



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

March 22, 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, March 22, 2022.

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

Interim 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)

Absent: Commissioner Douglas Jester (East Lansing) and Brian Ross (DeWitt Township)

Interim Corporate Secretary Koutsoukos declared a quorum.

The meeting attendees recited the Pledge of Allegiance.

APPROVAL OF MINUTES

Motion by Commissioner Graham, **Seconded** by Commissioner Mullen, to approve the Board Meeting Minutes of January 25, 2022.

Action: Motion Carried.

PUBLIC COMMENTS ON AGENDA ITEMS

There were no public comments on agenda items.

COMMUNICATIONS

Electronic mail received from Randy Dykhuis regarding groundwater contamination at Erickson - *Referred to Management. Received and Placed on File.*

Electronic mail received from Catherine Church regarding residential electrical lines - *Referred to Management. Received and Placed on File.*

Electronic mail received from Maxine Shepard regarding residential bill - *Referred to Management. Received and Placed on File.*

Electronic mail received from Victor Diaz regarding Earth Day celebration - *Referred to Management. Received and Placed on File.*

COMMITTEE REPORTS

Vice-Chairperson Sandra Zerkle presented the Special Committee of the Whole Report:

SPECIAL COMMITTEE OF THE WHOLE Meeting Minutes February 15, 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, February 15, 2022.

Committee of the Whole Chairperson Sandra Zerkle called the meeting to order at 5:30 p.m. and asked the Interim Corporate Secretary, Maria Koutsoukos, to call the roll.

Present: Commissioners Sandra Zerkle, Beth Graham, Dusty Horwitt, Semone James, DeShon Leek, Tony Mullen, David Price and Tracy Thomas, and Non-Voting Members: Douglas Jester (East Lansing) and Larry Merrill (Delta Township)

Absent: Commissioner Brian Ross (DeWitt Township)

The Interim Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Chairperson Zerkle made an amendment to the agenda adding General Manager Peffley's updates on a recent outage in East Lansing and groundwater contamination at the Erickson station.

GM Peffley stated that a defective fuse on a pole in East Lansing caused the pole to catch fire on February 11, 2022 and it affected 3,000 customers. Power was restored to two thirds of the customers quickly and the pole was replaced within four hours, restoring power to the remaining one third of the customers.

GM Peffley also updated the meeting attendees on the groundwater contamination at the Erickson station. Elevated levels of boron were found in the water at six private wells in the area. Boron levels aren't currently regulated as it is a naturally occurring element, but some of the current levels are considered unsafe for children. BWL provided the owners of the private wells with bottled water and Culligan machines and will provide a permanent water filter solution or a paid hookup to the city system in the near future. Wells were drilled at the Erickson station and in the aquifer upstream from the

gradient to determine the baseline boron level in the area and BWL's effect on the boron level. Sample testing will continue for the 60 homes on the well water in the area.

Commissioner Graham asked if the increased boron levels were more prevalent toward the river. GM Peffley responded that the levels are higher on the southeast side of the plant and river water affects the ground in various ways. The well being drilled in the aquifer will help determine the accurate level of boron for the BWL.

Chairperson Zerkle asked whether moving up the closing date of the Erickson plant and the coal pile affected the amount of contamination. GM Peffley responded that cleaning the coal ash containment pond was separate from the boron levels. GM Peffley added that policy on moving the company forward with new generating assets would be provided in COW meetings.

Commissioner Horwitt asked if there was any ongoing risk to be addressed if additional homeowners are found to be affected by groundwater boron levels. GM Peffley responded that BWL is working with the state to determine from where any extra boron could be appearing.

Meeting Purpose: Approve Amendments to Rules of Procedure and Governance Policy

Chairperson Zerkle opened the floor for discussion of, or approval of forwarding to the full Board for consideration, the suggested amendments to the Rules of Procedure and Governance Policy.

Commissioner Mullen encouraged the Board of Commissioners to vote no on passing the amendments to the full board for approval as the process was not serving the purpose of the Board providing utility services. Commissioner Mullen asked for the reason for the current request for amendments to the Rules of Procedure and Governance Policy instead of waiting for the regularly scheduled COW meeting.

Motion by Commissioner Mullen, **Seconded** by Commissioner Price, to forward the amendments to the Rules of Procedure and Governance Policy to the full Board for consideration.

