

MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
April 6, 2006

A regular meeting of the Board of Light, Gas and Water Commissioners, City of Memphis, was held in the Board room of the Administration Building, 220 South Main Street, Thursday, April 6, 2006 at 1:30 p.m. The following were in attendance: Rick Masson, Chairman; V. Lynn Evans, Vice Chairman; Nick Clark, Commissioner; William L. Taylor, Commissioner; James L. Russell, Commissioner; Joseph Lee, III, President and CEO; John McCullough, Vice President, CFO and Secretary-Treasurer; Odell Horton, Jr., Vice President and General Counsel; Diana Veazey, Vice President, Construction and Maintenance; Alonzo Weaver, Vice President, Customer Operations; Christopher Bieber, Vice President, Engineering; Armstead Ward, Vice President, Human Resources; and Linda Peppers, Vice President and Chief Technology Officer. John McCullough left early so Dana Jeanes continued as Acting-Secretary.

Commissioner Clark moved that after personally reading and reviewing the typed minutes of the Memphis Light, Gas and Water Board meeting held March 16, 2006, that they be recorded as the official record, seconded by Commissioner Russell and unanimously carried.

The Secretary-Treasurer acknowledged receipt of certified copies of City Council Resolutions dated March 21, 2006, Items Nos. 8 through 12, approving items approved by the MLGW Board at meeting held March 2, 2006. (See Minute File No. 1279.)

The Secretary-Treasurer updated the Board on City Council matters.

1. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners that it award Contract No. 11087, HVAC Upgrade, at McCord Pumping Station and Chiller Replacement for the Water Quality Laboratory in the funded amount of \$76,464.

The project scope is to upgrade the existing HVAC system at the McCord Pumping Station as well as the replacement of the existing chiller for the Water Quality Laboratory.

Bids were received on March 8, 2006 for Contract No. 11087, HVAC Upgrade at McCord Pumping Station and Chiller Replacement for the Water Quality Laboratory. The lowest and best proposal of five was Air Technical Services, Inc.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, award of Contract No. 11087 to Air Technical Services, Inc. in the funded amount of \$76,464, as outlined in the foregoing preamble, is approved; and further,

THAT, The President or his designated representative is authorized to execute the award.

2. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners that it award Contract No. 11095, Chiller Replacement for Beale Street Landing Garage, in the funded amount of \$169,294.

The project scope is to replace the existing chiller system at Beale Street Landing Garage.

Bids were received on March 22, 2006 for Contract No. 11095, Chiller Replacement for Beale Street Landing Garage. The lowest and best proposal of five was Barnes & Brower, Inc.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, award of Contract No. 11095 to Barnes & Brower, Inc. in the funded amount of \$169,294, as outlined in the foregoing preamble, is approved; and further,

THAT, The President or his designated representative is authorized to execute the award.

3. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners award of Contract No. 11101, Re-roof Five Buildings at Brunswick and Central Shops, to B Four Plied, Inc., in the funded amount of \$564,382.

The project scope is to re-roof the office, warehouse, and vehicle maintenance building at the Brunswick Service Center located at 3773 Brunswick Road and the guard house and Fontaine wing of the body shop at the Central Shops Facility located at 703 Beale Street in Memphis and Shelby County, Tennessee.

Bids were opened on March 1, 2006 for Contract No. 11101, Re-roof Five Buildings at Brunswick and Central Shops. The lowest and best bidder of three bidders was B Four Plied, Inc.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, award of Contract No. 11101 to B Four Plied, Inc., in the funded amount of \$564,382, as outlined in the foregoing preamble, is approved; and further,

THAT, The President or his designated representative is authorized to execute the contract.

4. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners award of Contract No. 11102, Re-roof Six MLGW Buildings at Various Locations, to Treadwell-Chambers Roofing, Inc., in the funded amount of \$409,352.

The project scope is to re-roof (1) Control House 13 located at 5184 Old Millington Road; (2) Control House 33 located at 4983 Raleigh-Lagrange Road; (3) Control House 42 located at 3935 Grandview Avenue; (4) Oil House 34 located at 2716 Mt. Moriah Road; (5) Palmer Water Pumping Station Building located at 1241 East Holmes Road; and (6) Electric & Systems Operations Building located at 2525 Covington Pike in Memphis and Shelby County, Tennessee.

