



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, December 20, 2023

8:30 AM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Chairman Dickson

The meeting was called to order at 8:30 a.m.

PLEDGE OF ALLEGIANCE:

Chairman Dickson

The Pledge of Allegiance was recited.

ROLL CALL:

Dana Jeanes

Attendee Name	Title	Status	Arrived
Michael Pohlman	Vice Chairman	Present	
Cheryl Pesce	Board Member	Present	
Carl Person	Board Member	Present	
Mitch Graves	Board Member	Present	
Leon Dickson	Chairman	Present	
James Lewellen	Advisory Board Member	Present	
John Butler	Advisory Board Member	Present	

APPROVALS:

Motion To: Approve Minutes from the Meeting of December 6, 2023.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Michael Pohlman, Vice Chairman
SECONDER: Mitch Graves, Board Member
AYES: Pohlman, Pesce, Person, Graves, Dickson

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated December 5, 2023, Items 20 through 34, and Items 39 and 40.

PRESENTATIONS:

(None)

GENERAL STATEMENT(S) FROM THE PUBLIC:

Angea Stewart-Woods - 797 Baltimore Street, Memphis, TN 38114 - Ms. Stewart-Woods stated that she is concerned about how the payments from CSA are applied by MLGW. Ms. Stewart-Woods stated that the way they are applied is very misleading and creates a hardship on the constituents. Ms. Stewart-Woods stated that MLGW sends a bill showing you have received a credit from CSA however, that credit only applies toward your gas and electric usage. Ms. Stewart-Woods stated that she first notified MLGW of this issue back in 2016 and she was told it would require expensive software

to fix. Ms. Stewart-Woods believes that MLGW needs to do something to correct this issue as thousands of people are having their utilities turned off due to this confusion. Ms. Stewart-Woods stated that there needs to be itemized billing so people can see how the payment is applied. Ms. Stewart-Woods stated that she is happy to sit down with management to come up with a plan to get this resolved.

Chet Kibble - 3229 Lakeview - Director of the Memphis Shelby County Lead Safe Collaborative - Mr. Kibble stated that for over 17 years they have worked with EPA, Environmental Justice Citizens and MLGW to address lead exposure in our community. Mr. Kibble stated that in 2016 MLGW agreed to start lead water line removals at 2,000 a year along with passing out filters when lines are disturbed. Mr. Kibble stated that the City Council did not approve our budget, and therefore MLGW was unable to meet their agreement. Mr. Kibble stated that they had requested a meeting back in January of this year with our new president, and they have requested several meeting throughout the year to prevent the same thing that happened with President Young as he stated he was not aware of an issue of Lead being in our water. Mr. Kibble and his group are requesting a filter program and an answer as to how you will handle the water situation.

LaTricea Adams - 655 S. Riverside Drive, Unit 504B, Memphis, TN 38103 - Ms. Adams stated that she was a White House Environmental Justice Advisory Council Appointee, member of the Biden-Harris Get the Lead Out Partnership, Tennessee Department of Environment and Conservation Water Infrastructure Advisory Committee Member, Chair of the Shelby County Lead Prevention and Sustainability Commission and Founder and CEO of Black Millennials for Flint, a National Civil Rights and Environmental Justice Organization. Ms. Adams stated that in 2016 MLGW committed to replace Lead Service Lines at the rate of 2,000 a year. Ms. Adams stated that MLGW has been unable to deliver that, and has since replaced approximately 1,000 lines per year. Ms. Adams stated that at that rate MLGW customers will be living with lead service lines for another 20 to 30 years. Ms. Adams spoke of a pending mandate for replacement of lead service lines in 10 years by the U.S. Environmental Protection Agency. Ms. Adams stated they were relieved to hear of MLGW's preliminary rough draft for the lead service line replacement earlier this month at the City Council meeting on December 5, 2023. Ms. Adams provided the Board with four recommendations that they think MLGW should focus on to help resolve the lead service line issue. Ms. Adams also provided names of all the groups, associations and community members that had signed a petition in support of these recommendations.

