



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, November 1, 2023

8:30 AM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Chairman Dickson

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

PLEDGE OF ALLEGIANCE:

Chairman Dickson

The Pledge of Allegiance was recited.

ROLL CALL:

Rodney Cleek

Attendee Name	Title	Status	Arrived
Michael Pohlman	Vice Chairman	Present	
Cheryl Pesce	Board Member	Present	
Carl Person	Board Member	Present	
Mitch Graves	Board Member	Late	8:37 AM
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 October 18, 2023.

RESULT: ADOPTED [5 TO 0]
MOVER: Cheryl Pesce, Board Member
SECONDER: Michael Pohlman, Vice Chairman
AYES: Pohlman, Pesce, Person, McCullough, Dickson
AWAY: Mitch Graves

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Rodney Cleek

Receipt of Certified Copies of City Council Resolutions dated October 24, 2023, Items 16 through 24.

PRESENTATIONS:

(None)

GENERAL STATEMENT(S) FROM THE PUBLIC:

Joe B. Kent - 5111 Flamingo – Mr. Kent commended Doug McGowen for dramatically improving customer service call wait times during the occasional storms that are not his fault. Mr. Kent asked that the Budget be reconsidered to make reality-based cuts with no rate increase. Mr. Kent also discussed the need for transparency in Memphis mentioning several projects around the City. Mr. Kent brought up the tree trimming and paving contract and questioned the amount of money it would take to do the work. Mr. Kent stated the real reason for the aero derivatives was for economic development. Mr. Kent asked that the Board reconsider approving the Minutes of the last meeting and revise the Budget to remove the rate increase.

Judson Williford - 40 Charlotte Circle - Mr. Williford stated that he is a fourth Generation MLGW Customer. Mr. Williford is encouraged to hear about MLGW's efforts to protect the Memphis Aquifer and working to reduce the use of the Aquifer at the Allen Plant. However, Mr. Williford wanted to voice his concerns about any action that could result in increased use of natural gas to fuel electrical power generation. Mr. Williford provided information about fracking and the destruction of geological formations that hold and protect water and aquifer pollution from the byproducts of the process. Mr. Williford states that the U.S. Energy Information Agency confirms that we may see shortages resulting in price jumps in both gas and drinking water. Mr. Williford believes as other areas experience water shortage that they will come to us for water. Mr. Williford states that he is concerned for the Memphis residents because they have such high property rates and rely on aquifer water to drink and gas to heat our homes. Also, Mr. Williford believes that industrial customers should have to pay their fair share for water and energy. Mr. Williford request that MLGW and the Board continue to work with Protect Our Aquifer and Caesar to ensure the strategies and plans properly account for both values and costs, present and future, as they relate to our aquifer as a regional resource, and that MLGW continues as the strongest institutional advocate for proper controls.

Sarah Houston - 200 Wagner Place - Ms. Sarah Houston thanked everyone for voicing their environmental justice concerns last week. Ms. Houston discussed the recent findings from a \$5 million aquifer study that was funded by your ratepayers and will continued to be funded through 2028. Ms. Houston stated that these finding validated Protect Our Aquifer's concerns. Ms. Houston stated that there are two big takeaways from the study. The first is that our clay layer is more like Swiss cheese and the second is that majority of MLGW water in the well fields is young water and some up to 67%. Ms. Houston stated that we are not drinking 2,000 year old ancient water that young water is being pumped and pulled through our well fields and we must be cognizant of that. Ms. Houston states that our water is some of the best in the country, but that we need to start acting proactively to care for a long, clean water future. Ms. Houston stated that the responsibility should not fall on MLGW's shoulders alone. Ms. Houston went on to discuss Shelby County's responsibility in protecting the aquifer as well. Ms. Houston states that TDEC gives Shelby County authority every five years to operate a special ground water protection program. Ms. Houston stated MLGW and every other water service in Shelby County pays \$0.55 per meter to fund this program. Ms. Houston stated that they are only issuing well and septic permits and only charging \$25.00 for those permits. Ms. Houston stated that other areas are charging \$300-\$400

dollars for a permit. Ms. Houston believes that Shelby County could charge more for the well and septic tank permits and use the \$0.55 charged to the utility companies for other programs such as a wellhead protection plan across the whole county. She believes this would build more capacity as well as create more jobs. Ms. Houston informed everyone listening of two upcoming aquifer action meetings.

Review of 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 87)

CONSENT AGENDA

Items 12 and 13 were deleted from the Consent Agenda. Items 1 through 11 and Item 14 were approved.

RESULT:	APPROVED [UNANIMOUS] AS AMENDED (Items 1 – 11 & 14)
MOVER:	Mitch Graves, Board Member
SECONDER:	Cheryl Pesce, Board Member
AYES:	Pohlman, Pesce, Person, Graves, Dickson

Advisory Board Member Butler supports the approval of the modified Consent Agenda.

