



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, October 16, 2024

8:30 AM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Chairman Dickson

The meeting was called to order at 8:30 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	Present	
Leon Dickson	Chairman	Present	
James Lewellen	Advisory Board Member	Present	
John Butler	Advisory Board Member	Present	

APPROVALS:

Chairman Dickson

Motion To: Approve Minutes from the Meeting of October 2, 2024.

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

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Rodney Cleek

Acknowledged receipt of Certified Copies of City Council Resolutions dated October 1, 2024, Items 9 through 16, with Same Night Minutes approved for Item 9.

PRESENTATIONS:

(None)

GENERAL STATEMENT(S) FROM THE PUBLIC:

Chairman Dickson read into record the rules and procedures for the public to speak at the Board Meetings

Joe B. Kent - 5111 Flamingo - Mr. Kent mentioned that he would be updating his blog regarding the Budget and would be a "working" blog so to speak. Mr. Kent stated that Mr. Chairman did not adequately notice the FY2025 Budget and therefore it would be out of order for the Board to vote on it today. Mr. Kent questioned the spike in the budget and suggested explosive spending. Mr. Kent questioned the need for a new Engineering Operation Center that is to be paid for by the Gas Division. Mr. Kent questioned if that money may be more beneficial to the people by donating it to MATA. Mr. Kent stated that at the next Board Meeting he will be laying out his conspiracy theory that debunks the myth that MLGW for decades has been investing and spending too little on capital improvements. Mr. Kent stated that ratepayers have likely been ripped off. Mr. Kent requested the Board to delay the vote on the Budget because it is out of order and reject this explosive Budget.

Glenda Hicks - 608 Gilles - 21st Century Memphis or Bust - Ms. Hicks appeared before the Board on behalf of the Henry and Eva Strong Family. Ms. Hicks stated that four months ago the daughter of Henry and Eva Strong appeared before the Board regarding their billing issues. Ms. Hicks stated that even though they were assured that their situation would be handled and their services would not be disconnected again, but on October 3, 2024, their utilities were disconnected. Mr. Hicks stated the amount and frequencies of the Strongs utility bill and also noted that the Strongs have been dealing with a water leak as well. Ms. Hicks strongly urged the Board to take swift action by mandating an audit of all customer accounts that have been impacted by this delayed bill fiasco. Ms. Hicks is also challenging the unfair 2018 changes to the water leak and sewer adjustment policy.

Elonda Reed - 844 Crockett Street - Ms. Reed stated that she is constantly having billing issues. Ms. Reed stated that her utility bill states that she lives at 844 Crockett Place, however, she lives on Crockett Street. Ms. Reed stated that she has been to the community office downtown several times, but she is always escorted out with no resolution for her billing issues. Ms. Reed stated that she had to get the police involved because there were utilities in her 15 year old daughter's name. Ms. Reed stated that she even got a job at MLGW in hopes of being able to get her billing issues resolved. Ms. Reed asked the Board for their help as her lights have been cut-off in the cold and she has two daughter that attend school that live there.

Chairman Dickson asked that someone assist her before she leaves.

Dr. Ray Bauer - 775 University Street - Dr. Bauer was not happy that she had to provide her home address. Dr. Bauer stated that she already provided that information to Security by way of showing her Driver's License to get in the building. Dr. Bauer stated that President McGowen uses his business address when he speaks at the City Council. Dr. Bauer asked the Board to reconsider the requirement of providing the home addresses due to the world we live in today and that it is not in the written instructions. Dr. Bauer did mention that she is the Co-Founder of the completely

volunteer advocacy group, 21st Century Memphis or Bust. Dr. Bauer appeared before the Board to discuss the 2025 Budget. Dr. Bauer stated that she was appalled to see that there was no reduction in the residential water rates as we do offer discounts to industrial customers. Dr. Bauer stated that the water is the residents water and thus shouldn't we be receiving the discount instead of some out of town company? Dr. Bauer mentioned that she did not have time to completely review the Budget as it was not posted until mid-morning the day before. However, Dr. Bauer stated concerns with the MLGW Way Forward Plan becoming a part of the everyday way we do business and questioned if that was sustainable. Dr. Bauer also mentioned the issue of delayed billing. Dr. Bauer stated that it was told that the billing issue would be resolved by the end of September, but as you heard today there are still issues.

