



**MINUTES OF THE BOARD OF COMMISSIONERS MEETING
LANSING BOARD OF WATER AND LIGHT**

January 25, 2022

The Board of Commissioners met at the Lansing Board of Water and Light (BWL) Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:30 p.m. on Tuesday, January 25, 2022.

Chairperson David Price called the meeting to order at 5:30 p.m.

Acting Corporate Secretary, Maria Koutsoukos, called the roll.

Present: Commissioners David Price, Beth Graham, Dusty Horwitt, Semone James, DeShon Leek, Tony Mullen, Tracy Thomas, and Sandra Zerkle. Non-Voting Commissioners present: Larry Merrill (Delta Township), and Brian Ross (DeWitt Township)

Absent: Commissioner Douglas Jester (East Lansing)

Acting Corporate Secretary Koutsoukos declared a quorum.

The meeting attendees recited the Pledge of Allegiance.

APPROVAL OF MINUTES

Motion by Commissioner Thomas, **Seconded** by Commissioner Graham, to approve the Special Board Meeting Minutes of December 21, 2021 and December 14, 2021, and the Regular Board Meeting minutes of November 16, 2021.

Action: Motion Carried.

PUBLIC COMMENTS ON AGENDA ITEMS

There were no public comments on agenda items.

COMMUNICATIONS

Electronic mail received from Kevin Shoen regarding fiber construction permits - *Referred to Management. Received and Placed on File.*

Electronic mail received from Victor Diaz regarding butterfly garden partnership - *Referred to Management. Received and Placed on File.*

Electronic mail received from Tom Hawley regarding street lighting - *Referred to Management. Received and Placed on File.*

Electronic mail received from Terry and Valerie Price regarding water shutoff - *Referred to Management. Received and Placed on File.*

Electronic mail received from Vivian and Brenden Cislo regarding electrical wire hazard - *Referred to Management. Received and Placed on File.*

Electronic mail received from Magdalena Rivera regarding deposit fee - *Referred to Management. Received and Placed on File.*

Late item electronic mail received from Heather Douglas regarding publishing LBWL's energy mix on LBWL's website - *Referred to Management. Received and Placed on File.*

COMMITTEE REPORTS

Vice-Chair Sandra Zerkle presented the Committee of the Whole Report:

COMMITTEE OF THE WHOLE Meeting Minutes January 11, 2022

The Committee of the Whole of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, on Tuesday, January 11, 2022.

Committee of the Whole Chair Sandra Zerkle called the meeting to order at 5:30 p.m. and asked the Acting Corporate Secretary to call the roll.

Present: Commissioners Sandra Zerkle, Beth Graham (arrived @5:33 p.m.), Dusty Horwitt, Semone James, DeShon Leek, David Price and Tracy Thomas, and Non-Voting Member: Larry Merrill (Delta Township)

Absent: Commissioners Tony Mullen, Douglas Jester (East Lansing), and Brian Ross (DeWitt Township)

The Acting Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Price, **Seconded** by Commissioner James, to approve the Committee of the Whole meeting minutes of November 9, 2021 as corrected.

Action: The minutes were approved as corrected.

Strategic Plan Execution Update

Strategic Planning and Marketing Executive Director, Brandie Ekren, presented the Strategic Plan Execution Update. Ms. Ekren reviewed the Mission, Vision, and Value Statements, and explained the goals, strategies and tactics of the five (5) priorities. The priorities are set to integrate and enhance customer and community needs and experiences; sustain a workforce that embraces safety and supports BWL's success; lead in providing energy solutions; and continually improve organizational assets—to which people and knowledge were added. The focus will be on communication, monitoring and tracking, execution, and accountability. Ms. Ekren provided key action points for strategic planning and strategic management.

Executive Director of Human Resources & Labor Relations, Michael Flowers, provided information on expanded workforce engagement. Mr. Flowers stated that BWL conducted an employee survey with Gallup with whom a four-year contract was formed in 2021 and partnered with Marsh for training in workplace safety processes. BWL also developed new-hire onboarding and leadership processes, succession planning processes, and processes to support career progression.

