



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, October 7, 2020

8:30 AM

Zoom Electronic Meeting

CALL TO ORDER AND OPENING REMARKS:

Chairwoman McCullough

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

Chairwoman McCullough explained the Governor's Order and the reason for the electronic meeting and COVID19.

PLEDGE OF ALLEGIANCE:

Chairwoman McCullough

The Pledge of Allegiance was recited.

ROLL CALL:

Dana Jeanes

Attendee Name	Title	Status	Arrived
Carlee McCullough	Chairwoman	Present	
Mitch Graves	Vice-Chair	Present	
Leon Dickson	Board Member	Present	
Mike Pohlman	Board Member	Present	
Steve Wishnia	Board Member	Present	

Advisory Board Members:

Kevin Young - Present
Dwain Kicklighter – Present

Several SLC Members were in attendance. A roll call was not taken.

APPROVALS:

Motion To: Approve Minutes of the Meetings of September 16, 2020 and September 24, 2020

RESULT: ADOPTED [UNANIMOUS]
MOVER: Steven Wishnia, Board Member
SECONDER: Mitch Graves, Vice Chair
AYES: Pohlman, Wishnia, McCullough, Graves, Dickson

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated September 15, 2020, Items 20 through 23. (See Minute File No. 1453.)

PRESENTATIONS:

(None)

GENERAL STATEMENTS FROM THE PUBLIC:

1) Chris Agee, 7620 Chapel Ridge, Cordova, TN submitted an e-mail through Corporate Communications asking that his e-mail be addressed at today's Board Meeting. Jim West, VP and Chief Customer Officer read a portion of the e-mail and commented on specifics. Mr. West summarized that the e-mail included information about solar power systems and covers pros and cons of how an approach might work. Mr. West clarified that the current contract with TVA does not allow MLGW to entertain the arrangement suggested by Mr. Agee. Mr. West stated that TVA realizes there is public interest in solar power. He included that this is an interesting aspect going forward, but at this time the contract with TVA requires all electricity that MLGW sells and customers purchase must come from TVA.

PRESIDENT'S BRIEFING:

1. Review of Consent Agenda - J. T. Young
(President's Briefing Continued on Page 4)

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 21)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Mitch Graves, Vice Chair
SECONDER:	Steven Wishnia, Board Member
AYES:	Pohlman, Wishnia, McCullough, Graves, Dickson

CHIEF CUSTOMER OFFICER

(None)

CHIEF INFORMATION OFFICER

1. Resolution awarding a purchase order to Panaya, Inc. for Software As A Service (SAAS) software upgrade, in the funded amount of \$60,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
2. Resolution awarding the approval of Change No. 2 to Contract No. 11966, MLGW Network Upgrade and Enhancement with ConvergeOne, Incorporated (formerly Venture Technologies, Incorporated), in the funded amount of \$577,285.29. (This change is to ratify and renew the current contract for the second of four annual renewal terms for the period covering September 27, 2020 through September 26, 2021 with a decrease in rates from the previous term. This decrease in rates is due to less equipment being replaced in the contract term.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

CHIEF INTERNAL AUDITING OFFICER

3. Resolution awarding Contract No. 12168, External Auditing Services to Clifton Larson Allen, LLP in the funded amount of \$889,200.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution awarding Contract No. 12167, Retirement and Pension System and Other Post-Employment Benefits (OPEB) Audits to Dixon Hughes Goodman, LLP. (Randy Orsby)

CHIEF PEOPLE OFFICER

(None)

COMMUNITY & EXTERNAL AFFAIRS

(None)

DESIGN CONSTRUCTION & DELIVERY

5. Resolution awarding Contract No. 12151, Line Clearance Minor to ABC Professional Tree Services, Incorporated, in the funded amount of \$30,040,152.24. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

ENGINEERING & OPERATIONS

6. Resolution awarding Contract No. 12180, Engineering Services for Water Engineering to HDR Engineering, Inc., in the funded amount not-to-exceed \$1,500,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution awarding Contract No.12213, ABB Tropos Maintenance Services to Hitachi ABB Power Grids in the funded not-to-exceed amount of \$1,000,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
8. Resolution awarding Contract No.12137, Fiber Management and Monitoring System to Top Engineering Plus in the funded amount not-to-exceed \$216,837.50. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT

(None)

SVP, CFO & CAO, FINANCE

9. Resolution approving the selection of Heitman Value Partners V, a value-added real estate fund, to manage \$25,000,000 for the benefit of the MLGW Retirement and Pension Fund, as part of a reallocation. (Dana Jeanes)
10. Resolution approving the selection of TerraCap Partners V, a value-added real estate fund, to manage \$25,000,000 for the benefit of the MLGW Retirement and Pension Fund, as part of a reallocation. (Dana Jeanes)
11. Resolution approving the selection of Heitman Value Partners V, a value-added real estate fund, to manage \$12,500,000.00 for the benefit of the MLGW OPEB Trust Fund, as part of a reallocation. (Dana Jeanes)

12. Resolution approving the selection of TerraCap Partners V, a value-added real estate fund, to manage \$12,500,000.00 for the benefit of the MLGW OPEB Trust Fund, as part of a reallocation. (Dana Jeanes)

SVP, CHIEF OPERATING OFFICER

(None)

SHARED SERVICES

13. Resolution awarding a purchase order to Automotive Tool Group. for the purchase of laptop diagnostic tools, in the funded amount of \$57,314.61. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
14. Resolution awarding a purchase order to Brighter Days and Nites, Inc., for 12" coated steel pipe and 12" carbon steel ball valves, in the in the amount of \$219,422.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
15. Resolution awarding purchase order to Gray Manufacturing Company, Inc. for the purchase of a mobile vehicle lift, in the funded amount of \$109,232.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
16. Resolution awarding Purchase orders to AutoNation Ford Memphis in the funded amount of \$22,617.96 and MHC Ford Memphis in the funded amount of \$51,801.00 for the purchase of light duty vans. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
17. Resolution awarding a purchase order to Brighter Days and Nites, Inc. for automated and control switches, in the amount of \$1,040,750.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
18. Resolution awarding Contract No. 12172, Network Video Recording Systems Replacements to G4S Secure Integration, LLC, in the funded amount of \$674,043.58. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
19. Resolution approving Change No. 1 to Contract No. 12091, Janitorial Services with SKB Facilities and Maintenance in the funded amount of \$760,661.30. (This change is to ratify and expand the scope to include seven full-time supplemental day workers to provide disinfecting services due to the COVID-19 Pandemic, for the period covering April 1, 2020 through February 22, 2021 in the amount of \$165,432.10. This change is also to renew the current contract for the first of four annual renewal terms for the period covering February 23, 2021 through February 22, 2022 in the funded amount of \$595,229.20, with no increase in rates from the initial term.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
20. Resolution approving Change No. 4 to Contract No. 11855, Janitorial Services with SKB Facilities and Maintenance, in the funded amount of \$298,046.64. (This change is to ratify and expand the scope to include three full-time supplemental day workers to provide disinfecting services due to the COVID-19 Pandemic, for the period covering April 1, 2020 through March 1, 2021 in the amount of \$70,792.80. This change is also to renew the current contract for the fourth and final annual renewal term for the period

covering March 2, 2021 through March 1, 2022 in the funded amount of \$227,253.84, with no increase in rates from the previous term.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

21. Resolution approving Change No. 4 to Contract No. 11894, Grounds Maintenance - Well Lots with Turf Doctors L&LM, LLC, in the funded amount of \$69,441.40. (This change is to renew the current contract for the fourth and final annual renewal term for the period covering May 17, 2021 through May 16, 2022, with no increase in rates from the previous year.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP & GENERAL COUNSEL

(None)

REGULAR AGENDA – Item 22

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Mitch Graves, Vice Chair
SECONDER:	Leon Dickson, Board Member
AYES:	Pohlman, Wishnia, McCullough, Graves, Dickson

22. Resolution approving the Budgets for the Electric, Gas and Water Divisions for the 2021 operating expenses and capital expenditures. (J. T. Young) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S BRIEFING (Continued):

2. Debt Obligation Report - Dana Jeanes informed the Board that it is state law to provide them with information pertaining to debt obligations. He noted that there are four different issue summaries as 1) Electric \$48,000,000 face value; 2) Electric \$29,000,000 Refunding; 3) Gas \$63,000,000 face value; and 4) Water \$68,000,000 face value. He explained to the Board that no action is required on their part and this report needs to be recorded in the Minutes.

