



# Board of Light, Gas and Water Commissioners

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

## Board Meeting

~ Minutes ~

Friday, February 10, 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.

Chairman Dickson asked everyone to take a moment of silence for Tyre Nichols and asked that if prayer is in your daily ritual that you continue to pray for the City of Memphis and Tyre Nichols' Family.

### PLEDGE OF ALLEGIANCE:

Chairman Dickson

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	Remote	
Mitch Graves	Vice Chairman	Present	
Leon Dickson	Chairman	Present	

### APPROVALS:

**Motion To:** Approve Minutes from the Meeting of January 18, 2023.

Commissioner Person joined the meeting remotely therefore he did not vote.

<b>RESULT:</b>	<b>ADOPTED [4 TO 0]</b>
<b>MOVER:</b>	Mitch Graves, Vice Chairman
<b>SECONDER:</b>	Michael Pohlman, Board Member
<b>AYES:</b>	Michael Pohlman, Cheryl Pesce, Mitch Graves, Leon Dickson
<b>REMOTE:</b>	Carl Person

### CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions items 13 through 16, dated February 7, 2023. (See Minute File No. 1478.)

### PRESENTATIONS:

(None)

### GENERAL STATEMENT(S) FROM THE PUBLIC:

(None)

**PRESIDENT'S BRIEFING:**

1. Review of Consent Agenda – President Doug McGowen  
(President's Briefing Continued on Page 14)

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.

**Motion To:** 1. Delete Item No. 2 – Change No. 3 to Contract No. 12126, Trend Micro Enterprise Support with Unico Technology, LLC.

Commissioner Person joined the meeting remotely therefore he did not vote.

<b>RESULT:</b>	<b>ADOPTED [4 TO 0] – ITEM 2</b>
<b>MOVER:</b>	Mitch Graves, Vice Chairman
<b>SECONDER:</b>	Michael Pohlman, Board Member
<b>AYES:</b>	Michael Pohlman, Cheryl Pesce, Mitch Graves, Leon Dickson
<b>REMOTE:</b>	Carl Person

**CONSENT AGENDA**

(Items 1 and 3 through 7)

Commissioner Person joined the meeting remotely therefore he did not vote.

<b>RESULT:</b>	<b>APPROVED [4 TO 0]</b>
<b>MOVER:</b>	Mitch Graves, Vice Chairman
<b>SECONDER:</b>	Cheryl Pesce, Board Member
<b>AYES:</b>	Michael Pohlman, Cheryl Pesce, Mitch Graves, Leon Dickson
<b>REMOTE:</b>	Carl Person

**VP of CUSTOMER EXPERIENCE and ENERGY SERVICES**

(None)

**CHIEF INFORMATION OFFICER**

1. Resolution awarding Contract No. 12417, VMWare on Dell to Thomas Gallaway Corporation dba Technogent in the amount of \$1,732,939.10. (Randy Orsby)  
(REQUIRES CITY COUNCIL APPROVAL)

2. Resolution approving Change No. 3 to Contract No. 12126, Trend Micro Enterprise Support with Unico Technology, LLC., to renew the current contract in the funded amount of \$84,782.04. (This change is for the third of four annual renewal terms for the period covering March 18, 2023 through March 17, 2024.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

**CHIEF PEOPLE OFFICER**

3. Resolution approving Change No. 5 to Contract No. 11997, Commercial Auto Insurance for Out-of-State Travel with Pete Mitchell and Associates, Incorporated to extend the current contract in the funded amount of \$137,091.00. (The extension is for the period covering March 14, 2023 through March 13, 2024.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

**COMMUNITY & EXTERNAL AFFAIRS**

(None)

**DESIGN CONSTRUCTION & DELIVERY**

(None)

**ENGINEERING & OPERATIONS**

4. Resolution approving Change No. 2 to Contract No. 12258, Shaw #2 VFD Replacement with Barnes & Brower, Inc. to extend the current contract with no increase in the contract value. (This change is for three months due to equipment malfunction as repairs are currently being performed. The contract term will end on May 31, 2023.) (Randy Orsby)
5. Resolution approving Change No. 2 to Contract No. 12187, Pole Inspection with Osmose Utilities Services, Incorporated to ratify and renew the current contract in the funded amount of \$1,200,000.00. (This change is for the second of four annual renewal terms for the period covering February 15, 2023 through February 14, 2024) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
6. Resolution approving Change No. 1 to Contract No. 12335, Davis #3 Variable Frequency Drive (VFD) Replacement with Shelby Electric Company, Incorporated to extend the current contract with no increase in the contract value. (The contract term will end on December 31, 2023) (Randy Orsby)

**PRESIDENT**

(None)

**SVP, CFO & CAO, FINANCE**

(None)

**SVP, CHIEF OPERATING OFFICER**

(None)

**SHARED SERVICES**

7. Resolution approving Change No. 7 to Contract No. 11841, Professional Engineering Services for Central Support Services with CCS Group, Incorporated to extend the current contract in the amount not-to-exceed amount of \$200,000.00. (This change is to extend the current contract term for 24 months; will end on March 11, 2025) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

**VP & GENERAL COUNSEL**

(None)

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

2. Other - President Doug McGowen

President McGowen gave an update to the Board regarding the winter storm that we had last week. We had three successive nights of ice that started on Monday night and continued Tuesday and Wednesday. The impact lasted a number of days. We had a total of 58,000 outages with 21,500 being the most that we had out at any one given time. Our crews were well prepared for the storm with 44 overhead crews including some contracted crews, 33 tree trimming crews, 20 troubleshooters, and our Operations and Meter Shop guys were out doing restoration on individual outages. By Friday morning, we had a few hundred outages, and by Friday evening, we were down to just 50 individual outages. President McGowen applauded our team for their good work. He mentioned we had one major piece of equipment called a switchgear that needed parts to be repaired. Our team came up with an ingenious way to fix the equipment.