Enterprise Business Programs Manager, Kellee Christensen, provided information on the impacts of the Strategic Plan to the BSmart program. Ms. Christensen reported that the BSmart program projects that are in progress are near to, or in Phase V and near completion. BWL has improved customer experience and the customer self-service portal with the BSmart program. The BSmart program has also improved outage management and restoration practices.

Environmental Services & Reliability Compliance Manager, Lori Myott, spoke about climate response and corporate sustainability. Ms. Myott reported that Environmental Services is working on a corporate sustainability report which will track the sustainability and carbon reduction goals and indicate improvements to be made year to year. Waste reduction with recycling and compost efforts, cleaning Eckert station, renewable energy and energy use reduction, and sustainable land use with native pollinators are some of the projects on which Environmental Services is working.

Ms. Ekren concluded the presentation stating that progress would be communicated by providing quarterly updated Balanced Scorecards and an annual corporate sustainability report, while continuing to provide dashboard reports and monthly highlights.

Chair Zerkle inquired what the monitoring and measuring of goals in the strategic plan includes. Ms. Ekren responded that the balanced scorecard measures the tasks and activities in strategic management and indicates the progress of the goals and the key initiatives.

Commissioner Thomas thanked Ms. Ekren and her department for their leadership.

Commissioner Merrill asked if the balanced scorecard, dashboards and key performance indicators were all the same thing, whether they are parts of the different reports, and what determines which information is reported to the Board. Ms. Ekren responded that the balanced scorecard reflects numbers, and the key performance indicators reflect accomplished results and the measures that indicate the results are being accomplished. Ms. Ekren stated that management review meetings are held quarterly to determine barriers to success and to measure performance. Commissioner Merrill asked to what extent strategic plan information is disseminated organization wide. Ms. Ekren responded that providing the information is being addressed and obtaining the data in real time is the main focus.

Commissioner Horwitt asked if there was a year-by-year benchmark plan for achieving carbon neutrality. Ms. Ekren responded the benchmark plan will be reflected in the annual corporate sustainability report, and the report will indicate what carbon use was in the past and what it will be until carbon neutrality is realized in 2030. Emphasis in the plan will be on changing behaviors which affect the environment.

Chair Zerkle inquired about federal money for electric cars and electric charging stations that was addressed in recent bills. GM Peffley responded that CFO Heather Shawa, Executive Director of Operations Dave Bolan, and Ms. Ekren continually search for grants for which BWL can apply. GM Peffley added that the electric distribution system is being assessed for supplying to customer homes. He also added that green fuels are being researched and the EV program will be a separate undertaking. Chair Zerkle asked if the Smartmeters had the capability to measure usage and determine which residents could have electric vehicles. GM Peffley responded that a separate charging station would need to be installed but energy efficiency was started by the BWL before it was required by the state and some groups of houses may be able to be serviced by one transformer. Chair Zerkle asked if there was a time of use rate for electric cars. GM Peffley responded that there is an EV rate 22. He also stated that customers are asked to charge their cars at night for a better rate.

Commissioner Graham asked if there was an area on the BWL website, or some avenue where the community is kept informed, and if classrooms were visited with information. Ms. Ekren responded that there are social media and communication platforms, and programs with school districts. Ms. Myott responded that BWL partners with Consumers Energy and children are taught in partnerships with schools about renewable energy, how electricity works, and energy saving tips.

Other

GM Peffley gave an update regarding a communication received about third party attachers on poles. There is a price for each pole and when receiving a permit and a request to attach a line to a pole, BWL is responsible for making the pole ready by making sure there is room on the pole. The highest voltage wires go on the top. When there is a line attached to the pole without permission, BWL has to ask the other attachers to move their lines which is expensive and time consuming. When BWL asked the attachers to move their lines or be charged for having BWL move them, BWL ended up moving the lines with the help of a construction company. Previously, complaints were received often, resulting in BWL redoing the contracts for the pole attachments two years ago. Permission is required to attach to the poles so that the lines are attached properly to protect the integrity of the pole and safety of the pole and the community.

Commissioner Price asked what determines how many attachments can be on a pole. GM Peffley responded the height of the pole, and the voltage of the line determines where the line is attached.