A discussion followed regarding the merits of amending the Rules of Procedure and Governance Policy and a quantitative and qualitative analysis of the amendments being proposed. Commissioner Price recommended voting down the motion and reviewing the substantive and technical amendments separately.

Commissioner Mullen requested a call of the question.

Roll Call Vote for the call of the question:

Yeas: Commissioners Sandra Zerkle, Beth Graham, Dusty Horwitt, Semone James, Deshon Leek, Tony Mullen, David Price, and Tracy Thomas

Nays: None.

Roll Call Vote for the Motion:

Yeas: Commissioner Semone James

Nays: Commissioners Sandra Zerkle, Beth Graham, Dusty Horwitt, Deshon Leek, Tony Mullen, David Price, and Tracy Thomas

Action: Motion Failed.

Chairperson Zerkle requested that the Interim Corporate Secretary highlight the edits in both the Rules of Procedure and Governance Policy and send the edits alone in documents for review by the Board. Commissioner Mullen and Commissioner Price requested edits be separated into substantive changes and technical changes to be voted on at the next COW meeting to be held in March. After receiving the edits, the Commissioners will provide to the Interim Corporate Secretary the edited items they would like discussed at the COW meeting.

Commissioner Jester suggested presenting the technical amendments and making a motion for them to be discussed first, and then voting on the amendment of each one successively resulting in a document that can be moved forward to the Board for consideration.

Commissioner Mullen asked whether the Board meetings need to be made available virtually to the public. Lansing City Attorney Jim Smiertka responded that he would ask Assistant City Attorney Lisa Hagen to provide the information pertaining to that requirement to the Commissioners.

Other

Motion by Commissioner Zerkle, **Seconded** by Commissioner Thomas to excuse Commissioner Ross from tonight's meeting.

Action: Motion Carried

Adjourn

Chairperson Zerkle adjourned the meeting at 6:54 p.m.

Respectfully Submitted
Sandra Zerkle, Chairperson
Committee of the Whole

Finance Committee Chairperson Tony Mullen presented the Finance Committee Report:

FINANCE COMMITTEE Meeting Minutes February 22, 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, February 22, 2022.

Finance Committee Chairperson Tony Mullen called the meeting to order at 5:30 p.m. and asked the Interim Corporate Secretary to call the roll.

Present: Commissioners Tony Mullen, Beth Graham, Semone James, David Price and Sandra Zerkle. Also, present: Commissioners Tracy Thomas and Non-Voting Commissioners Douglas Jester (arrived @ 5:36 p.m.) and Larry Merrill (Delta Township)

Absent: None

The Interim Corporate Secretary declared a quorum.

Public Comments

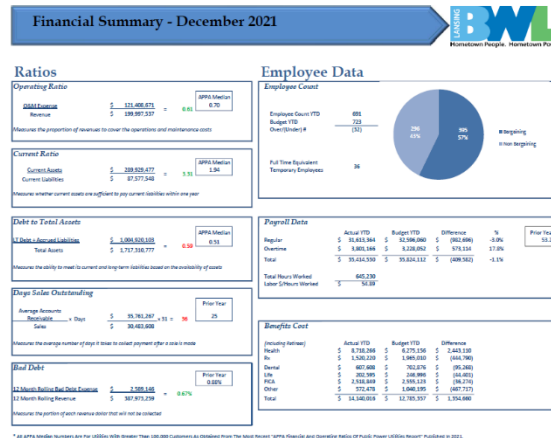
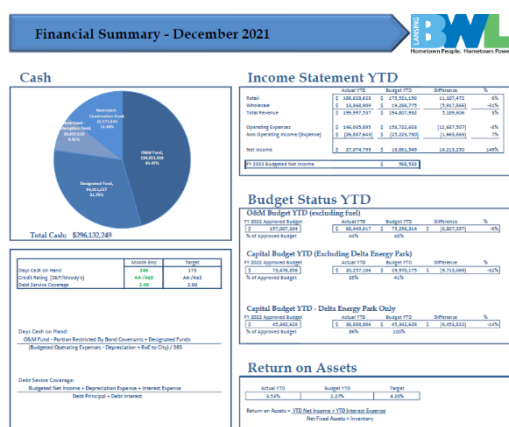
There were no public comments.

