



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, March 3, 2021

8:30 AM

Zoom Electronic Meeting

CALL TO ORDER AND OPENING REMARKS:

Chairman Graves

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

Chairman Graves explained the need for the electronic board meeting and the Governor's order.

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	
Steven Wishnia	Board Member	Present	
Carlee McCullough	Board Member	Present	
Mitch Graves	Chairman	Present	
Leon Dickson	Vice-Chair	Present	

Advisory Board Members:

Dwain Kicklighter - Present
Kevin Young - Present

Several SLC staff members were present. A roll was not taken.

APPROVALS:

Motion To: Approve Minutes of the Meeting of February 17, 2021.

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

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated February 23, 2021, Items 14 through 16 and Items 24 through 32. (See Minute File No. 1458.)

PRESENTATIONS:

(None)

GENERAL STATEMENTS FROM THE PUBLIC:

Chairman Graves read a lengthy list of names from the public expressing their opposition to the Byhalia pipeline. He added that MLGW is meeting with various parties to obtain facts to respond within the next four weeks.

PRESIDENT'S BRIEFING:

1. Review of Consent Agenda - J. T. Young

(President's Briefing Continued on Page 22)

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 13)

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

CHIEF CUSTOMER OFFICER

(None)

CHIEF INFORMATION OFFICER

- Resolution approving Change No. 1 to Contract No. 12126, Trend Micro Enterprise Support with Unico Technology, LLC, in the funded amount of \$70,175.00. (This change is to ratify and renew the current contract for the first of four annual renewal terms for the period covering March 18, 2021 through March 17, 2022, with no increase in rates from the initial term.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

CHIEF PEOPLE OFFICER

- Resolution approving Position No. 01898 - Electric Meter Shop Technician. (J. T. Young/Jackie Jones)

COMMUNITY & EXTERNAL AFFAIRS

(None)

DESIGN CONSTRUCTION & DELIVERY

(None)

ENGINEERING & OPERATIONS

- Resolution requesting approval to pay an invoice from the North American Transmission Forum, Inc. for the 2021 Equal Share Membership dues in the amount of \$50,415.00. (Nick Newman) (REQUIRES CITY COUNCIL APPROVAL)

ENGINEERING & OPERATIONS

3. Resolution requesting approval to pay an invoice from the North American Transmission Forum, Inc. for the 2021 Equal Share Membership dues in the amount of \$50,415.00. (Nick Newman) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution approving payment of an invoice from the American Public Gas Association for the 2021 annual membership dues in the amount of \$57,000.00. (Nick Newman) (REQUIRES CITY COUNCIL APPROVAL)
5. Resolution approving purchase Order Number 157380 to Doble Engineering Company in the amount of \$49,363.30 for software agreement and test equipment rental, for an additional twelve-month extension to April 11, 2022. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
6. Resolution awarding a purchase order to Kaeser Compressor for air compressors and equipment in the amount of \$57,361.90. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution approving Change No. 1 to Contract No. 12129, Watkins Bridge Over Loosahatchie River Main Relocation with Owens Irrigation, Incorporated, d/b/a Owens Construction Services of Tennessee with no increase in rates or the contract value from the initial term. (This change is to extend the current contract for a one-year term for the period covering August 16, 2021 through August 15, 2022, due to right-of-way and easement issues, with no increase in rates from the initial term.) (Randy Orsby)
8. Resolution approving Change No. 3 to Contract No. 11800, InfoWater Hydraulic Model Implementation Services with Innovyze, Incorporated, in the funded amount of \$11,372.00. (This change is to renew annual license, maintenance, and support services for the Water Modeling Software for the period covering May 15, 2021 through May 14, 2022. Innovyze, Incorporated is the sole owner, developer, and distributor of the InfoWater Software Package. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by Innovyze, Incorporated.) (Randy Orsby) (CITY COUNCIL APPROVAL REQUIRED)
9. Resolution awarding Contract No.12229, Lichterman DPC Installation to American Electrical Contractors, Inc., in the funded amount of \$299,589.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT

(None)

SVP, CFO & CAO, FINANCE

(None)

SVP, CHIEF OPERATING OFFICER

(None)

SHARED SERVICES

10. Resolution awarding a purchase order to Brighter Days and Nites for three phase low energy reclosing devices in the amount of \$3,589,770.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
11. Resolution approving Change No. 3 to Contract No. 11947, Grounds Maintenance with Bean and Prince Contractors, Incorporated, in the funded amount of \$435,082.00. (This change is to renew the current contract for the third of four annual renewal terms for the period covering May 12, 2021 through May 11, 2022, with no increase in rates from the previous year in the amount of \$422,992.00. In addition, this change is to expand the scope of work to include three additional cuts at the McCord, Mallory, Allen and Arlington Water Pumping Stations during July 1, 2021 through September 30, 2021. This change and addition increases the contract value by \$12,090.00.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP, ACCOUNTING

12. Resolution approving Change No. 16 to Contract No. 11292, Cashiering System Replacement with System Innovators, in the funded amount of \$45,806.03. (This change is to renew annual hardware, software maintenance, and support services for the Creditron Software, Opex Hardware (Item Age Express), for the period covering May 1, 2021 through April 30, 2022, with no increase in rates from the previous renewal term. MLGW is requesting continuous maintenance of the acquired systems, which can only be performed by System Innovators and the third-party providers.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP & GENERAL COUNSEL

13. Resolution approving Change No. 5 to Contract No. 11740, Claims Case Management with American Technical Services in the funded amount of \$79,000.00. (This change is to ratify and renew the current contract for a five-year term for the period covering April 1, 2021 through March 31, 2026 for annual maintenance and support.) (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S BRIEFING (Continued):**2. Water System Update - J. T. Young**

Chairman Graves gave accolades to the Corporate Communications Department for doing such a great job in keeping the community informed during the water crisis. He commended the staff that worked vigorously to fix the problems and thought a great job was done by all.