Commissioner Graham asked who repairs lines in the back yard of a customer. GM Peffley responded that when BWL is notified, it doesn't repair lines unless the lines are not fixed in a timely manner and BWL charges the attacher for the repair. If a safety matter needs to be addressed or an emergency occurs, BWL will make the line safe and charge the line attacher.

Commissioner Thomas commented that Wright Tree Company is working in his neighborhood and is doing a great job but would like it brought to their attention that their MEN WORKING sign is not diverse.

Commissioner Horwitt asked for an update on the incident with the utility poles breaking and the train hitting the wires. GM Peffley responded that wind sheer broke the poles, temporary new poles have been put in, and conductors will be put in during the summer when there will be no interruption. There were approximately six miles of wire downed but no injuries were reported. Costs are still being assessed but it is expected to be over a million dollars. Commissioner Horwitt asked if any litigation was being contemplated by BWL or by those affected. GM Peffley responded that there is no known litigation at this time and that BWL is required by policy to notify the Board of any litigation and referred the question to General Counsel Mark Matus. Mr. Matus responded that significant milestones in pending litigation is provided to the Board. Commissioner Price responded that the information is provided in the monthly updates.

Executive Director of Human Resources & Labor Relations, Michael Flowers provided an update on the HR Hiring Consultant, Global Business Resource Group (GBRG). A contract has been made with the consultant and position descriptions and pay grade information has been sent to their offices. Mr. Flowers has scheduled an initial meeting with Mr. Bill Brewer of GBRG for next steps and to schedule an HR Committee meeting. Mr. Brewer will post the vacant positions on his platform by the end of this week. A current list of applicants for both positions will be shared with him. Timelines to effectively and efficiently move forward with the process will be discussed.

Commissioner Thomas asked that the HR Committee be notified when any important actions are taken.

Chair Zerkle asked to be notified of how long the positions will be posted and when they will be closed in order to know when the interview process will begin. Mr. Flowers responded that those items will be discussed in the initial HR Committee meeting.

Commissioner Horwitt asked for a synopsis to be sent to the HR Committee of what Mr. Flowers just stated and Mr. Flowers responded he would send it. Commissioner Horwitt asked when the meeting with Mr. Brewer is expected to be held. Mr. Flowers responded that he expected it to be scheduled next week.

A discussion followed on how the decision was made for the Board's Corporate Secretary contact person after the resignation of the Corporate Secretary. A suggestion was made that Chair Zerkle work with both the Executive Assistant, Smiljana Williams, and the Assistant to the Corporate Secretary, Maria Koutsoukos, until the Corporate Secretary position was filled. The Commissioners were informed that a decision to change the Board's Corporate Secretary contact person could be made at this meeting.

Commissioner Horwitt asked if documents, to include the Governance Policy, Administrative Rules of Procedure, and a list of delegation decisions, could be sent to the Commissioners to review prior to the Governance Training meeting on February 4th. The Commissioners would provide their comments and suggested revisions and return them to Ms. Koutsoukos by Monday, January 24th. Ms. Koutsoukos will compile the responses and return them to the Commissioners by Friday, January 28th.

GM Peffley asked who the Board would like to be the Acting Corporate Secretary in order for him to prepare a Resolution for the next Board Meeting. Commissioner James supported appointing Ms. Koutsoukos as the Acting Corporate Secretary and the primary contact. Commissioner Leek asked if there was a pay increase with the appointment and GM Peffley responded that a 12.5% increase was given to his employees but as a Board appointee it is the Board's decision. A discussion followed. Chair Zerkle will meet with Ms. Koutsoukos to discuss the position of Acting Corporate Secretary.

Motion by Commissioner Thomas, Seconded by Commissioner Graham, to excuse Commissioners Tony Mullen, Douglas Jester and Brian Ross from tonight's meeting.

Action: Motion Carried

Adjourn

Chair Zerkle adjourned the meeting at 7:16 p.m.

Respectfully Submitted
Sandra Zerkle, Chair
Committee of the Whole

Chair David Price presented the Finance Committee Report:

**FINANCE COMMITTEE
Meeting Minutes
January 11, 2022**

The Finance Committee of the Board of Water and Light (BWL) met at the BWL Headquarters – REO Town Depot, located at 1201 S. Washington Ave., Lansing, MI on Tuesday, January 11, 2022.

