



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, September 4, 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:

Dana Jeanes

Attendee Name	Title	Status	Arrived
Michael Pohlman	Vice Chairman	Present	
Cheryl Pesce	Board Member	Absent	
Carl Person	Board Member	Absent	
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 August 21, 2024.

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

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated August 20, 2024, Items 16 through 25. (See Minute File 1497)

PRESENTATIONS:

Mayor Mike Palazzolo - City of Germantown, Tennessee – Mayor Palazzolo appeared before the Board on behalf of the suburban mayors as he chairs the Council of Suburban Mayors to say that the mayors are very, very grateful and appreciative of the work of the Board in support of extending the responsibility and rights of two of your appointed members. Mayor Palazzolo thanked the Board for voting unanimously to

extend the Board to add the suburban representatives. Mayor Palazzolo also expressed appreciation for President McGowen. Mayor Palazzolo stated that President McGowen attends all of the Suburban Mayors Council quarterly meetings providing information and being a good partner. Mayor Palazzolo also stated that President McGowen will be speaking next week at the City of Germantown CEO Roundtable which is very comparable to the Chairman Circle here in this region. Mayor Palazzolo stated that they will be speaking with 40 of the largest employers in Germantown. Mayor Palazzolo thanked the Board again for their courage and support for Commissioner Butler and Commissioner Lewellen.

GENERAL STATEMENT(S) FROM THE PUBLIC:

Dr. Ray Bauer - 20750 N. Parkway - Co-Founder of the 100% Volunteer MLGW and 21st Century Memphis or Bust - Dr. Bauer appeared before the Board regarding the TVA's recent vote for 5.25 percent rate increase to begin October 1. Dr. Bauer asked what MLGW does to ensure that we receive the biggest benefit from our electric provider being that we are TVA's biggest customer. Dr. Bauer reports that TVA ships out roughly 1.3 billion dollars of Shelby County repair money to Knoxville and Chattanooga. Dr. Bauer asked why we let this happen. Dr. Bauer stated that she is happy that the Board voted down TVA's 20 year contract, and she reminded everyone that TVA had promised its customers not to raise rates for 10 years. Dr. Bauer stated that was in 2022, and this will be their second increase in two years as the last was the 4.5 percent increase last August. Dr. Bauer asked who is holding them accountable. Dr. Bauer stated that TVA receives an enormous water discount, but TVA is taking forever to clean up the mess they made at the Allen Plant. Dr. Bauer stated that MLGW has the upper hand in negotiations that would really benefit its customers and she would really like to see MLGW use that. Dr. Bauer stated that your customers are paying 9.75 percent more on their electric bills than they were last summer. Dr. Bauer asked instead of stating that rate increases are very minor how about stating it like that's a loaf of bread or a dozen eggs you won't be able to afford this month.

Joe Kent - 5111 Flamingo - Mr. Kent appeared before the Board stating that all downtown projects are failures and went on to give examples of such. Mr. Kent stated that Chief McGowen and his legal counsel are failures. Mr. Kent mentioned an explosion of contracts with Grinder, Tabor, Grinder whom he says is a commercial contractor and not an industrial contract. Mr. Kent stated that Chief McGowen knows that the people he has been listening to are complete idiots and he needs to quit listening to them. Mr. Kent mentioned that the Sports Authority would be putting four million dollars into the Fed Ex Forum and later stated that MLGW is making a sizeable contribution to the Sports Authority. Mr. Kent asked the Board to be proactive and figure out how, through legal process, to get the excess cash off the MLGW balance sheet for the greater good. Mr. Kent stated that MLGW has one hundred eighty million dollars in excess cash on the gas balance sheet. Mr. Kent implored the Board to figure out how to make real economic development.

James Baldrige - 11884 Brown St., Arlington, TN - MLGW Corporate Security - Mr. Baldrige appeared before the Board requesting union representation for Corporate Security because their working conditions suffer. Mr. Baldrige stated that they have been told that they could not have union representation a in case there is a strike. Mr. Baldrige stated that there wouldn't be a strike because it is part of the laws. Mr.

Baldrige stated that management does a good job, but it is not enough and they need more representation. Mr. Baldrige would like to see Corporate Security become part of the bargaining unit union or be able to start their own union representation.