President McGowen stated that we sent two crews to Holly Springs, Mississippi, this week to help restore power in that area.

President McGowen also reported on the Employee Appreciation event that took place this week where healthy smoothies and protein brownies were served as well as a food truck with coffee, hot chocolate and beignets. President McGowen also stated that there will be some individual recognitions as well.

President McGowen also addressed a billing issue that occurs when meters break it stops moving the flow of utility. When this happens we get a notification of zero consumption. When our team receives these zero consumption notifications, we hold the bill to investigate the cause of the zero consumption notification. We try to remotely read the meter again several times, if that won't work, then we have someone drive a truck by to try and pick up a signal, and if that doesn't work, then we send a meter reader out to try and read the meter. The meter reader still may not be able to obtain a reading because of various reason. If that is the case, we send a letter to the customer letting them know that there is an issue with their meter and to please pay something on their bill. President McGowen stated that our meter exceptions had risen from 5,000-6000 to 45,000 and now to 50,000, however, that does not mean that many customers are having issues, the exceptions denote how many times a bill is not sent out so one customer could have three or more exceptions. We have 18,000 residential and commercial customers that have not received a bill in one to three months and some have gone four months. The main reasons for meter issues are because there is water intrusion on an LED screen on the water meters and on the gas meters, the wriggler, the weakest part of the meter, is breaking and the manufacturer is unable to meet the demand to provide replacement wrigglers.

President McGowen stated that Timothy Davis would provide additional information regarding this issue in his presentations, and he informed the Board that we are not going to add to the backlog any longer. Instead, we are going to have a new policy in which we will no longer hold bills, we will do a conservative estimate for the utilities that cannot be read, we will chip down the number of exceptions in the backlog by adding additional staff to work on the exceptions, we will send a letter with the bill explaining what happened, and work with the manufacturer to figure out the issue.

Mr. Timothy Davis presented to the Board a presentation along with the faulty water meter and gas meter along with a wriggler. Mr. Davis explained the issues with both meters and the effects this has on MLGW. Mr. Davis states that each challenge creates an opportunity for us to get better. The primary reason for this issue is faulty water and gas meters. We want to maintain financial health, issue sensible bills with transparent communications, to provide customers with reasonable solutions, reduce and eliminate the backlog of bills, minimize the recurrence, and address the supply chain issues. This is roughly 2 % of MLGW's one million utility meters.

Mr. Davis stated that water meter failures are caused by water intrusion. We have about 6,000 meters that need to be replaced and we only have 1,000 in inventory. We have an estimated digital register failure rate of 500 monthly. The supplier is unable to fill orders due to supply chain issues.

Mr. Davis stated that the gas meter failures are caused by faulty "wriggler". We have 7,800 that require replacement. We have 2,000 wrigglers in inventory and 10,000 ordered. We experience an estimated wriggler failure rate of 630 per month.

Mr. Davis states that we are going to increase dedicated staff, backlog bills will be mailed in batching to not flood the call center, eliminate adding exceptions, and prevent this from happening again to address manpower issues.

Mr. Davis introduced Kenneth Culp the new Manager of the Call Center to give an update on call center staffing.

Mr. Kenneth Culp reports that call wait times have significantly decreased since he has become the Manager of the Call Center. Mr. Culp says they have created a positive environment by ensuring health and safety of employees, improved employee experience, get employees input on what matters most to them, relaxed some rules to focus more on productivity, in turn of doing that they have seen an increase in people coming to work, increase in productivity, moral increased, zero grievances since September 2022, fifty plus employees that are interested in coming to work at the call center, both internally and externally, improved employee retention, nobody wants to leave now. Mr. Culp believes if we take care of our employees, they will in turn take care of our customers.

President McGowen, states that the first batch of backlog bills are going out tonight, about 1,800. President McGowen states that they will provide to the Board feedback from customers and feedback from manufactures on solutions.

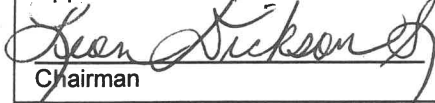
## COMMITTEE REPORTS:

(None)

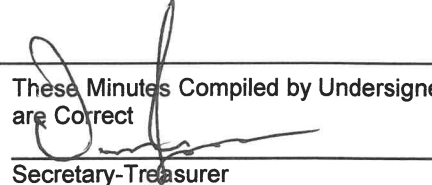
## ADJOURNMENT:

There being no further business, the meeting was adjourned at 9:30 a.m. (See Minute File No. 1479)

Approved Without Interlineation

  
Chairman

These Minutes Compiled by Undersigned and  
are Correct

  
Secretary-Treasurer