Finance Committee Acting Chair David Price called the meeting to order at 7:24 p.m. and asked the Acting Corporate Secretary to call the roll.

Present: Commissioners Beth Graham, Semone James, David Price and Sandra Zerkle. Also, present: Commissioners Dusty Horwitt, DeShon Leek, Tracy Thomas and Non-Voting Commissioner Larry Merrill (Delta Township)

Absent: Commissioner Tony Mullen

The Acting Corporate Secretary declared a quorum.

Public Comments

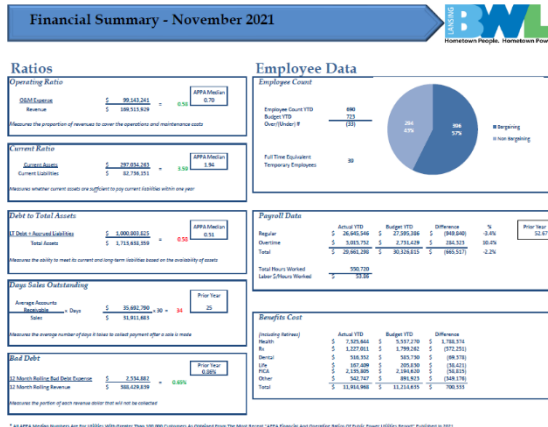
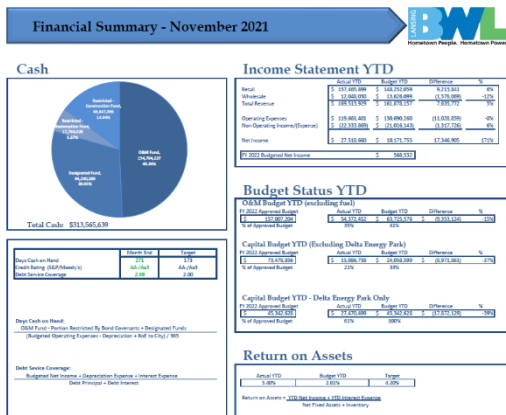
There were no public comments.

Approval of Minutes

Motion by Commissioner James, **Seconded** by Commissioner Graham to approve the Finance Committee meeting minutes of November 9, 2022.

Action: Motion Carried.

November YTD Financial Summary



Finance Manager, Scott Taylor gave a review of the November 2021 Year-to-date Financial Summary. Mr. Taylor reported that the Cash position is still strong. With the pandemic and bringing the new plant online, a conservative position is being maintained. The restricted construction fund will be decreasing and cash will be deployed for capital infrastructure when some items have been completed. Debt service coverage is above budget and retail sales for both commercial and residential are strong. An outage in the Erickson plant affected the wholesale numbers. Operating expenses and budget are down due to the new plant not being online and there is some impact from illnesses. Capital budget is under budget due to some delay in the supply chain. Three of the five ratios are above target. Debt to Total Assets is driven by the debt incurred with the Delta Energy Plant. Days Sales Outstanding is being affected by challenges customers have had making payments during the pandemic. Employee count and payroll data are consistent with previous data. Benefit costs have increased a little with an increase in claims but are offset with a decrease in prescription costs.

Commissioner Zerkle asked if the bad debt was decreasing toward normal levels. Mr. Taylor responded that bad debt was nearing former values from before the pandemic.

Bi-annual Internal Audit Open Management Response

Senior Internal Control Analyst, Elisha Franco, presented the bi-annual Internal Audit Open Management Response. Ms. Franco reported that mandatory training for P-Card holders is estimated to be completed by the end of January and Cyber Maturity is the only open action item under cyber security. Ms. Franco stated that the following closed action items were completed: revising and updating the P-Card manual and program on December 17, 2021 and December 21, 2021 respectively; implementing formal and written procedures for MPPA/MISO billings on August 18, 2021; and implementing a formal user access security review process for the OATI System on July 1, 2021.

Commissioner Zerkle thanked Ms. Franco for her clear, concise presentation.