Bids were opened on March 1, 2006 for Contract No. 11102, Re-roof Six MLGW Buildings at Various Locations. The lowest and best bidder of three bidders was Treadwell-Chambers Roofing, Inc.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, award of Contract No. 11102 to Treadwell-Chambers Roofing, Inc. in the funded amount of \$409,352, as outlined in the foregoing preamble is approved; and further,

THAT, The President or his designated representative is authorized to execute the contract.

5. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners that it award Contract No. 11104, North Service Center Boiler Upgrade Building #8, to CS3, Inc., in the funded amount of \$98,800.

The project scope is to replace boiler #1 serving building heat in Building #8 at the North Service Center in Memphis and Shelby County, Tennessee.

Two bids were received on March 8, 2006 for Contract No. 11104, for the North Service Center Boiler Upgrade Building #8. The lowest and best bid was submitted by CS3, Inc.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, award of Contract No. 11104 to CS3, Inc. in the funded amount of \$98,800, as outlined in the foregoing preamble, is approved; and further,

THAT, The President or his designated representative is authorized to execute the award.

6. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners amendment to Contract No. 10705, Oracle Software License and Services Agreement, with Oracle Inc.

The amendment shall modify Change No. 5 as presented on February 2, 2006 to read as Change No. 6.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Amendment to Contract No. 10705 with Oracle, Inc., as outlined in the foregoing preamble, is approved; and further,

THAT, The President or his designated representative is authorized to execute the change.

7. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners Change No. 7 to Contract No. 10705, Oracle Software License and Services Agreement, with Oracle Inc., to change to renew the support services for the Oracle Suite/Application for the period May 29, 2006 to May 28, 2007 in the funded amount of \$113,054.98.

The project scope has changed to renew the support service for the Oracle Suite/Application software for the period May 29, 2006 to May 28, 2007. This will be the first support payment to be made since the purchase of the initial support service which covered a three year period. It is further recommended that MLGW be allowed to

continue the support service provided the cost does not exceed 10% over the prior year's cost. The new contract amount is \$2,559,547.18.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, Change No. 7 to Contract No. 10705 with Oracle, Inc., in the funded amount of \$113,054.98, as outlined in the foregoing preamble, is approved; and further,

THAT, The President or his designated representative is authorized to execute the change.

8. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners approval of Expedited Procurement Request for Change No. 4 to Contract No. 10918, Out-of-State Auto Insurance, with Pete Mitchell & Associates, Inc., to renew the contract for a third term of four renewal terms covering the period March 15, 2006 to March 15, 2007 in the funded amount of \$83,281.

The project scope has changed to renew the contract for a third term of four renewal terms to allow Pete Mitchell to continue to provide out-of-state auto insurance for the period March 15, 2006 to March 15, 2007. The insurance coverage allows 55 MLGW vehicles to go out-of-state and onto interstate connecting bridges to perform work. The new contract amount is \$300,746.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to ratification of the Council of the City of Memphis, Change No. 4 to Contract No. 10918 with Pete Mitchell & Associates, Inc., in the funded amount of \$83,281., as outlined in the foregoing preamble, is approved; and further,

THAT, The President or his designated representative is authorized to execute the change.

9. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners Change No. 2 to Contract No. 10973, Floor Maintenance, with Kimco Corporation to renew the contract for a second term of four renewal terms covering the period July 14, 2006 to July 14, 2007 in the funded amount of \$21,267.94.

The project scope has changed to renew the contract for a second of four renewal terms to allow Kimco to continue to perform VCT and Terrazzo floor

maintenance at the MLGW Administration Building and Netters Building Center. This renewal includes a rate increase of approximately three percent (3%) over the current yearly rate. The new contract amount is \$62,061.57.

It was moved by Commissioner Clark, seconded by Commissioner Russell and carried:

THAT, Change No. 2 to Contract No. 10973 with Kimco Corporation in the funded amount of \$21,267.94, as outlined in the foregoing preamble, is approved; and further,

THAT, The President or his designated representative is authorized to execute the change.

10. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners, Change No. 2 to Contract No. 10999, GPS Cellular Services, with Sprint Nextel, Inc., formerly Nextel Communications, to renew the contract for a second term of four renewal terms covering the period April 1, 2006 to March 31, 2007 in the funded amount of \$38,000.