Corey Hester - 3787 St. Elmo Avenue - Business Manager of IBEW Local 1288 (MLGW Employee Union) - Mr. Hester stated that Security Employees need to be represented by the Union. Mr. Hester informed the Board that on April 16, 1968, Dr. Martin Luther King, Jr., died for an action such as this. Mr. Hester stated that in March of 1969, the Mayor and City Council of Memphis decided to pass a resolution recognizing city unions and allowing employees to be recognized if they chose to do so. Mr. Hester stated that they have tried to meet with management of Corporate Security twice to no avail. Mr. Hester stated that Corporate Security could become part of the union as a Security Department and have a separate MOU. Mr. Hester stated that no other meeting needs to be had to approve Corporate Security to be part of the Union, and that the Board just needs to approve it. Mr. Hester requested that the Board approve Corporate Security to be part of the Union today. Mr. Hester prepared a Resolution for Board’s approval that he passed out to President McGowen, VP and General Counsel Jennifer Sink and the Board Members. Mr. Hester stated that hopes to hear from them by the next Board Meeting. Mr. Hester stated that the City Council approved this back in 1969, so he wants to know why these employees are being denied this right.

Review 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 109)

CONSENT AGENDA
(Items 1 through 14)

Chairman Dickson recognized Commissioner Pesce who joined online at 8:46 a.m. and City Councilwoman Jerri Green for attending today.

Motion To: Approve Consent Agenda Items 1 through 14.

RESULT: APPROVED [UNANIMOUS]
MOVER: Mitch Graves, Board Member
SECONDER: Michael Pohlman, Vice Chairman
AYES: Michael Pohlman, Mitch Graves, Leon Dickson
ABSENT: Carl Person
REMOTE: Cheryl Pesce

Advisory Board Member James Lewellen - Conkurs

Advisory Board Member John Butler - Conkurs

Commissioner Pesce joined the meeting remotely therefore she did not vote.

Advisory Board Member John Butler asked about the information provided to the Board in regard to Change Orders. President McGowen and Dana Jeanes responded.

There was discussion regarding Item #11 having one bid and the mold of the vault. Randy Orsby and Jordan Rudolph, Water Engineering, and Chandrika Winston Rosser, VP of Water & Gas Engineering & Construction, all responded. Commissioner Graves recommended to President McGowen that he contact the Manufacturer of the vault to see why the did not submit a bid.

PRESIDENT

(None)

SVP, CHIEF OPERATING OFFICER

(None)

VP ELECTRIC ENGINEERING & OPERATIONS

(None)

VP WATER & GAS ENGINEERING & OPERATIONS

1. Resolution approving Change No. 5 to Contract No. 12192, Professional Engineering Services for Gas Engineering with Energy Land & Infrastructure, LLC to ratify and renew the current contract with no increase in contract value. (Randy Orsby)

SVP, CFO & CAO, FINANCE

2. Resolution approving adding Sharon Spence, Supervisor Property and Management Accounting to several MLGW bank accounts due to personnel changes. (Dana Jeanes)
3. Resolution approving Change No. 2 to Contract No. 12142, Card Payment Processing Services to Card Connect, LLC to renew the current contract in the funded amount of \$2,706,625.15. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP & CIO

4. Resolution approving Change No. 1 to Contract No. 12536 (formerly Contract No. C2624), Queue Management Solution Qless Inc. to change the scope with no increase in the contract value. (Randy Orsby)
5. Resolution approving Change No. 8 to Contract No. 11462, Electronic Board Agenda Solution with Granicus (formerly Accela, Incorporated) to renew the current contract in the funded amount of \$41,459.84. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
6. Resolution awarding purchase order to Logicalis Inc. for network upgrade and enhancement phase three in the amount of \$1,085,153.71. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution awarding purchase order to Logicalis Inc. for network upgrade and enhancement hardware in the amount of \$240,756.07. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