President Young proceeded in thanking a series of employees stating they "knocked it out of the park". He thanked Gale Carson and her team stating they did a phenomenal job. He stated that Nick Newman took the lead in a lot of the work being done and did a great job. He added that he is most appreciative to various city and community officers in the municipalities that were very cooperative and helpful. He thanked Robert Kniecht and his team for their assistance in clearing the roads. He added that the WQAL group tested constantly to ensure water levels weren't compromised and that no contamination ever entered the water system. In addition, he noted that billing adjustments will be provided to customers for excessive water usage. He expressed his

appreciation to the Board for their continued support. Commissioner McCullough stated the maps were very helpful and she was impressed with how helpful they were.

3. Power Supply Updated Recommendation - J. T. Young

President Young opened his presentation by reviewing the earlier processes and the IRP. He reminded everyone that the resolution that the MLGW Board of Commissioners passed did not receive approval from the City Council.

He discussed the various concerns and noted it is most important to do what is best for our customers. He reminded everyone that electricity is a necessity and reliability is very important.

President Young recommended that we indefinitely suspend the pursuit of RFP's for power supply, transmission and/or local generation and suspend the consideration of providing notice of contract termination to TVA. He also recommended that MLGW work with TVA to update and negotiate an arrangement that will add value for our customers, including expanding local solar. He expressed he would like to elevate our emphasis on infrastructure improvements with a target date by end of 2024.

In addition, and under the Board's direction, he acknowledged there are other options that the Board may want to consider if they are not in agreement with his recommendation. These options included resubmitting the prior resolution approving GDS; re-bid the same package; obtain pricing information for market power and transmission costs; or consider a resolution for a professional services agreement with GDS to obtain pricing information for market power, local generation and transmission costs.

In summary, President Young stated now is not the time to go to the market for long-term power supply solutions unless there are significant issues with MLGW's quality of service. He stated with our limited resources it would be most beneficial to focus on improving the infrastructure and work with TVA to negotiation the best agreement including pursuing solar power. In closing he stated our customers must be our central focus as we move through this process.

Chairman Graves opened the floor to the other Commissioners to hear their thoughts. Commissioner Pohlman stated he agrees with President Young and prefers to focus on the infrastructure. He stated the City Council has voted. They have approved a budget to do the work on the infrastructure. Vice-Chair Dickson agreed. Commissioner Wishnia feels we owe it to the rate payers to look at transmission rates and costs. He asked if the City Council would need to approve the contract with TVA if one is agreed upon. President Young confirmed we would take it to the City Council for their approval. Commissioner McCullough is also in agreement with suspending the pursuit of other power suppliers. She pointed out that the City Council has spoken. She stated that our team delivered, and the votes were not there within the Council to go the RFP route. She also pointed out that we do not want our community in the same predicament as Texas currently is in. Advisory Member Young stated he agrees with Commissioner McCullough. Advisory Member Kicklighter pointed out that reliability is very important. He asked if we proceed with TVA would that "tie our hands". In addition, he pointed out that rate comparison and wholesale purchase pricing are some things to consider also.

Chairman Graves asked President Young to keep the Board informed of discussions with TVA.

Councilwoman Patrice Robinson was in attendance of the Zoom meeting. Chairman Graves asked her if she would like to speak and give the Board her thoughts on President Young's recommendation. She thanked the employees for the great job they did in handling the water crisis. She believes that infrastructure improvements will pay off. She agreed with Commissioner McCullough in saying the votes from the City Council are not there at this time to proceed with an RFP.

4. Other - J. T. Young

Alonzo Weaver complimented the employees and the tremendous effort in the restoration recoveries. He added that the smart meter data played a significant role in supplying data while tracking outages and crediting the customers accordingly.

President Young stated the billing assistance initiative is still available and the call center hours are extended to handle the extra call volume.

Commissioner Wishnia pointed out that if we had been able to get the City Council to approve the rate increases seven years ago, our communities most likely would not have experienced what we just went through in the last two weeks.

COMMITTEE REPORTS:

(None)

ADJOURNMENT:

There being no further business, the meeting was adjourned at 9:36 a.m.

(See Minute File No. 1459.)

<p>Approved Without Interlineation DocuSigned by:</p> <p><u>Mitch Graves</u></p> <p>Chairman</p>
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<p>These Minutes Compiled by Undersigned and are Correct</p> <p><u>[Signature]</u></p> <p>Secretary-Treasurer</p>