The project scope has changed to renew the contract for a second term of four renewal terms to allow Sprint Nextel to continue to provide GPS cellular services and device maintenance for handheld monitoring devices in conjunction with Contract No. 10978, Global Positioning System. This renewal includes no increase in the current rates. The new contract amount is \$124,540.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, Change No. 2 to Contract No. 10999 with Sprint Nextel, Inc., in the funded amount of \$38,000, as outlined in the foregoing preamble, is approved; and further,

THAT, The President or his designated representative is authorized to execute the change.

11. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners, Change No. 2 to Contract No. 11005, General Pest Control & Termite Treatment, with Control Pest Company of Tennessee, Inc., to renew the contract for a final term covering the period July 1, 2006 to June 30, 2007 in the estimated funded amount of \$18,836.75.

The project scope has changed to renew the contract for a final term to allow General Pest Control to continue to provide general pest control and termite

treatment at various MLGW locations in accordance with the contract documents and special request services for brown recluse spiders, honeybees, birds, snakes at a rate of \$89/hour with four hour minimum and fire ant treatment at a rate of \$139/call out. The new contract amount is \$103,577.45.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Change No. 2 to Contract No. 11005 with Control Pest Company of Tennessee, Inc. in the estimated funded amount of \$18,836.75, as outlined in the foregoing preamble, is approved; and further,

THAT, The President or his designated representative is authorized to execute the change.

12. The Manager, Procurement and Contracts requested the Board's permission to amend Purchase Order Number 123734 with Square D Company for 15.5 Kv circuit breakers as budgeted. All existing customer terms and conditions will remain the same.

On November 18, 2004, the Board of Light, Gas and Water Commissioners approved the award of a 36-month contract for 15.5 Kv circuit breakers. The original award amount was \$386,995. The award was quoted as firm prices through December, 2005 with a maximum five percent (5%) escalation, thereafter, with additional requirements to be added at mutually agreed upon prices during the entire period of the contract. However, due to high demand for the use of the 15.5 Kv circuit breakers, the use has far exceeded the anticipated needs. Therefore, the current purchase order amount released to date is \$96,249 with future purchases to be made for an estimated amount of \$396,144 for 2006 and \$137,646 for 2007, for a total amount of \$630,039.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, Purchase Order Number 123734 is amended as outlined in the foregoing preamble.

13. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners that it award the purchase of three power angle multi-meters, Model PMM-1, three standard potential leads, three-20 amp current leads (states plugs), three-20 amp current leads (clips), three-200:1 miniature clamp-on current transformers and three-soft carry case. The power angle multi-meters and its accessories

are replacements for older non-repairable meters. The relay section uses phase angle meters to prove the connections of wye and delta connected current circuits and potential circuits to protective relays, station metering and revenue metering. These meters are also used at one station to provide reference angles for relaying at another station.

Bids were received on March 7, 2006. The lowest and best bidder of three bidders was the firm of Megger in the amount of \$26,325.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, award of contract to Megger is approved for furnishing:

3-power angle multi-meters, Model PMM-1 at \$7,345 each;

3-standard potential leads (set of 4, 2m), Model 835312 at \$230 each;

3-20 amp current leads, (states plugs) (set of 3, 1m), Model 835313 at \$325 each;

3-20 amp current leads, (clips) (set of 3, 1m), Model 835314 at \$325 each;

3-200:1 miniature clamp-on current transformers, Model 50611 at \$445 each;

3-soft carrying case, Model 50775 at \$105 each; and further,

totaling \$26,325; f.o.b. Memphis, TN, transportation prepaid; delivery in four weeks.

14. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners that it award the purchase of #4/0 AWG wire which replenishes inventory material for distribution and/or contract crews to install and/or maintain electric system. Order quantities are based upon previous usage records and projected projects that will be scheduled during the next 12 months. During the length of this contract, quantities will be driven based on actual need for #4/0 AWG wire.