Retirement Plan Committee (RPC) Updates

CFO Heather Shawa presented the Retirement Plan Committee (RPC) investment and administrative activity updates. Quarterly meetings were held with advisor ACG for the DB and VEBA Plans and with CapTrust and Nationwide for the Defined Contribution and Deferred Compensation Plans. The quarterly pension reports were emailed to the Board on December 17, 2021 and the final transition of assets from

MissionSquare (ICMA-RC) to Nationwide was completed on December 21, 2021. A new account will be opened at Bank of America to handle the disbursement of pension payments for the DB Plan.

The Administrative Services Agreement for the VEBA Plan became effective January 1, 2022. A section will be added to the March 31, 2022 Quarterly Pension Report showing benefits paid on behalf of the Trust and, if applicable, the amount reimbursed from the Trust to the BWL operating account. An Approval of Plan Document Amendment was made to align with the Centers for Medicare and Medicaid Services standards, and to clarify coverage eligibility for participants.

The Voluntary Correction Program response was filed in January 2021 to the IRS examiner for the October 29th follow-up request for the Defined Contribution & Deferred Compensation Plans. There is one item that remains for approval and acceptance of correction. The Miners Act and SECURE Act optional provisions recommended and adopted by the Board are reducing in-service distribution age from 70 ½ to 59 ½ for 457 (b) participants and allowing withdrawal of \$5,000 following birth or adoption without a 10% early withdrawal penalty.

Commissioner James asked how the amounts were selected for the optional provisions in the two acts. CFO Shawa responded that in the review meetings with the advisors, the optional provisions were determined to be an advantage to participants. Commissioner James asked if any other options were considered. CFO Shawa responded that those were the only two brought forward for the plan but the Board may suggest additional options they would like considered.

Internal Auditor Status Report

Acting Chair Price requested that the Internal Audit Status Report be postponed until the Regular Board meeting.

Other

Finance Committee Chair Tony Mullen provided by email the Commissioners with a proposed resolution to appoint BWL Principal Auditor Brian Schimke as the Interim Internal Auditor. The resolution submitted in the November 9, 2021 Finance Committee Meeting was removed from the agenda due to concerns raised by legal counsel. Legal counsel's concerns will be addressed by the BWL Human Resources Department administering this position through its normal process for interim positions.

Motion by Commissioner Graham, **Seconded** by Commissioner Zerkle to forward the resolution as amended to appoint BWL Principal Auditor Brian Schimke as the Interim Internal Auditor until the Charter Appointed position of (Director) Internal Auditor is filled by the Board of Commissioners to the full Board for consideration.

Commissioner James asked what the Interim Internal Auditor would be expected to produce for the Board during the interim period. Chair Price responded that Mr. Schimke will be producing the revised audit plan as it has been proposed. Commissioner James asked if the five-year peer review would be completed by the Interim Internal Auditor. Chair Price stated he did not have that information and requested that questions regarding the Interim Internal Auditor role be postponed until the full Board meeting.

Commissioner Zerkle asked if General Counsel Mark Matus could elaborate on why the wording in one of the Interim Internal Auditor documents included that BWL had the right to eliminate the position when

the position is appointed by the Board. Mr. Matus responded that it is standard language for contracts for interim positions.

Commissioner Thomas requested further clarification on management having the right to eliminate the position when it is a Board position. He requested that the resolution be amended to the Board having the right to eliminate the position. Mr. Matus responded that the resolution can be amended for the Board to have the discretion to eliminate the position.

Action: Motion Carried.

Adjourn

Chair David Price adjourned the meeting at 8:00 p.m.

Respectfully submitted
David Price, Acting Chair
Finance Committee

Commissioner Mullen stated that Principal Auditor, Brian Schimke would give a brief presentation of the Internal Auditor Status Report this evening. Commissioner Mullen added that a Finance Committee meeting would be scheduled for a full presentation of the Audit Report if the Commissioners requested one.

Chair David Price presented the Human Resources Committee Report:

**HUMAN RESOURCES COMMITTEE
Committee Report
January 20, 2022**

The Human Resources Committee met on **January 20, 2022**.

The Committee met for the purpose of:

- Introducing Mr. Bill Brewer, CEO of Global Business Resource Group.
- Discussion of Director, Internal Audit and Corporate Secretary job description survey results.
- Setting of a timeline for the hiring process for the two appointed positions.
- Discuss next steps in the hiring process.