Approval of Minutes

Motion by Commissioner James, **Seconded** by Commissioner Graham to approve the Finance Committee meeting minutes of January 11, 2022.

Action: Motion Carried.

December YTD Financial Summary



CFO Heather Shawa gave a review of the December 2022 Year-to-date Financial Summary. CFO Shawa reported that Total Cash decreased from the prior month due to the semi-annual Return on Equity payment and the use of bond proceeds for the continued construction of Delta Energy Plant (DEP). Days Cash on Hand remains strong. Retail sales is 6% above budget due to increased residential and commercial consumption and this off sets the under budget of industrial sales which is due to the GM chip shortage. Wholesale revenue is under budget due to the delay in commercial operation for DEP and an unplanned outage at Erickson. Operating expenses and budget are down due to depreciation associated with the delay of commercial operation of DEP and under budget departmental spending which includes outside consulting services. Capital budget is under budget due to some delay in the supply chain resulting in project schedule changes. Two of the five ratios are below target. Debt to Total Assets is driven by the debt incurred with the Delta Energy Plant. Days Sales Outstanding is affected by giving longer payment plans to customers and non-shutoff plans during the pandemic. Employee count and payroll data are consistent with previous data. The increase in overtime is due to the broken poles and train incident. Benefit costs are over budget due to medical costs for increased claims but will be offset by a stop loss payment for three large claims.

Commissioner Zerkle commended the decrease in bad debt ratio and asked if the employee benefit costs increased due to overtime and filling in for COVID absences. CFO Shawa responded that at the beginning of the pandemic non-emergency medical treatments were deferred and BWL's health care consultant advised that the benefits costs would increase when the non-emergency medical treatments were allowed. CFO Shawa added that the costs weren't expected to decrease for about a year. GM Peffley added that there would be two more pandemic relief fairs held, on March 9th at Grier

Community Center and March 15th at Letts Community Center, that would bring in additional funding to decrease the costs.

Commissioner James asked why budgeted positions were not being filled by the temporary employees. CFO Shawa responded that as vacancies occur the hiring process begins and with turnover there is an average of 25 openings ongoing. CFO Shawa added that some positions are contract positions for specific projects. GM Peffley added that employees have about two weeks to try out a job which slows down the process. Chairperson Mullen asked whether a presentation could be presented on how benefits are provided to BWL employees. CFO Shawa responded that would be an excellent Human Resources Committee topic.

Capital Project Summary

Finance Manager, Scott Taylor, presented the Capital Project Summary.