Review Regular and 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 133)

REGULAR AGENDA

(Item 1)

Chief McGowen stated although the Budget was properly noticed, there was a technical issue that prevented the Budget from being posted on the website for the public to view. Chief McGowen confirmed that the Board would not be voting on the Regular Agenda Budget Item today, and that it would be held until the November 6, 2024 Board Meeting.

- 1. Resolution approving the 2025 Operating and Capital Budgets for the Electric, Water and Gas Divisions. (Doug McGowen) (REQUIRES CITY COUNCIL APPROVAL)

RESULT:	TABLED [UNANIMOUS]	Next: 11/6/2024 8:30 AM
AYES:	Pohlman, Pesce, Person, Graves, Dickson	

President McGowen gave a quick overview of the 2025 Budget and the improvements that are included. President McGowen gave the Commissioners an opportunity to ask questions.

Advisory Board Member Butler asked President McGowen to give more information regarding the three major improvements in the 2025 Budget. President McGowen responded.

Advisory Board Member Lewellen asked if we are confident in the five year plan and our ability to pay for those financial liabilities as well as do we have a complete list of our financial liabilities over the next five years. President McGowen responded.

Rodney Cleek also provided the Board with information on the 2025 Budget.

CONSENT AGENDA
(Items 2 through 20)

Discussion was had regarding the Howard Industry Inc. Contracts.

Randy Orsby, Alonzo Weaver and Greg Van Sickel responded.

Motion To: Approve Consent Agenda Items 2 through 20.

RESULT:	APPROVED [4 TO 0]
MOVER:	Mitch Graves, Board Member
SECONDER:	Cheryl Pesce, Board Member
AYES:	Michael Pohlman, Cheryl Pesce, Mitch Graves, Leon Dickson
AWAY:	Carl Person

Commissioner Person stepped out of the Board meeting prior discussion and voting on the Consent Agenda therefore he did not vote.

Advisory Board Member James Lewellen - Concurrs

Advisory Board Member John Butler – Concurrs

PRESIDENT & CEO

(None)

SVP, CHIEF OPERATING OFFICER

- 2. Resolution approving Change No. 4 to Contract No. 12103, Workers' Compensation Stop Loss Brokering with Willis of Tennessee, Inc. to ratify and renew the current contract in the funded amount of \$385,008.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP ELECTRIC ENGINEERING & OPERATIONS

- 3. Resolution approving the sale of Division-owned property located at 2424 Summer Avenue to Townsend Development, LLC, for the price of \$417,750.00. (Quinton Clark) (REQUIRES CITY COUNCIL APPROVAL)
- 4. Resolution awarding purchase order to Elgin Power Solutions, Inc. for a mobile circuit breaker trailer in the amount of \$846,965.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

5. Resolution approving the first, one-year option to renew purchase order number 7017834 to Saft America, Inc. for substation batteries and chargers with no increase in funds. (Randy Orsby)
6. Resolution approving the first, one-year option to renew purchase order number 7017581 to GE Grid Solutions LLC., formerly Alstrom Grid, LLC. for instrument transformers with additional funding of \$605,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP WATER & GAS ENGINEERING & OPERATIONS

7. Resolution approving Change No. 4 to Contract No. 12191, Professional Engineering Services for Gas Engineering and Operations with Mid-South Engineering Consultants, LLC to renew the current contract in the funded amount of \$50,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

SVP, CFO & CAO, FINANCE

(None)

VP FINANCE & ACCOUNTING

(None)

VP & CIO

8. Resolution approving Change No. 3 to Contract No. 12263 (formerly Purchasing Requisition No. 5053974), Panaya Software As A Service (SAAS) with Panaya, Incorporated to ratify and renew the current contract in the funded amount of \$259,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
9. Resolution approving Change No. 1 to Contract No. 12297, VMWare 3-Year Enterprise License Agreement with Thomas Gallaway Corporation dba Technolgent to renew the current contract in the funded amount of \$4,199,800.02. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
10. Resolution awarding Contract No. 12498, Enterprise SAN Switch Upgrade to Logicalis, Inc. in the funded amount of \$4,360,227.45. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
11. Resolution awarding Contract No. 12501, Enterprise Synergy Frames and Gen11 Compute Modules to Logicalis, Inc. in the funded amount of \$1,209,750.19. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP SHARED SERVICES

12. Resolution awarding purchase order for solid soft-drawn wire to Automotive Tool Group in the amount of \$212,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