Bids were opened on March 8, 2006. The lowest and best complying bidder of five bidders was the firm of Tennessee Valley Electric Supply Company. The approximate total for all items is \$151,840.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, award of contract as follows is approved for furnishing:

Blanket contract for a twelve month period for providing #4/0 AWG wire to be furnished by Tennessee Valley Electric Supply Company as released by MLGW. If a need for additional items of these groups of materials or design changes to existing items is identified during the period of this contract, supplier will be requested to add the new items or make changes to the existing items on the contract at a price agreeable to both MLGW and Tennessee Valley Electric Supply Company. A copy of all unit prices to be placed on file in MLGW's Accounting Department; and further,

The total award for twelve months amounts to approximately \$151,840; f.o.b. Memphis, TN, transportation prepaid; said prices being firm for the life of the contract with metals escalation/de-escalation to be applied over the twelve month period as applicable; terms are Net 30 days; delivery as required.

15. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners that it award the purchase of grounded-front switchgear to be used to provide switching for 600A feeder circuits and provide over-current protection for the 200A distribution taps.

Bids were opened on March 29, 2006. Although bids were solicited from five bidders, the only bid received was from the firm of Tennessee Valley Electric Supply Company in the amount of \$131,000.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, award of contract to Tennessee Valley Electric Supply Company is approved for furnishing:

4 – S & C Electric Model #934223-U-L2-E117 CUA-1083 grounded-front switchgear in accordance with MLGW specifications; at \$32,750 each,

totaling \$131,000; f.o.b. Memphis, TN, our dock, transportation prepaid; said price being firm; delivery in 20 weeks.

16. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners that it award the purchase of traffic signals which are used by distribution crews when installing and or maintaining electric, gas and water systems. This equipment replaces existing equipment that will be retired.

Bids were opened on March 15, 2006. The lowest and best complying bidder of two bidders was the firm of Superior Traffic Control in the amount of \$47,740.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, award of contract to Superior Traffic Control is approved for furnishing:

11 – Latest model solar powered traffic signals, trailer mounted, assembled and ready for operation by the Division, all in accordance with MLGW Specification No. TS-06-0511, at \$4,340 each,

totaling \$47,740; f.o.b. Memphis, Tennessee, transportation prepaid; said prices being firm; delivery 21 days after receipt of order.

17. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners that it award the purchase of #2 triplex cable which replenishes inventory material for distribution and/or contract crews to install and/or maintain electric system. Order quantities are based upon previous usage records and projected projects that will be scheduled during the next twelve months. During the length of this contract, quantities will be driven based on actual need for #2 triplex cable.

Bids were opened on March 8, 2006. The lowest and best complying bidder of six bidders was the firm of Utilicor. The approximate total for all items is \$170,450.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, award of contract as follows is approved for furnishing:

Blanket contract for a twelve month period for providing #2 triplex cable to be furnished by Utilicor as released by MLGW. If a need for additional items of these groups of materials or design changes to existing items is identified during the period of this contract, supplier will be requested to add the new items or make changes to the existing items on the contract at a price agreeable to both MLGW and Utilicor. A copy of all unit prices to be placed on file in MLGW's Accounting Department; and further,

The total award for twelve months amounts to approximately \$170,450; f.o.b. Memphis, Tennessee, transportation prepaid; said prices being firm for the life of the contract with metals escalation/de-escalation to be applied over the twelve month period as applicable; terms are Net 30 days; delivery as required.

18. The Manager, Procurement and Contracts submitted for consideration of the Board analysis of bids received up to 4:00 p.m., Tuesday, March 14, 2006 for furnishing the Division with one hydraulic crane.

The Manager, Procurement and Contracts advised the Board that although multiple bids were solicited, only one bid was received from Terex Utilities which does not meet MLGW's specifications. It is therefore her recommendation that the bid received be rejected and re-bid at a later time.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, The bid for furnishing the Division with one hydraulic crane be, and is hereby rejected.

19. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners that it award the purchase of Toad for Oracle Software License and Maintenance.

Bids were received on March 20, 2006. The lowest and best complying bidder of two bidders was the firm of Quest Software, Inc., in the amount of \$38,105.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, award of contract to Quest Software, Inc. is approved for furnishing:

40 – Licenses of Toad for Oracle Professional Edition License/Maintenance pack. Toad for Oracle is an industry-leading, proven database development and administration tool that increases user productivity and application code quality. This software also makes database and application development faster and easier and simplifies day-to-day administration tasks. MLGW uses TOAD for Oracle for application development and debugging as well as for data interrogation, auditing and quality control.

Totaling \$38,105; f.o.b. Memphis, TN, transportation prepaid; said price being firm; delivery within 7 days.