Sarah Houston - 200 Wagner Place - Executive Director of Protect Our Aquifer - Ms. Houston stated that their mission is all about clean water. Ms. Houston stated that she came before the Board to provide an update on the \$5 million Aquifer Study Action Meeting and to uplift the request of Ms. Adams to form a Community Advisory Council for lead line replacement. Ms. Houston provided the Board with information revealed by the Aquifer Study stating that it was originally thought that our Aquifer only had about 16 suspected breaches and the study revealed closer to 30 or 40 breaches in the northern part of the county. Ms. Houston stated that means there are a lot more vulnerabilities to our drinking water supply. Ms. Houston stated that our water chemistry is changing and we need widespread conservation. Ms. Houston stated that in 2024 Protect Our Aquifer would be working with MLGW to think about how we do that on a big scale. Ms. Houston stated that at their action meeting there was a lot of discussion on water supply

and lead. Ms. Houston went on to discuss the many effects lead in water has on people that consume it. Ms. Houston stated that Protect Our Aquifer stands in solidarity with all the partners listed by Ms. Adams with regard to emphasizing, prioritizing, and removing lead exposure from our drinking water. Ms. Houston encouraged the Board to work with the Community to develop an action plan.

Patricia Smith - 1725 Graceland Cove - Ms. Smith came discuss multiple bills that she is receiving. Ms. Smith stated that it is impossible to pay you bill when you are receiving bills each week. Ms. Smith stated that she has never been late and never required assistance. Ms. Smith stated that she now owes like \$2,000 on December 22, 2023. Ms. Smith stated that she has been paying despite not receiving a bill and she is not sure what MLGW has been doing with all the money she has been paying. Ms. Smith stated that she does not plan to pay all that money by the 22nd, and that something needs to be done before that so her utilities are not turned off.

Dr. Ray Bauer - 2000 N. Parkway - Co-Founder of MLGW Advocacy Group, 21st Century Memphis or Bust - Dr. Bauer is here to support the initiatives of Black Millennials for Flint, Memphis Get the Lead Out, and Protect our Aquifer to safely remove and replace all lead service lines. Dr. Bauer made mention that if the funds we have plus ones provided by the Federal Government are not enough to expedite this process, that we need to eliminate the regressive water rate structures for commercial and industrial customers. Dr. Bauer also mentioned that they are still having complaints of customers with billing Issues because of smart meters. Dr. Bauer asked if we have a timeline for when they will be fixed? Dr. Bauer also wanted to know who is over the tree trimming contract as it was reported to her group that Lew's Tree Trimming dropped a limb on a line yesterday and knocked the power out.

Dennis Lynch - 347 N. McLean - Leader in Sierra Club and was also on the MLGW Power Supply Advisory Team a few years ago - Mr. Lynch had questions regarding several matters such as when MLGW plans to get the public's input in developing the MLGW 2045 Plan; what is MLGW doing to aggressively pursue opportunities available in the Inflation Reduction Act and not being blocked by TVA's over reaching role; what is the public power model and what are we doing to make public power; how will MLGW use the Solar and Battery line items in budget; what, when and where will this be installed; will MLGW use the cost savings from solar and batteries to help reduce customer rates; what TVA Contract Amendments will be made to allow these steps; and lastly, what steps are being taken in regard to coal ash removal trucking through neighborhoods?

Joe Kent - 5111 Flamingo - Mr. Kent stated that at the last meeting he asked us to put the landlord registry on the Board Agenda for adoption and support in the Tennessee General Assembly. He thought based on the Board's favorable remarks that would be an easy thing to do. Mr. Kent stated that we have a diverse Board and should be able to get that done. Mr. Kent asked if the \$37 million in capital expenditures for storm restoration will be reimbursed by FEMA or something like that? Mr. Kent stated that he could not get MLGW Administration to provide him with the contracts for emergency smart meters and UMRI prior to council consideration and they are not on MLGW website. Mr. Kent stated these items were emergency items on the December 6, 2023 Agenda. Mr. Kent stated that he submitted to Shelby County, FOIAs for all well permits

that have been issued since 2018 along with an example of the information he was requesting, and they sent him back the same information. Mr. Kent requested that MLGW issue FOIAs to Shelby County for this information and advocate for transparency in well permit data and also how much is being pulled from the aquifer. Mr. Kent stated that he would use that information to calculate the subsidies to corporations that are not accounted for.