13. Resolution awarding a sixty-month purchase order to Howard Industries, Inc. for single-phase pole-type distribution transformers in the amount of \$38,351,489.11. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
14. Resolution awarding a sixty-month purchase order to Howard Industries, Inc. for three-phase pad-mounted distribution transformers in the amount of \$52,922,120.09. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
15. Resolution awarding a sixty-month purchase order to Howard Industries, Inc. for two-phase pad-mounted distribution transformers in the amount of \$230,849.82. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
16. Resolution awarding a sixty-month purchase order to Howard Industries, Inc. for single-phase pad-mounted distribution transformers in the amount of \$39,586,351.66. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
17. Resolution awarding purchase order to Howard Industries, Inc. for transformers CL-3000KVA in the amount of \$433,245.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
18. Resolution approving the ratification of Purchase Order Number 7060367 to Chuck Hutton Chevrolet Co. for half-ton pickup trucks in the amount of \$160,249.76. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
19. Resolution approving a four-month extension of purchase order number 7049838 with Staples Contract and Commercial / Guy Brown LLC via Sourcewell's local government agency and service cooperative Contract No. 012320-SCC for office supplies and toners with additional funding of \$200,000.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP CUSTOMER EXPERIENCE & ENERGY SERVICES

(None)

VP CORPORATE COMMUNICATIONS

(None)

VP & GENERAL COUNSEL

(None)

VP & CPO PEOPLE SERVICES

Motion To: Motion for Same Day Minutes for Item 20.

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

20. Resolution approving an unpaid leave of absence for employee Letam Mbiinahv for a maximum period of sixty-one (61) days effective November 13, 2024. (Alonzo Weaver) (SAME DAY MINUTES REQUESTED)

PRESIDENT'S BRIEFING CONT'D

Other - Doug McGowen

President McGowen informed the Board that he would be bringing to the Board a proposed plan for lead service line replacement. President McGowen reported that on October 8, 2024, the EPA released its long awaited Lead Copper Rule Improvement and that those rules go into effect in 2027. President McGowen stated that we have been preparing for that for some time stating that the Lead Copper Rule Revision that was put into place in 2022 mandated that we complete an inventory of all of our service lines. President McGowen reported that inventory has been completed and submitted to the Tennessee Department of Environment and Conservation and it has been accepted and reviewed. President McGowen informed the Board of the next steps. President McGowen also informed the Board that MLGW stopped using lead service lines in 1955 and the Shelby County Government prohibited the use of lead service lines on the customer side in 1973. President McGowen reported that the Federal Government didn't outlaw the use of lead in water piping until 1987. President McGowen reported that the plan he will bring to the Board is per the EPA Order and that we have ten (10) years to remove those which is good news since we have been removing them on the public side since 2012. President McGowen also reported that we do have funding in the Budget for this. President McGowen stated that there will be communication in the next thirty (30) days to help inform our customer base about what is happening.

President McGowen reminded everyone that we have the best drinking water in the country, and we aim to keep it that way. President McGowen also shared some tips for customers who may be concerned about lead in their water.

Commissioner Pesce added that we have an ongoing system for testing the water if you have a suspicion of lead in your water. President McGowen confirmed that we do have testing available.

President McGowen also reported that we had a great round table with some well-informed folks in the community from agencies such as Young, Gifted and Green, Protect Our Aquifer, and the Memphis Shelby County Lead Safe Collaborative as well

as two hospitals and other agencies involved in this advocacy work. We are viewing them as our roundtable advisors to help make sure that we stay on course with this.

Commissioners asked questions to Chief McGowen regarding this project. Chief McGowen responded.

Commissioner Pesce express concerned with starting with the owner occupied properties.

Commissioner Person returned to Board Meeting.

Commissioner Graves expressed some concerns with the Budget and asked for additional information and asked for specific information regarding delayed and held bills. President McGowen responded.

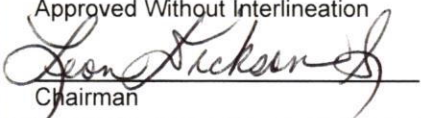
Commissioner Pesce asked President McGowen to assign someone to the Strong Family and get their billing issue resolved. President McGowen responded that we would do that.

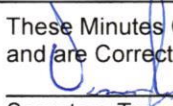
COMMITTEE REPORTS:

(None)

ADJOURNMENT:

There being no further business, the meeting was adjourned at 9:33 a.m.

<p>Approved Without Interlineation</p>  <p>Chairman</p>
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<p>These Minutes Compiled by Undersigned and are Correct</p>  <p>Secretary-Treasurer</p>
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