20. The Manager, Procurement and Contracts recommended to the Board that the Procurement Complaints and Appeals Process be revised.

WHEREAS, it is the intent of this process to clarify and formalize the complaint and appeals process for the procurement of goods and services and the administration of the Supplier Diversity Program of Memphis Light, Gas and Water Division.

WHEREAS, it is believed that this revision will serve this end and lead to greater efficiency within the Division.

NOW, Therefore, be it resolved that the following revisions are hereby approved:

1. The complaint must be received within five days of the Notification of Award or incident;
2. Complaints and appeals will not be considered due to the failure of the bidder to submit complete bid packages and required information; and

3. Complaints and appeals will only be considered when filed by the owner of the business or a senior officer of the company.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, the Procurement Policies outlined above are approved.

21. The President submitted for approval of the Board the following position numbers, per the attached documents:

Position No. 00312, Utility Worker II
 Position No. 00637, Utility Worker II
 Position No. 00716, Utility Worker II
 Position No. 01125, Utility Worker I
 Position No. 01457, Helper, Electric Distribution
 Position No. 02109, Utility Worker I
 Position No. 02211, Utility Worker II
 Position No. 02403, Utility Worker II
 Position No. 02809, Utility Worker II
 Position No. 02918, Utility Worker II
 Position No. 02987, Utility Worker I
 Position No. 03261, Lineman
 Position No. 03425, Power & Structure Engineer, Level I
 Position No. 05216, Utility Worker I
 Position No. 05712, Planning Engineer, Level I
 Position No. 05899, Utility Worker II
 Position No. 05900, Utility Worker II
 Position No. 05901, Utility Worker II
 Position No. 05902, Utility Worker II
 Position No. 05903, Utility Worker II
 Position No. 06101, Distribution Design Engineer, Level II

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Position numbers 00312, 00637, 00716, 01125, 01457, 02109, 02211, 02403, 02809, 02918, 02987, 03261, 03425, 05216, 05712, 05899, 05900, 05901, 05902, 05903 and 06101, as listed in the foregoing preamble, are approved.

22. The Vice President of Engineering submitted for consideration of the Board invoice received from American Public Power Association covering membership dues for one year beginning May 1, 2006. The invoice is rendered in the amount of \$77,268.27 and is in accordance with rates established by the American Public Power Association's Board of Directors.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, The Secretary-Treasurer is authorized and directed to have check issued in the amount of \$77,268.27, payable to American Public Power Association covering membership dues for one year beginning May 1, 2006 chargeable to the MLGW fiscal year 2006.

23. The Vice President of Engineering submitted for consideration of the Board W.R. No. C3H94463 to transfer capital funds in the total amount of \$370,000 for installing 115A in the Allen Water Pumping Station well field to provide source water to the water treatment plant-pumping station.

Funds in the total amount of \$370,000 will be taken from the 2006 Budget Item 43-19, "Construct Replacement Well," Davis Pumping Station.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, W.R. No. C3H94463 in the total amount of \$370,000, as outlined in the foregoing preamble, is approved.

24. The Manager, Electric Engineering presented for consideration of the Board approval for Work Request Number C1G81028 in the amount of \$580,000 for the purchase of property for the proposed Electric Gate Station Number 91. This substation will be needed as a tie point for the proposed transmission line between proposed Substation 91 and Substation 65 which will provide additional transmission capacity in northeast Shelby County.

Funds will be taken from Line Item 8-12 in the amount of \$230,000 of the 2006 Electric Capital Budget.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Work Request Number C1G81028 in the amount of \$580,000, as outlined in the foregoing preamble, be and is hereby approved.

25. The Manager, Electric Engineering presented for consideration of the Board a Contract of Sale for the purchase of property from Charlotte Carraway, for a Water Booster Pump, said property being shown on the attached sketch (See Minute File No. 1280) and more particularly described as follows:

Being part of the same property conveyed to Elizabeth M. Wilson by Warranty Deed recorded in Book 3064, Page 404 in the Register's Office of Shelby County, Tennessee, Elizabeth M. Wilson died a resident of Shelby County, Tennessee on March 19, 2004. The will of the said Elizabeth M. Wilson was admitted to probate in the Probate Court in Shelby County, Tennessee under cause C-9701. The above described property was devised to the said Charlotte Carraway pursuant to Article 4.1 of said will, said portion of property being shown on the attached sketch (See Minute File No. 1280) and described as follows:

Beginning at a set cotton picker spindle in the centerline of Griffin Road (ROW varies), said point being the northeast corner of said property

recorded in Book 3064, Page 404 and being in the eastwardly projection of the south line of Deerfield Estates Substation recorded in Plat Book 219, Page 61; thence south 00 degrees 41 minutes 34 seconds east along the centerline of said Griffin Road, 100.01 feet to a set cotton picker spindle; thence across said property recorded in Book 3064, Page 404 the following calls: north 90 degrees 00 minutes 00 seconds west, 200.01 feet to a set of ½” rebar with plastic cap; north 00 degrees 41 minutes 34 seconds west, 100.01 feet to a set ½” rebar with plastic cap in the north line of said property recorded in Book 3064, Page 404 and the south line of said Subdivision recorded in Plat Book 219, Page 61, thence south 90 degrees 00 minutes 00 seconds east along the north line of said property recorded in Book 3064, Page 404 and the south line of said Subdivision recorded in Plat book 219, Page 61, 200.01 feet to the Point of Beginning and containing 20,001 square feet or 0.459 acres of land.

Property located on the west side of Griffin Road, immediately south of Deerfield Estates Subdivision as recorded in Plat Book 219 Page 61 in the Register’s Office of Shelby County, Tennessee.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, The Board of Light, Gas and Water Commissioners recommends to the Council of the City of Memphis, the purchase of property described in the above preamble from Charlotte Carraway, for and in consideration of \$30,000 to be funded from the Water Division included in the 2006 Water Capital Budget; and further,

THAT, The President or his designated representative of the Division is hereby authorized to execute the purchase of said property.

26. The Manager, Electric Engineering presented for consideration of the Board approval to acquire easement rights for an electric transmission line from Dawne Denise Jones, for a proposed Transmission Line Circuit tie between proposed Substation 91 and Substation 65, said property being shown on the attached plat (See Minute File No. 1280) and more particularly described as follows:

This easement is across a tract of land conveyed to Dawne Denise Jones by deed of record as described in the Register’s Office of Shelby County, Tennessee in the Register’s Official Record Book under Instrument Number GT-3557 and being the same property as shown on the attached plat (See Minute File No. 1280) prepared by Ollar Surveying Company and dated November 11, 2005 and made a part hereof.

Said easement is described in metes and bounds as prepared by Ollar Surveying Company and shown on Page 2 of this easement contract and made a part hereof.

Property located on the south side of Stewart Road; approximately 741.87 feet east of the east line of Palomino Road as measured along the northerly line of Stewart Road.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, The Board of Light, Gas and Water Commissioners recommends to the Council of the City of Memphis, the purchase of the easement described in the above preamble from Dawne Denise Jones for and in consideration of \$42,920, to be funded from the Electric Division included in the 2006 Budget; and further,

THAT, The President or his designated representatives be and are hereby authorized to purchase the easement described in the above preamble.

27. The Manager, Electric Engineering presented for consideration of the Board approval to acquire easement rights for an electric transmission line from John C. Turley, III, as Trustee of the John C. Turley, III, Living Trust for a proposed transmission line circuit tie between proposed Substation 91 and Substation 65, said property being shown on the attached plat (See Minute File No. 1280) and more particularly described as follows:

This easement is across a tract of land conveyed to John C. Turley, III, as Trustee of The John C. Turley, III, Living Trust by deed of record as described in the Register's Office of Shelby County, Tennessee in the Register's Official Record Book under Instrument Number LK-0219 and being the same property as shown on the attached plat (See Minute File No. 1280) prepared by Ollar Surveying Company and dated February 17, 2005 and made a part hereof.

Said easement is described in metes and bounds as prepared by Ollar Surveying Company and shown on Page 2 of this easement contract and made a part hereof.

Property located on the southwest corner of Millington-Arlington Road and Gotley Road.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, The Board of Light, Gas and Water Commissioners recommends to the Council of the City of Memphis, the purchase of the easement described in the above preamble from John C. Turley, III, as Trustee of The John C. Turley III, Living Trust for and in consideration of \$271,000, to be funded from the Electric Division included in the 2006 Budget; and further,

THAT, The President or his designated representatives be and are hereby authorized to purchase the easement described in the above preamble.