3. Second Quarter, 2020 Healthcare Report - Loretta Poindexter reported that the medical plan projection is up 7.63% and the national is up 7% with the prescription trend up 2.84% and nationally 6.5%. The second quarter medical claim cost comparison is \$9,193,562 and the prescriptions of \$7,421,884 minus the rebate for a total of \$10,928,894 year-to-date. Vice-Chair Graves questioned some of the numbers and Ms. Poindexter was able to explain. Dana Jeanes added additional information.

4. Compliance Report - Allan Long was not on the call for the meeting. President Young informed the Board that if they have any questions, we can follow up.

5. GDS Power Supply Consultant Update - Alonzo Weaver/J. T. Young - President Young explained that the City Council did not pass the resolution in order to allow MLGW to hire GDS as the power supply consultant. Councilman Morgan had asked to speak at today's meeting so he could explain various discussions and ideals expressed

at the CC meeting the prior evening. He gave accolades to President Young and his team in how they presented the information. He mentioned that GDS was also helpful in answering some of the questions the Council members were asking. He noted that the item failed with an 8 to 5 vote and that same night minutes had been requested and the minutes were approved on the failed item. He expressed that it was odd that the Council members that had been pushing to move away from TVA were the ones that voted it down. In turn, he stated that ACES had sent a letter to Council Members stating they could perform a portion of the study for \$150,000 and wanted the opportunity to save MLGW money. In addition he made everyone aware that Senator Cohen had contacted a few of the Council members before the CC meeting. City Council Chairwoman Robinson and Councilman Carlisle both spoke about the previous evening and the final outcome of the vote.

Commissioner Wishnia stated he would like to get the City Council and the MLGW Board together to discuss this and try to work this out together. Chairwoman McCullough stated from an attorney's point of view, that it would be treading into very dangerous territory. She stated the contract was awarded to a company following all of the correct procedures and processes and could get into a law suit. Charlotte Knight-Griffin had problems getting into the meeting, but was finally able to. She stated she would strongly recommend that a meeting not take place for those very reasons that Chairwoman McCullough had stated. Vice-Chair Graves made the recommendation that President Young and Alonzo Weaver look into doing the study independently. He noted that some outside help could be obtained from other sources as long as it doesn't exceed \$50,000. President Young stated they will look into the possibility of doing that. Mr. Weaver stated it would be very challenging but he agreed with President Young.

**Note - During the discussions of the power supply contract, Chairwoman McCullough made a motion to remove all fees from the MLGW bill so that customers can see how much their utility bill really is. She withdrew her motion after discussions among the Commissioners.*

6. COVID19 Update - J. T. Young - The statistics as of yesterday included 97 employees that have tested positive for COVID19. MLGW is at an 80% recovery rate and the division remains vigilant in taking precautions to prevent the spread.

7. Other - J. T. Young

President Young wanted to share some good news and commend the employees in Nick Newman's area that work behind the scenes. MLGW received a 99 out of 100 score for safe drinking water from the TDE&C.

President Young shared a note from a customer that is in the pre-pay program. The customer stated the program is the best thing ever and it has really helped him out. President Young gave accolades to Jim West and his team for working with the customers.

President Young expressed his sympathy to Cheryl Patterson for the passing of her father. Chairwoman McCullough acknowledged the passing of President Young's mother-in-law also.

Board Meeting

Minutes

October 7, 2020

President Young extended his condolences to the family of a former MLGW employee Art Brody, who was the first African American Engineer at MLGW that influenced a lot of folks.

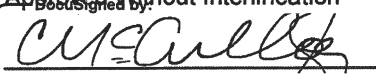
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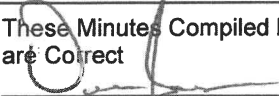
(None)

ADJOURNMENT:

There being no further business, the meeting was adjourned at 9:53 a.m.

(See Minute File No. 1454.)

Approved Without Interlineation
Presigned by:

Chairwoman

These Minutes Compiled by Undersigned and
are Correct

Secretary-Treasurer