Review Consent Agenda – President Doug McGowen

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.

(President's Briefing Continued on Page 146)

CONSENT AGENDA

(Items 1-7 & 9-15)

Items #1-7 and 9-15 were approved. Item #8 was deleted.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Mitch Graves, Board Member
SECONDER:	Carl Person, Board Member
AYES:	Pohlman, Pesce, Person, Graves, Dickson

VP of CUSTOMER EXPERIENCE and ENERGY SERVICES

(None)

CHIEF INFORMATION OFFICER

1. Resolution approving Change No. 3 to Contract No. 12202, Network Maintenance with ConvergeOne, Inc., (This change is to renew the current contract for the third of four annual renewal terms for the period covering February 15, 2024 through February 14, 2025) in the funded amount of \$1,110,072.11. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

COMMUNITY & EXTERNAL AFFAIRS

(None)

DESIGN CONSTRUCTION & DELIVERY

2. Resolution approving Change No. 3 to Contract No. 12077, Line Clearance with Asplundh Tree Expert, LLC is to ratify the approval of invoice payments, based on agreed upon emergency rates, with no increase in the contract value. This is related to crews utilized during the June 25, 2023 storm restoration event. (Randy Orsby)

ENGINEERING & OPERATIONS

(None)

PRESIDENT

(None)

SVP, CFO & CAO, FINANCE**Motion To:** Approve Same Day Minutes for Items 3 and 4

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Mitch Graves, Board Member
SECONDER:	Michael Pohlman, Vice Chairman
AYES:	Pohlman, Pesce, Person, Graves, Dickson

3. Resolution approving payment of the Total Fiscal Year 2023 Electric Equivalency Payment to the City, the County, and each incorporated municipality in Shelby County before December 31, 2023. (Dana Jeanes) (SAME DAY MINUTES REQUESTED)
4. Resolution approving payment of the Total Fiscal Year 2023 Gas Equivalency Payment to the City, the County, and each incorporated municipality in Shelby County before December 31, 2023. (Dana Jeanes) (SAME DAY MINUTES REQUESTED)

SVP, CHIEF OPERATING OFFICER

(None)

SHARED SERVICES

5. Resolution approving the ratification of purchase order number 7046157 to Brighter Days and Nites, Inc. for S-1 and S-2 electric pedestals in the amount of \$1,466,000.00 (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
6. Resolution approving the ratification of purchase order number 7046271 to Mansfield Oil Company of Gainesville, Inc., for unleaded and diesel fuel in the amount of \$7,098,669.56. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution approving the ratification of Purchase Order Number 7051332 to AutoNation Ford Memphis for ten, one-ton cab and chassis trucks with service bodies in the amount of \$634,907.60. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

8. Resolution approving the ratification of blanket purchase order number 7009932 to Howard Industries, Inc., for single phase pole type distribution transformers for an additional amount of \$10,791,369.60. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

RESULT:	DELETED [UNANIMOUS]
MOVER:	Mitch Graves, Board Member
SECONDER:	Cheryl Pesce, Board Member
AYES:	Pohlman, Pesce, Person, Graves, Dickson

9. Resolution approving Change No. 10 to Contract No. 11293, Procurement Card Provider with First Horizon Bank to extend the current contract with no annual fees. (Randy Orsby)
10. Resolution approving the ratification of Purchase Order Number 7045929 to Stuart C. Irby Company for arm apitong dead-ends 96" in the amount of \$347,500.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
11. Resolution approving the ratification of Purchase Order Number 7016142 to Anixter, Inc., for #2 triplex cable for an additional amount of \$8,395.89. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
12. Resolution approving Change No. 2 to Contract No. 11985, Security Automation Systems Solution Full Deployment, with Securadyne Systems Intermediate, LLC dba Allied Universal Technology Services (formerly G4S Secure Integration, LLC) to ratify and extend the current contract with no increase in the contract value. (Randy Orsby)