VP of CUSTOMER EXPERIENCE and ENERGY SERVICES

(None)

CHIEF INFORMATION OFFICER

1. Resolution approving Change No. 9 to Contract No. 10927, Perpetual Licensing Agreement with Precisely Software, Incorporated (previously Pitney Bowes Software, Incorporated) to change and increase the contract value in the funded amount of \$100,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
2. Resolution approving Change No. 3 to Contract No. 12244, Smartsheet with Smartsheet, Incorporated, in the funded amount of \$720,677.63. (This change is to renew, change, and increase the contract value in the amount of \$851,489.97 of which \$130,812.34 will be absorbed in the current contract value. The scope of the contract is changing to add 300 Enterprise Plan plus Pro Support-Licensed users and to add Smartsheet Advance-Platinum (up to 999 connected users) in the amount of \$821,970.00. The change is also due to software and license name changes; these products replace the 300 Premier Plan-Licensed Users and WorkApps Collaborator (Pack - 251 to 1,000). In addition, this change is to renew Smartsheet University All

Access Upgrade in the amount of \$29,519.97 for the period covering January 24, 2024 through January 23, 2027.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

3. Resolution approving Change No. 11 to Contract No. 10741, Laser Disk Document Storage with Jack Henry and Associates, Incorporated, a division of Profitstars, to increase the contract value in the funded amount of \$13,956.35. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution approving Change No. 3 to Contract No. 12295, Oracle Maintenance and Support with Mythics, Incorporated to ratify a payment authorization and change the current contract in the funded amount of \$668,284.96. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
5. Resolution approving Change No. 10 to Contract No. 11296, Enterprise GIS Software Selection and Installation with Environmental System Research Institute (ESRI) to expand the scope and increase the current contract in the funded amount of \$616,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

COMMUNITY & EXTERNAL AFFAIRS

(None)

DESIGN CONSTRUCTION & DELIVERY

(None)

ENGINEERING & OPERATIONS

6. Resolution approving Change No. 1 to Contract No. 12180, Engineering Services for Water Engineering with HDR Engineering, Incorporated to renew the current contract in the funded amount of \$650,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution approving Change No. 3 to Contract No. 12343, Chemical Containment and Tank Installation at Water Pumping Stations with Chris-Hill Construction Company, LLC., to ratify, extend, expand the scope and increase the current contract value in the amount of \$145,820.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
8. Resolution approving Change No. 1 to Contract No. 12190, Professional Engineering Services for Gas Engineering and Operations with CHI Engineering, in the funded amount of \$100,000.00. (This change is to renew the current contract for the third of four annual renewal terms for the period covering December 23, 2023 through December 22, 2024 in the funded amount of \$220,000.00, based on agreed upon rates which include an average increase of 4.9%. The increase is due to salary increases, insurance costs, a challenging labor market, and other overhead expenses.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

9. Resolution approving Change No. 3 to Contract No. 12191, Professional Engineering Services for Gas Engineering and Operations with Mid-South Engineering Consultants, LLC., to renew the current contract with no increase in the contract value. (Randy Orsby)
10. Resolution awarding Contract No. 12424, Water Production Well Drilling to National Water Services, LLC., in the funded amount of \$7,130,300.90. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
11. Resolution to approve renewal of Cooperative Agreement No. 5447, Investigation of Water Resources for a period of January 1, 2024 to December 31, 2025, stipulating that a sum of \$689,000 will be furnished by the Division and a sum of \$174,000 will be furnished by the United States Department of Interior Geological Survey for continuation of the ground water data collection program in the Memphis Area. (Nick Newman) (REQUIRES CITY COUNCIL APPROVAL)
12. Resolution awarding Contract No. 12446 (solicited under Contract No. 12407), Environmental Abatement Services to Northwest Contracting Services, Incorporated in the funded not-to-exceed amount of \$5,500,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

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

13. Resolution awarding Contract No. 12407, Environmental Abatement Services to General Construction Services in the funded not-to-exceed amount of \$1,500,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

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

PRESIDENT

(None)

SVP, CFO & CAO, FINANCE

14. Resolution approving Change No. 21 to Contract No. 11292, Cashiering System Replacement with System Innovators (This renewal is to renew the current contract for the period covering January 1, 2024 through December 31, 2024) in the funded amount of \$87,303.17. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

SVP, CHIEF OPERATING OFFICER

(None)

SHARED SERVICES

(None)

VP & GENERAL COUNSEL

(None)

CHIEF PEOPLE OFFICER

(None)

PRESIDENT'S BRIEFING CONT'D**MLGW Metrics 3rd Quarter Update - Valerie McKinney**

Valerie McKinney presented to the Board our 3rd Quarter Metrics. Ms. McKinney provided updates on how we are doing at the call center including the average speed of answer, abandoned calls, delayed bills, appointments met, and customer satisfaction with call center. Ms. McKinney provided an update on where we are with replacing streetlights with LED streetlights as well as our turnaround time for customer work orders. Ms. McKinney provided information as to our reliability, our Infrastructure Improvement Plan, our financials, employment, and safety. Ms. McKinney stated that all the information provided is available to the public on our website at mlgw.com.

President McGowen responded to several Commissioners comments regarding spending the funds that are budgeted.

Other - Doug McGowen

President McGowen concluded by confirming that he would report back to the Board a full accounting of the outsourcing and rates, what the market bares, and how much we spend internally versus externally on permanent versus temporary projects in regard to engineering. President McGowen stated that we will take a look at the renewal of the IT Contracts and suggest if there is an assessment that we can do about the adequacy of that, and whether there is something that we could do differently there. President McGowen stated that we will take action to ensure Board Packets are out in a timely manner. President McGowen said that he will spend the money budgeted for projects. President McGowen discussed the metrics, and stated that they are for accountability and transparency. President McGowen also stated that we take seriously our obligation to make sure we preserve our water. President McGowen stated that we are blessed with an abundance of water, and we take seriously the need to preserve it for future generations. President McGowen committed that we will use the data from the study we are funding to make sure that we are good stewards of the water.

COMMITTEE REPORTS:

(None)

ADJOURNMENT:

There being no further business, the meeting was adjourned at 10:27 a.m.

Approved Without Interlineation


Chairman

These Minutes Compiled by Undersigned
and are Correct


Secretary-Treasurer