The Committee engaged in dialogue, and suggested language and edits to the Director, Internal Audit and Corporate Secretary job descriptions. Motions were made to amend the job descriptions. These amendments are on the agenda for consideration this evening.

Thank you and that concludes my Report.
David Price, HR Chair
01-20-22

MANAGER'S RECOMMENDATIONS

There were no Manager's Recommendations.

UNFINISHED BUSINESS

Principal Auditor Brian Schimke gave a brief presentation of the Internal Auditor Status Report.

Proposed (Revised) FY 2022 Audit Plan

1. Planned Audits

- Time Recording, Payroll Processing, Payment of Overtime and Review Access to Employee Master File (Human Resources: Last Audit - October 2017)
- Manage Mobile Devices (Information Technology: Last Audit - October 2017)

2. Alternate Audits

- Enterprise Information Management Records Retention Management (Legal: Last Audit - March 2014)
- Outage Management System (Operations: Last Audit - April 2015 [Prior OMS System])

**Please note - Alternate audits may only be implemented if there is ample time left in the fiscal year to commence or if circumstances prevent IA from commencing a planned audit.*



IA Status Report 01/11/2022

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Proposed (Revised) FY 2022 Audit Progress Report

Audit Engagements and Activities in Audit Plan Completed, Active, Scheduled to Start, or Changed.

1. Payroll Audit – Audit Status: Active, commenced preliminary work back on 08/23/2021
2. Mobile Devices Audit – Audit Status: Scheduled to start after receiving approval of the proposed (revised) FY22 Audit Plan

**Please note: A FY22 Audit Plan has NOT been approved, however, IA was given permission to engage in audit work related to the FY22 Payroll Audit.*



IA Status Report 01/11/2022

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Other Items Internal Audit's Addressing

1. FY22 IIA Required Peer Review

- Required to be completed every five years to maintain compliance with IIA standards. The last Peer Review was completed in FY2017
- Working with Purchasing to issue RFP to solicit a vendor to perform the Peer Review

2. Working on completing FY22 Goals

- Established to improve the efficiency and efficacy of Internal Audit

3. Composing an Audit Universe for Board of Commissioners

- Will provide the Commissioner's with a comprehensive list of previous audits and breadth of the universe



IA Status Report 01/11/2022

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NEW BUSINESS

Chair Price brought forth the recommended amendments to the Internal Auditor and Corporate Secretary job descriptions. After reviewing the job description for the Internal Auditor, it was suggested to change the requirement for the amount of time to obtain the Certified Information Systems Auditor and Certified Management Accountant designations from six months to one year. When the original job description was written, remote work was not as prevalent and a suggestion was made to add a hybrid work environment of in-office and remote work expectations under Working Conditions. After reviewing the job description for the Corporate Secretary, it was suggested to change having a bachelor's degree in Business required to having a bachelor's degree or equivalent preferred. It was also suggested to add that qualified candidates will have relevant education and experience necessary to perform the essential functions and meet the performance expectations for the position.

Commissioner Zerkle commented that the reasons for applying section was added to the Corporate Secretary job description as it was in the Internal Auditor job description.

Motion by Commissioner Zerkle, **Seconded** by Commissioner Leek, to approve the Amendments to the Director, Internal Auditor and Corporate Secretary job descriptions.

Action: Motion Carried.

RESOLUTIONS

RESOLUTION 2022-01-01

Appointment of Interim Internal Auditor

WHEREAS, on November 9, 2021, the Finance Committee recommended that BWL Principal Auditor Brian Schimke serve as the Interim Internal Auditor reporting directly to the Board of Commissioners until a permanent Internal Auditor has been appointed and approved by the Board of Commissioners;

WHEREAS, at the regular Board meeting on November 16, 2021, the resolution to appoint an interim internal auditor was removed from the agenda following concerns raised by Legal Counsel; and

WHEREAS, Legal Counsel's concerns will be addressed by means of the BWL Human Resources Department administering this interim position through its normal process for interim positions and making a written offer to Mr. Schimke containing the terms of the interim position,

RESOLVED, that Brian Schimke will serve as the Interim Internal Auditor while remaining a BWL at-will employee though reporting directly to the Board of Commissioners until the permanent Charter Appointed position of (Director) Internal Auditor is approved by the Board of Commissioners.

