



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, June 15, 2022

8:30 AM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Chairman Graves

The meeting was called to order at 8:30 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	
Cheryl Pesce	Board Member	Present	
Carl Person	Board Member	Absent	
Mitch Graves	Chairman	Present	
Leon Dickson	Vice Chair	Present	

APPROVALS:

Motion To: Approve Minutes of the Meeting of June 1, 2022.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Michael Pohlman, Board Member
SECONDER: Leon Dickson, Vice Chair
AYES: Michael Pohlman, Cheryl Pesce, Leon Dickson
ABSENT: Carl Person

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated June 7, 2022, items 10 through 14 and items 16 and 17. (See Minute File No. 1471.)

PRESENTATIONS:

(None)

GENERAL STATEMENTS FROM THE PUBLIC:

Jason Small, 25 Burrow, addressed the Board telling them he has been an employee at MLGW for 25 years. He states he is present to inform the Board of unsafe working conditions and threats made by management in Service Dispatch. He stated the area has unsafe working conditions, hostility and retaliation by service dispatch management. He informed the Board that the office is small with eight shared workstations, computers, and phones for eighteen employees. He relayed only one incident due to the time allotted for him to speak but noted there are many. He stated he received text messages from some of his coworkers notifying him that they had

tested positive for COVID. He contacted Frank Fletcher by phone, but he indicated there was no call back to him. The following day, he asked the Supervisor if the office could be cleaned. She called Mr. Fletcher and was told to have Mr. Small contact HR. Mr. Fletcher indicated he would discuss the next steps with Eric Conway. Mr. Small called HR at 7:00 a.m., but they were not open. While waiting on a call back from HR, he stated he was sitting at a desk. The Supervisor asked if he would be willing to work at that desk until HR responded. He told her that he would and was ready to perform his job, so he began carrying out his regular duties. He stated he received an e-mail from JoAnne Johnson which read that he would be treated as though he had not shown up to work, charged with unauthorized absence and would be disciplined if he didn't return to the office before it was cleaned. She later came to his desk and was told to report to the Manager's office the next morning at 8:15 with his union steward. He informed the Board he then went to Frank Fletcher's office to get clarity. He stated Mr. Fletcher was visibly upset and spoke to him angrily. He stated Mr. Fletcher told him he was being charged with an unauthorized absence and not getting paid. Mr. Small asked him why his pay was being docked and why he was being disciplined when he was making a safety issue known. He stated that Mr. Fletcher stated the policy that was being followed. Mr. Small asked him why Policy 22-17 didn't address this incident. He said Mr. Fletcher told him there are other avenues available to address them. He is concerned that he will suffer retaliation, but he felt he needed to come and inform the Commissioners and the Senior Leadership of MLGW. He is seeking the help from the Commissioners and SLC to assist in obtaining a safe working environment, prevent retaliation and end the hostility. Chairman Graves asked Jackie Jones, VP, Chief People Officer, to investigate this matter and report back to the Board.

PRESIDENT'S BRIEFING:

1. Review Consent Agenda - J.T. Young

(President's Briefing Continued on Page 66)

The original of the resolutions and documents relating to each item is filed in the vault of 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 12)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Michael Pohlman, Board Member
SECONDER:	Leon Dickson, Vice Chair
AYES:	Michael Pohlman, Cheryl Pesce, Leon Dickson
ABSENT:	Carl Person

CHIEF CUSTOMER OFFICER

(None)

CHIEF INFORMATION OFFICER

1. Resolution approving Change No. 7 to Contract No. 11362, Electronic Forms Routing with BP Logix in the funded amount of \$257,543.66. (This change is to upgrade the existing software license to the Process Director Subscription license, renew annual software maintenance, license and support services for the period covering August 1, 2022 through July 31, 2027. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by BP Logix.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

CHIEF PEOPLE OFFICER

(None)

COMMUNITY & EXTERNAL AFFAIRS

(None)