VP & GENERAL COUNSEL

(None)

CHIEF PEOPLE OFFICER

13. Resolution approving Change No. 4 to Contract No. 12348 (solicited under Contract No. 12294), Temporary Employment Services for Skilled Craftsman/Technical with Resource Management Group to renew the current contract with no increase in contract value. (Randy Orsby)
14. Resolution approving Change No. 2 to Contract No. 12294, Temporary Employment Services for Clerical Support with Millennium Search, LLC, to ratify and renew the current contract with no increase in the contract value. (Randy Orsby)
15. Resolution approving Change No. 3 to Contract No. 12186, Family Medical Leave Act with Unum Group to ratify and renew the current contract in the funded amount of \$140,550.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S BRIEFING CONT'D**Report of MLGW Retirees – President Doug McGowen**

President McGowen reported that it is a requirement of the Audit Committee that we provide the Board with an annual report of the number of retirees who have been employed post-retirement with Memphis Light, Gas and Water. Chief McGowen informed the Board that he would make that report at the first meeting in January since we have had a number of retirees who've left in November and December who may return to work for us to help with the transition. President McGowen also reported that as usual we have seen a number of people that make the decision to retire in December. One of the deciding factors is the potential payout to take some of their pension upfront and reduce their monthly amount, and that is a determining factor. We are seeing, not an unusual amount, but kind of a standard amount of retirements. President McGowen reported that some of the individuals retiring are at the VP, Director, Manager and Supervisor level. President McGowen assured the Board that we have a succession plan in place. President McGowen stated that clearly this is a loss to the organization as we have six individuals who have a combined 230 years of service who are leaving at the end of the year with almost 40 years of service for each one.

Other – President Doug McGowen

President McGowen gave an update on tree trimming. President McGowen stated that 29% of our annual goal has been cut and confirmed by our team so we are slightly ahead of where we need to be. President McGowen stated that actually 31% of our goal has been cut, but not yet confirmed. President McGowen stated our tree trimmers are out in front of us. We have 106 clearance crews working. When we started we had 90, and by this April we will have 120 crews working. President McGowen stated that we have asked the crews to accelerate to get us on a three-year schedule faster, and that is what they are doing. President McGowen responded to the question as to who is monitoring these tree trimming contractors. President McGowen stated that today Mr. Danny Owens and Mr. Randy Bomar have a team of inspectors who are following the tree trimmers to confirm that the work is actually being done, and they have to confirm it has been done before we actually issue a payment for the invoice for that work. President McGowen stated that we do have people in the field who are monitoring the work. President McGowen also stated that it is dangerous work, and yes sometimes limbs do fall that cannot always be avoided especially with the significant amount of overgrowth that they are working through. President McGowen stated that as we get into Spring, he may bring the Contractors before the Board so they can report how it is going.

President McGowen gave an update on the LED Street Light Conversion. President McGowen stated that so far we have replaced and converted 73,248 of the 78,055 street lights that we scheduled to replace. President McGowen stated that is 94% complete and so we are on track to be 100% complete in one year. President McGowen reported that we are aware of some issues, but we are working through those as well. President McGowen stated that recent press coverage stated that Nashville is going to the same thing for the same price, but only doing 55,000 lights and over a four-year period of time. President McGowen stated that we had an aggressive schedule for the LED street lights and that they are really going to benefit the people. President McGowen stated that the City of Bartlett is well underway with their transition

being nearly 80% complete. President McGowen reported that Collierville just signed and we will be moving on to Arlington and Millington shortly.