Motion by Commissioner Mullen, **Seconded** by Commissioner Graham, to approve the Resolution for the Appointment of Interim Internal Auditor.

Action: Motion Carried.

RESOLUTION 2022-01-02

Appointment of Interim Corporate Secretary

WHEREAS, on January 7, 2022, the Charter Appointed position of Corporate Secretary was vacated;

WHEREAS, on January 11, 2022, the Committee of the Whole recommended that BWL employee, Maria Koutsoukos, serve as the Interim Corporate Secretary, effective January 10, 2022, until a permanent Corporate Secretary has been appointed by the Board of Commissioners;

WHEREAS, the BWL Human Resources Department will administer this interim position through its normal process for interim positions and make a written offer to Maria Koutsoukos containing the terms of the interim position.

RESOLVED, that Maria Koutsoukos will serve as the Interim Corporate Secretary effective January 10, 2022, while remaining a BWL at-will employee though reporting to the Board of Commissioners in her interim capacity until a permanent Corporate Secretary has been appointed by the Board of Commissioners.

Motion by Commissioner James, **Seconded** by Commissioner Zerkle, to approve the Resolution for the Appointment of Interim Corporate Secretary.

Action: Motion Carried.

MANAGER'S REMARKS

General Manager Richard Peffley provided information on the following items:

1. BWL's First STEP program that was ceased during the COVID-19 pandemic has been reactivated. GM Peffley stated there are ten students in the program and encouraged attendance at the graduation event which will be announced at a later time.
2. There was an article regarding the Erickson fly ash pond in the media. The City Pulse story included factual inaccuracies, our drinking water has not been contaminated and BWL has made a commitment to protect drinking water. Proactively, additional wells are being drilled for sampling purposes and updates will be provided. The two elements for which tests are being run are naturally occurring and samples will be taken to determine whether BWL is adding to it.

Commissioner Zerkle asked whether it was correct that water for the city was checked three times a day for pollutants or problems. GM Peffley responded that the water is checked continually. Commissioner Zerkle asked if customers with wells could bring in samples to be tested. GM Peffley responded that BWL can check the samples and that BWL manages the aquifer and where groundwater flows to keep the water clean.

Commissioner Horwitt thanked GM Peffley for his commitment to keeping the water safe and asked whether BWL had any wells near the Erickson plant or where there may be contaminants and if a potential issue would be with private wells. GM Peffley responded that BWL had three wells in the vicinity that are no longer in use and that the private water wells have been converted to the Delta Township system and are not used for drinking water. Commissioner Horwitt asked about disagreements BWL had with the EPA and asked for the Commissioners to be provided with any comments that BWL will submit to the EPA. He also asked for a diagram of the location of the ash ponds and the proximity of the wells. GM Peffley responded he would provide the Commissioners with the comments submitted and that he would provide a map to the Commissioners. Commissioner Merrill asked that the information also be provided to Delta Township officials and GM Peffley responded he would share that with them.

3. BWL has acquired a contract for 120 MW of service with a 20-year agreement. A normal service request for an assembly plant is for 23 MW. BWL will build a substation and \$33 million has been granted by the State of Michigan. A reduced rate has been negotiated in the agreement due to the work and efforts of the employees at BWL.

COMMISSIONERS' REMARKS

Commissioner Leek thanked and congratulated GM Peffley and his staff for approving the reduced energy rate and asked when ground would be broken for the substation. GM Peffley responded that BWL is expecting to break ground in six weeks.

EXCUSED ABSENCE

Motion by Commissioner Mullen, **Seconded** by Commissioner Zerkle, to excuse Commissioner Jester from tonight's meeting.

Action: Motion Carried.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Chair Price adjourned the meeting at 6:01 p.m.

Maria Koutsoukos, Interim Corporate Secretary
Preliminary Minutes filed (electronically) with Lansing City Clerk 01-27-22
Approved by the Board of Commissioners: 03-22-22
Official Minutes filed (electronically) with Lansing City Clerk: 03-23-22