DESIGN CONSTRUCTION & DELIVERY

2. Resolution approving Change No. 4 to Contract No. 12023, Aerial Patrol of Gas Transmission Right-of-Way with Tennessee Helicopter Services, Inc., in the funded amount of \$70,000.00. (This change is to renew the current contract for the fourth and final annual renewal term for the period covering August 29, 2022 through August 28, 2023 with no increase in rates from the previous year.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

ENGINEERING & OPERATIONS

3. Resolution awarding Contract No. 12360, Professional Engineering Services to HDR Engineering, Inc. in the funded not-to-exceed amount of \$2,000,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution approving Change No. 1 to Contract No. 12315, New Canada Road 24" Main with Encor, LLC , in the funded amount of \$105,062.58. (This change is to ratify and increase the contract value to purchase 24" DISJ pipe. Due to rising material costs, American Pipe was not able to honor their initial quote to Encor, LLC. The term of the contract will remain for the period covering February 24, 2022 through February 23, 2025. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
5. Resolution approving Change No. 1 to Contract No. 12258, Shaw #2 VFD Replacement with Barnes & Brower, Incorporated, with no increase in the contract value. (This change is to extend the current contract for an additional 180 calendar days due to material delays, with no increase in the contract value. The original contract term was for the period covering September 1, 2021 through August 31, 2022. The extended contract term will end on February 28, 2023.) (Randy Orsby)
6. Resolution approving a one-year option to renew blanket Purchase Order number 7034556 to Cleveland-Price, Inc. c/o HV Sales Company, Inc., for air disconnect switches. (Randy Orsby)
7. Resolution awarding Contract No. 12357, Shaw Filter Valve Replacement to Barnes and Brower, Inc., in the funded not-to-exceed amount of \$862,220.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

8. Resolution approving Change No. 1 to Contract No. 12277, Drilled Pier Foundations Installation with Chris-Hill Construction Company, with no increase in the contract value. (This change is to renew the current contract for the first of four annual renewal terms for the period covering August 2, 2022 through August 1, 2023. There is a 9%-unit price increase in rates due to rising material costs, increasing wages, and fuel costs.) (Randy Orsby)
9. Resolution approving Change No. 1 to Contract No. 12251, Aerator Maintenance with R. P. Services, Inc., in the funded amount of \$306,000.00. (This change is to renew the current contract for the first annual renewal term covering the period August 25, 2022 through August 24, 2023. This renewal reflects a 2% increase in rates, in accordance with the contract documents, from the previous year due to increase in cost of equipment and materials.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT

(None)

SVP, CFO & CAO, FINANCE

(None)

SVP, CHIEF OPERATING OFFICER

(None)

SHARED SERVICES

10. Resolution approving the rejection of bids received up to 4 o'clock p.m., Tuesday, March 23, 2022 for strainer two-inch baskets. (Randy Orsby)
11. Resolution approving Change No. 1 to Contract No. 12219, CDL Roadway with Lehman Roberts Company, in the funded amount of \$375,420.00. (This change is to ratify, extend, and increase the contract value for an additional 12 months to replace pavement that is in very bad condition at the MLGW University. Also, there is a 55.10% increase in rates for a ton of liquid asphalt since October 2020 due to the bituminous index price increase on liquid asphalt.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
12. Resolution awarding a purchase order to Universal Scaffold & Equipment for ACSR 1590 bare wire in the amount of \$372,780.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP & GENERAL COUNSEL

(None)

PRESIDENT'S BRIEFING (Continued):

2. Second Quarter, 2022 - Compliance Report - Cheryl Patterson reported that the second quarter has been very active. In late April the EPA conducted a week-long, on-site inspection of the water production and distribution facilities related to the Safe Drinking Water Act. She noted that we are waiting on the formal report, but the team's assessment will eventually be routed to TDEC for follow-up as part of routine inspections for this year.

