs). (J. T. Young/Jackie Jones)
8. Resolution approving revisions to Policy #21-12 (Employee Information). (J. T. Young/Jackie Jones)

9. Resolution approving revisions to Policy #21-01 (Employment of Relatives). (J. T. Young/Jackie Jones)
10. Resolution awarding Contract No. 12307, Assessing MLGW Assessment Center Candidates to Alignmark, LLC in the funded amount of \$138,600.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

**COMMUNITY & EXTERNAL AFFAIRS**

(None)

**DESIGN CONSTRUCTION & DELIVERY**

11. Resolution awarding Contract No. 12288, Gas Matrix Utility Landscaping to Enlightenment, Inc. dba APS Facility Maintenance in the funded amount of \$398,448.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

**ENGINEERING & OPERATIONS**

12. Resolution approving Change No. 4 to Contract No. 11965, Professional Engineering Service for Water Engineering and Operations with Allen & Hoshall, with no increase in the contract value. (This change is to renew the current contract for the fourth and final annual renewal term for the period covering September 27, 2021 through September 26, 2022, with no increase in the contract value. Rates will remain the same as identified in the original contract.) (Randy Orsby)
13. Resolution awarding a purchase order to LightSpeed Technologies, Inc., for multiprotocol label switching (MPLS) network expansion equipment, in the amount of \$365,230.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

**PRESIDENT**

(None)

**SVP, CFO & CAO, FINANCE**

(None)

**SVP, CHIEF OPERATING OFFICER**

(None)

**SHARED SERVICES**

14. Resolution awarding a purchase order to Summit Truck Group, for Class 8 Cab / Crew Cab & Chassis, in the amount of \$694,284.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
15. Resolution awarding a purchase order to Summit Truck Group, for 6-ton cab and chassis tractors, in the amount of \$314,055.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
16. Resolution awarding a purchase order to Elster American Meter Company, for gas smart meters, in the amount of \$1,097,520.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

**VP & GENERAL COUNSEL**  
(None)

**PRESIDENT'S BRIEFING (Continued):**

2. Second Quarter, 2021 - Healthcare Report - Dana Jeanes reviewed the claims cost for medical and pharmacy. He reported that we are roughly \$1,000,000 higher at this point than we were YTD second quarter last year. He added that prescription costs comparing 2021 to 2020 is very close and uniform across the years. He reminded the Board that the CVS contract began April 1, 2021. He added that there is an estimated total savings of \$5,000,00 for the year. Chairman Graves requested the details of the contract and any repercussions if the savings is not given. Mr. Jeanes reviewed active and retiree (with and without Medicare) details. He noted that the premium increases have been modest compared to the national trend.

3. Healthcare Proposal - Dana Jeanes explained that the medical contract is separate from the prescription contract. He added that the medical contract was bid out earlier this year and the intention is to bring a resolution to the BOC at the next meeting for a vote. He introduced Mr. Erick Shrauger with AON. He had planned to be at the meeting today but was not feeling well and joined remotely.

Mr. Shrauger stated before he started his presentation, he would address the question Chairman Graves had regarding the prescription drugs contract. He explained that most of the savings will come from the rebates; however, that can take up to six months before the rebates are issued. He did say that it is likely an estimate of the rebates can be provided to the Board and he will investigate this.

Mr. Shrauger explained that the same RFP process was administered as in previous years. He highlighted the objectives and confirmed that RFPs were released to Aetna, BCBST, Cigna and UHC. Aetna and UHC declined to quote. Both Cigna and BCBST provided proposals as requested. Cigna was the "winner" of the bid due to lower administrative service fees, performance guarantees, and ranked more superior in care management and wellness. He discussed the scorecard and fees as demonstrated in slide 7. He stated Cigna offered more robust programs (i.e., diabetic program) and reputable partnerships and collaborations. In addition to administrative fees going down, it appeared that Cigna was willing to take some risks to retain MLGW as a customer.

4. Operational Efficiencies - Dana Jeanes reviewed statistics on labor reduction and labor savings, noting the target and actuals. He added that we will continue to work toward achieving labor savings during the 2022 budget planning process. He highlighted the electric, gas and water divisions. He emphasized that the Electric Division has some challenges to overcome in relation to tree trimming. He reported that the Gas Division is on track to meet all their targets and the Water Division is ahead of schedule on new wells and have made significant progress in Phase 2 (Planning of Station Rehab Project). Commissioner Wishnia asked about the infrastructure that is currently in front of Congress and how it could affect MLGW. General Counsel Patterson confirmed a meeting held yesterday with lobbyists. She stated a plan has been developed to communicate with the lobbyists and to stay in touch with the Senators. She added we are moving aggressively on this and assessing where we qualify.

5. Power Supply Update - Frank Fletcher reviewed the three RFPs. He stated the transmission RFP was released July 12, thermal generation will be issued August 6, and the renewable RFP is under development and will be issued on September 14. He explained the recommendations made by the Siemens IRP and MISO studies. He covered the communications within the team and actions going forward. Commissioner Wishnia asked why we would have to own the transmission lines and not let someone else build and maintain them. Mr. Jeanes responded that if we own and maintain them, we believe we would have better reliability. Mr. Fletcher reviewed changes from the last RFP update and informed the BOC that Portfolio 10 has been eliminated. He covered the scope of work changes. Commissioner Pohlman asked if MLGW would build to the first tower on the Arkansas side and Mr. Jeanes responded "yes".

6. Other - J. T. Young

President Young informed the Commissioners that MLGW lost two employees since our last board meeting, Ernest Rodgers and Leland Pettigo. He offered his sympathy to their families and said they will be missed.

President Young shared that Kimberly Butler, MLGW Service Dispatcher MLGW was the winner in the State of TN for dead lift and bench press. She is preparing for the national competition.

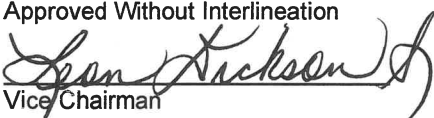
**COMMITTEE REPORTS:**

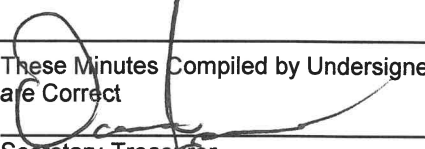
(None)

**ADJOURNMENT:**

There being no further business, the meeting was adjourned at 9:52 a.m.

(See Minute File No. 1463.)

Approved Without Interlineation  
  
Vice Chairman

These Minutes Compiled by Undersigned and  
are Correct  
  
Secretary-Treasurer