28. WHEREAS, appropriate departments of the Engineering Division and the Vice President of Engineering approved the release of the utility easement as follows:

A portion of a 5-foot wide MLGW electric utility easement recorded under Instrument Number 04145579 across Lot 3, Section A, Ridgemont Trails Subdivision as recorded in Plat Book 223, Page 6 in the Register's Office of Shelby County, Tennessee to Benita H. Grissom, or her successor in title, for the sum of \$1.00.

Property addressed as 3160 Ridgemont Road, Memphis, TN 38128.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Release of said easement across the above described properties is approved; and further,

THAT, The Board of Light, Gas and Water Commissioners recommends to the Mayor of the City of Memphis that the appropriate release deed be executed releasing said easement to the current property owner for a consideration of \$1.00.

29. The Vice President of Engineering submitted for consideration of the Board W.R. No. C1H93703 in the amount of \$150,000, a 2006 Capital Budget substitution for the Security Vulnerability Assessment Project. This was originally budgeted and approved as an O&M project; however, after strong consideration, it has been determined that this work can be capitalized since it will result in capital improvements being made to the electric, gas and telecom system. The purpose of the project is to develop a list of recommendations to minimize and eliminate, where possible, the vulnerability of MLGW's electric, gas and telecom system from man-made disasters and threats.

Funds will be transferred from Line 13-9 (Electric Division) in the amount of \$100,000 and Line 29-22 (Gas Division) in the amount of \$50,000 of the 2006 Capital Budget. The money that is transferred from the 2006 budget for these projects will be requested as roll-over in the 2007 budget for the same projects.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, The W.R. No. C1H93703 for Capital Budget Substitution in the amount of \$150,000, as outlined in the foregoing preamble, is approved.

30. The Manager, Procurement and Contracts recommended to the Board of Light, Gas and Water Commissioners that it award the purchase of concrete which is used by distribution support street repair crews to maintain electric, gas and water systems and for the restoration of streets and sidewalks.

Bids were opened on March 15, 2006. Although bids were solicited from four bidders with a mandatory pre-bid meeting, only one bidder attended being the firm of City Concrete in the amount of \$3,209,100 approximately.

It was moved by Commissioner Clark, seconded by Commissioner Russell and unanimously carried:

THAT, Subject to the consent and approval of the Council of the City of Memphis, award of contract to City Concrete is approved for furnishing:

Blanket contract for a thirty-six month period for providing concrete mixes to furnish as released by MLGW, with any additional requirements to be added at mutually agreed upon prices during the period of this contract. A copy of all unit prices to be placed on file in MLGW's Accounting Department.

The total award for thirty-six months amounts to approximately \$3,209,100; f.o.b. Memphis, TN, transportation prepaid, delivery as released and required by MLGW and as agreed to in bid proposal documents.

31. Mr. Joe Saino, 6560 Kirby Forest Cove, appeared before the Board to discuss various matters.

32. Mr. J. D. Cox, 4000 Clearpool Circle, appeared before the Board to discuss various matters.

33. Mr. Sammy Parks, 1681 Stevie Cove, appeared before the Board to discuss various matters.

34. Mr. Jack Ray, 1842 Pleasant Acre Lane, W., appeared before the Board to discuss various matters.

35. Mr. Larry Papasan, 5144 Winton Lace, appeared before the Board to discuss various matters.

36. Mr. Frierson Graves, 88 S. Mendenhall, appeared before the Board to discuss various matters.

37. Ms. Frankie Brown, 315 Featherfoot Parkway, Parsons, TN, appeared before the Board to discuss various matters.

38. Mr. W.R. "Dick" Gardiner, 1734 Gosnold Bluff Road, appeared before the Board to discuss various matters.

39. Ms. Martha Armstrong, 1038 Sandra Road, appeared before the Board to discuss various matters.

40. Ms. Mary Walters, 5850 Ardwick Drive No. 3, appeared before the Board to discuss various matters.

41. Ms. Jonnie Dawson, 5402 Scottsdale, appeared before the Board to discuss various matters.

Chairman Masson acknowledged receipt of letter from Mr. Calvin Hines.

Mr. Glen Hancox, Acting Manager, Electric Operations, made a presentation to the Board regarding Advanced Metering Infrastructure.

There being no further business presented, the meeting was adjourned.

SEE MINUTE FILE NO. 1280.

Acting Secretary-Treasurer