Last quarter Allan Long reported that FERC was conducting an audit of our compliance with the Critical Infrastructure Protection standards and the standards were developed by NERC, typically SERC conducts our regional audits. This is the first time we have had a FERC audit. In that situation every requirement of every standard is reviewed. We have been providing documentation for months, the audit peaked in early May with a series of interviews with our SMEs that extended over several weeks. We are still responding to additional data requests, and it may be early next year before we see a final report from FERC.

Simultaneously SERC is conducting an audit of our compliance with NERC's O&P standards. We expect the auditors to be on-site next week.

On the gas side of operations, we are preparing for an inspection by TSA in July to assess our compliance with the two security directives issued by TSA last year. We will also need to report on our follow-through on the recommendations from their Corporate Security review in September. Ms. Patterson informed the Board that until more formal regulations are developed, TSA re-issued both of their security directives. The focus on pipeline security has been a new area for the country following everything that went on with the Colonial pipeline situation and Ms. Patterson expressed her appreciation to the MLGW team members for their diligent work and efforts.

The State of TN has just enacted several bills that will impact MLGW, including one that requires us to implement and report our cyber security plan. In most cases we have those plans but haven't been required to report on them. Going forward we will report on them.

Internally, we conducted our annual cyber security training for MLGW's computer users and expanded additional training for employees with access to our critical assets and facilities. Our anti-phishing campaign is an on-going program.

Finally, regarding the new Ethics Policy that was presented to the Board at the meeting of April 8, we look forward to continued engagement in the coming weeks.

PRESIDENT'S BRIEFING:

(President's Briefing Continued on Page 67)

COMMITTEE REPORTS:

Supplier Diversity Committee Report, First Quarter, 2022 - Tamara Pate started out saying she has promising numbers to report today. She reviewed the percentage results breakdown for contracts, purchasing, and total procurement (including SM) which equates to 42% total supplier diversity spend impact. She noted we are steadily rising, and she is optimistic for the remainder of the year. The total spend of the sheltered market impact is 15%; minority business enterprises is 19.60%; women business enterprises 6.43%; and small local business enterprises at 73.97%. Ms. Pate noted that the MLGW vendor database is growing.

Ms. Pate reminded everyone of the Procurement Fair Recap on June 10 as well as other "Save the Date" events. She also introduced Mr. Rodney Strong with Griffin & Strong, PC, disparity study consultant. She noted that the kick-off meeting for the disparity study is scheduled for June 29th.

She answered some questions from the Commissioners regarding the supplier diversity program. Ms. Pate thanked the senior leadership, Mr. Orsby, and the entire team. President Young thanked Vice-Chair Dickson for his leadership in Chairing the Supplier Diversity Committee.

PRESIDENT'S BRIEFING:

(Continued From Previous Page)

3. Other - J. T. Young

President Young thanked Commissioners Dickson, Pesce, and Person for attending the APPA National Conference. He pointed out some of the highlights at the conference and noted they took away a lot of good information.

He thanked the Board for their participation and engagement in the Power Supply Joint Public Meeting update. In addition, he thanked Chairman Graves for his participation in the Outage Improvement Advisory Team. He noted that the final meeting is scheduled for tomorrow and hope to bring final information and recommendations to the public and the team.

He thanked the employees for their diligence and hard work, especially during these recent days which has been very hot outside. He also thanked Jim West and Martrice Anderson for their continued work and improvement in the customer service area.

Lastly, President Young thanked Dana Jeanes and his team for their hard work on the annual audit.

In closing, Cheryl Pesce thanked Lisa Osborn for her diligence in obtaining the host hotel for the APPA conference. She expressed the fact that it made the event much more enjoyable and convenient.

ADJOURNMENT

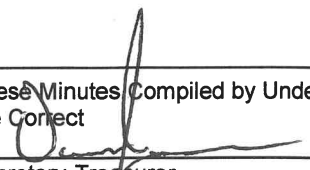
There being no further business, the meeting was adjourned at 9:20 a.m.

(See Minute File No. 1471.)

Approved Without Interlineation


Chairman

These Minutes Compiled by Undersigned and
are Correct


Secretary-Treasurer