President McGowen gave an update meter registers and delayed bills. President McGowen stated this was another issue brought up in the public comments. President McGowen reported that when we started we had about 96,00 bills that were delayed at one time, and about 41,000 accounts. We are down to now 6,00 bills and 4,500 accounts of those only 1,900 are residential. President McGowen stated that we have in place "no cut off" for those with delayed bills so there is not fear of cut off, and he hoped we would be able to take care of the young lady that came today and make sure that she has the accurate information and that she will not be cut off. President McGowen informed the Board that we are working with Utility Partners of America to take care of those registers. President McGowen we do still have some delayed bills going out, but we are back down to our normal exceptions of between 4 or 5,000 each month.

President McGowen stated that there are many utility assistance programs available to our customers with one in particular being CSA. President McGowen thanked the customer for coming before the Board today to discuss the issue with that payment. President McGowen stated that he has asked the team to look into that to get that resolved.

President McGowen gave an update on our preparedness for the Winter months and discussed our natural gas supply and the cost for such. President McGowen discussed potential for extreme conditions and some things that will improve communication. President McGowen stated that we may get to a point that we have to issue a Conservation Alert. President McGowen stated that we would put out some guidance to our customers to let them know what they need to do should a Conservation Alert be issued. President McGowen stated that we have winterized all of our water wells so they are in very good shape. We have also significantly increased capacity at our water pumping stations through our variable frequency drive, so we are well positioned. President McGowen stated that we have also spoken with the fire departments and code enforcement and know which of these facilities have un-monitored fire protection systems so that we can zero in on those when the weather is cold to make sure we don't have any more burst pipes.

President McGowen responded to the discussion of Lead in the service lines. President McGowen stated that is a very important issue to him. He stated that it has been important to MLGW since 2012 when they began the work of replacing lead service lines. President McGowen stated that our water distribution system is not made up of lead so we do not have lead in our water distribution system. President McGowen stated that we have lead service lines in some of our system that go from the water main to the meter. President McGowen stated that it was represented that we have a significant problem throughout the system, but that is not the case. President McGowen stated that we have inspected 8,000 of those services and taken remedial action. President McGowen reported that the EPA is asking us to do an inventory in 2024, and we will comply. President McGowen stated that we have a plan to replace those lead service lines on our side, and now we understand that we may be involved in replacing them on the customer's side as well. President McGowen stated that the Federal Government would be giving about \$15 billion toward this, but they also anticipate it to be a \$90 billion project. President McGowen stated that it will be up to local utilities, municipalities, local counties, and the state government presumably all coming together

to solve this issue. President McGowen discussed issues that might arise when dealing with rental properties.

President McGowen stated that any customer who suspects they have lead in their service line can request a test from us. We provide the materials for them to test their water to let them know if there are any hazards in their water, and if so how they could mitigate that. We also provide pitchers with filters to any customer whose lead service line we replace on our side because we know if we disturb those service lines it can activate some of that and release it into the water.

President McGowen spoke of Federal and State assistance that we have applied for. President McGowen also stated that he would be providing to the Board the first of January the end of the year statistics for 2023. President McGowen gave a brief update on hiring.

President McGowen also commented on the Rental Property Registry that was brought up by Mr. Kent. President McGowen stated that he thought that was something on the Legislative Agenda for our community. President McGowen stated that it is something he supports, but there has been a challenge to get approved.

Commissioner Pesce asked if we could start now creating a database for rental properties. Commissioner Pesce also asked if we could start now sending out information to the customers regarding conservation alerts. Commissioner Pesce asked if the Board of Commissioners could be recognized for the work they do here at MLGW.

Commissioner Person asked President McGowen to give a presentation on our water distribution system and the lead service lines. Commissioner Person also asked if we are communicating to the individuals with multiple bills that they will not be cut off? President McGowen stated that yes we are, but if there is a better way, we are definitely open to that.

COMMITTEE REPORTS:

(None)

ADJOURNMENT:

There being no further business, the meeting was dismissed at 9:38 a.m.

Approved Without Interlineation

Chairman

These Minutes Compiled by Undersigned
and are Correct

Secretary-Treasurer