VP SHARED SERVICES

8. Resolution approving Change No. 2 to Contract No. 12300, Disparity Study with Griffin & Strong Attorneys & Public Policy Consultants ("Griffin & Strong, PPC") to ratify and extend the current contract with no increase in the contract value. (Randy Orsby)
9. Resolution awarding purchase order to Scruggs Equipment Company for the purchase of steel utility service bodies in the amount of \$474,394.00 (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
10. Resolution awarding purchase order to Stribling Equipment, LLC. for backhoe tractor loaders in the amount of \$391,013.00. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
11. Resolution awarding thirty-six-month purchase order to Universal Scaffold and Equipment for meter vaults in the amount of \$1,120,185.20. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
12. Resolution approving of Change No. 2 to Contract No. 12368, Mobile Sweeping Cleaning with BFCM Floor Services, LLC to renew the current contract in the funded amount of \$64,162.54. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)
13. Resolution approving Change No. 3 to Contract No. 11985, Security Automation Systems Solution Full Deployment, with Securadyne Systems Intermediate, LLC dba Allied Universal Technology Services (formerly G4S Secure Integration, LLC) to ratify and extend the current contract with no increase in the contract value. (Randy Orsby)

VP CUSTOMER EXPERIENCE & ENERGY SERVICES

(None)

VP CORPORATE COMMUNICATIONS

(None)

VP & GENERAL COUNSEL

(None)

VP & CPO PEOPLE SERVICES

14. Resolution approving Change No. 5 to Contract No. 12060, DOT Drug and Alcohol Testing with Mid-South Drug Testing, Incorporated to ratify and extend the current contract with no increase in the contract value. (Randy Orsby) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S BRIEFING CONT'D**Updates on Tree Trimming - Doug McGowen**

President McGowen informed the Board that he would not be able to report on the disparity study results for Supplier Diversity as the consultant has not yet completed their final report due to personnel being out sick.

President McGowen stated that Mr. Hester's claim that they have spoken with Administration regarding Corporate Security becoming part of a Union is untrue. Chief McGowen stated that he is part of Administration and that today is the first that he and Mr. Jeanes have heard of this desire. President McGowen stated that he meets with Corey Hester every month, and this topic was not brought to him. President McGowen stated that he would be happy to have a conversation with Mr. Hester and Corporate Security. President McGowen requested that he have an opportunity to address this before it is brought to the Board.

President McGowen gave an update on tree trimming and a few other updates, so we will start phrasing this update as a "Reliability Update" because at the end of the day the reason we are trimming trees is to improve reliability. President McGowen provided to the Board a very detailed update as to tree trimming. President McGowen reported that we have trimmed 1.646.5 miles from January 1, 2024 through August 31, 2024 which is 118% of our goal. President McGowen provided to the Board the plan for the next contract year (Sep. 2024 - 2025). President McGowen states that he does not believe it will take us three years to get back on a three year trim cycle. President McGowen also provided information on updates to infrastructure which also helps with reliability. President McGowen provided a reliability snapshot comparing reliability over the last six years. President McGowen also gave an update of reliability for the community of Orange Mound. President McGowen stated that the duration of outages and the frequency of outages have been cut in half.

Other - Doug McGowen

President McGowen provided an update on the MLGW Bond Rating. President McGowen reported that our recent sale was successful as we were 3.5 times oversubscribed. President McGowen stated that Moody's and Fitch also did a credit rating review.

President McGowen gave an update on the number of jobs that we have filled.

President McGowen also gave an update on the Billing Exception Process and reported that we believe this would all be back to normal by the end of September 27, 2024.

Advisory Board Member John Butler complimented the team that came out to repair power lines after a storm the week before. Mr. Butler was very impressed with the work they did.

Commissioner Graves complimented the team for filling so many jobs.

Advisory Board Member James Lewellen commented on the Bond Rating that we received stating that it was a very good rating. Commissioner Lewellen stated that is a hard rating to get and recognized the team for all the hard work they put into getting that rating.

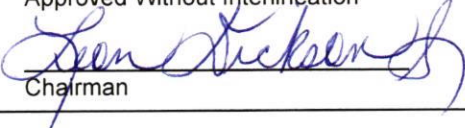
Chairman Dickson recognized Councilman Spinosa who attended the meeting.

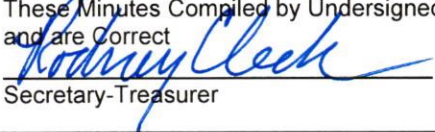
COMMITTEE REPORTS:

(None)

ADJOURNMENT:

There being no further business, the meeting was adjourned at 9:18 a.m. (See Minute File No. 1498)

Approved Without Interlineation

Chairman

These Minutes Compiled by Undersigned
and are Correct

Secretary-Treasurer