Report as of December 31, 2021											
Projects Sorted by the Current Projection (Highest to lowest costs)											
Project Name	Current Phase	FY 22		Designed Budget Amount	Current Projection	Total Project		Project Period			
		Budget	Projected			\$ Variance	% Variance	Total Cost Incurred To-Date	% Total Cost Incurred To-Date	Start Date	Projected Completion Date
Top Ten Planned Projects											
Advanced Metering Infrastructure	Phase 4 - Construction	\$ 873,373	\$ 1,399,322	\$ 37,187,288	\$ 37,716,559	\$ 529,305	1.42%	\$ 37,011,834	98.13%	6/6/2014	6/30/2022
Stanley Substation	Phase 1 - Feasibility	\$ 804,904	\$ 357,113	TBD	\$ 34,920,108	\$ -	0.00%	\$ 74,399	0.21%	3/15/2021	12/9/2027
Wise Substation - Rebuild	Phase 3 - Design	\$ 8,554,408	\$ 2,510,951	TBD	\$ 25,781,285	\$ -	0.00%	\$ 1,028,437	3.99%	2/1/2020	6/30/2024
Rundle Substation	Phase 2 - Funding Readiness	\$ 500,000	\$ 735,417	TBD	\$ 24,429,851	\$ -	0.00%	\$ 142,518	0.58%	3/15/2021	10/25/2025
South Reinforcement - Transmission Line	Phase 3 - Design	\$ 2,980,991	\$ 2,318,539	TBD	\$ 20,821,628	\$ -	0.00%	\$ 3,168,088	15.14%	9/20/2017	11/29/2024
LGR Substation	Phase 1 - Feasibility	\$ 49,438	\$ 403,657	TBD	\$ 17,987,179	\$ -	0.00%	\$ 102,032	0.57%	3/15/2021	6/9/2026
Customer Information System	Phase 4 - Construction	\$ 1,550,764	\$ 3,479,838	\$ 17,425,255	\$ 16,069,659	\$ (1,355,596)	-7.78%	\$ 13,570,568	84.45%	4/30/2019	6/30/2022
Dye Dry Chemical Handling	Phase 3 - Design	\$ 714,061	\$ 1,199,816	TBD	\$ 13,707,307	\$ -	0.00%	\$ 581,991	4.25%	8/17/2020	8/31/2026
REG OM Hot Water Service	Phase 1 - Feasibility	\$ -	\$ 155,375	TBD	\$ 9,702,660	\$ -	0.00%	\$ 2,137	0.02%	11/15/2021	2/28/2025
ESRI Implementation	Phase 4 - Construction	\$ 300,000	\$ 555,492	\$ 6,520,417	\$ 6,875,503	\$ 355,086	5.45%	\$ 6,524,003	94.89%	7/1/2015	6/30/2022
Total Top Ten Planned Projects		\$ 14,927,939	\$ 13,115,521		\$ 308,111,722			\$ 43,206,007			
Project Watch List - Projects \$150k and 10% over the Designed Budget Amount (Outside of Top Ten Planned Projects)											
Total Project Watch List		\$ -	\$ -		\$ -			\$ -			
Remaining Planned											
Electric		\$ 19,695,033	\$ 12,848,394								
Water		\$ 2,317,000	\$ 1,974,072								
Steam		\$ -	\$ 482,671								
Chilled Water		\$ -	\$ -								
Common		\$ 3,096,404	\$ 3,440,263								
Total Remaining Planned		\$ 25,110,437	\$ 18,765,401								
Annual											
Electric		\$ 15,592,000	\$ 16,394,377			\$ 702,377	4.48%				
Water		\$ 9,234,050	\$ 8,457,262			\$ (776,788)	-8.41%				
Steam		\$ 1,746,132	\$ 1,437,606			\$ (308,526)	-17.67%				
Chilled Water		\$ 50,000	\$ 50,000			\$ -	0.00%				
Common		\$ 5,818,294	\$ 5,625,494			\$ (192,800)	-3.31%				
Total Annual		\$ 32,040,480	\$ 31,964,649			\$ (75,831)	-0.24%				
Grand Total		\$ 73,478,856	\$ 63,845,570			\$ (9,633,286)	-13.11%				

Note:
 For projects that are in Stage Gates 1-3, the **Expected Total Project Cost** are high level estimates that can have a significant margin error.
 For projects that are in Stage Gates 4-5, the **Expected Completion Date** is subject to change as organizational priorities or project plans are reassessed.
 Variances highlighted in red are over the \$200k and 15% thresholds.

The top ten largest projects are portrayed in the top section of the Capital Project Summary. The summary is put together to determine if any of the projects are nearing budget exceedance. If the project reaches the \$200,000 and 15% threshold, it is brought to the Board with a Capital Exceedance resolution. Some projects are running a little over and some a little under due to shifting in the time of the projects. Mr. Taylor noted that the total projection is \$10 million under budget.

Commissioner James asked why eight of the projects are under budget. Mr. Taylor stated that for the Stanley Substation there is a delay in obtaining easements resulting in a delay in spending in construction. GM Peffley added that a delay in construction resulting in a delay of spending may cause an overbudget as delays are usually more expensive. Commissioner Zerkle commented that the incomplete projects would be placed in the 2023 budget and that there would be carryover to the next budget. CFO Shawa added that when a project is in Phase 3 – Design the budget is locked in and Phase 4 and Phase 5 are where capital exceedance requests are considered if needed.

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 the quarterly performance reports as of December 31, 2021 were reviewed. Public Act 202 of 2017 was discussed which established uniform assumptions of retirement systems. One change being recommended is reducing the rate of return and discount rate from 7% to 6.85% for the VEBA plan. Mr. Taylor and actuarial Mark Miller are running the numbers to determine the impact of a 6.85% rate and a 6.5% rate. An update to the investment policy statement will be provided if needed and brought to the Board. The quarterly meeting with Nationwide will be held the first week of March. A voluntary correction program (VCP) was sent to the IRS and compliance statements were received. Notification needs to be sent on or before June 26, 2022 to 46 affected participants that the overpayments they rolled over were not eligible for tax free rollover treatment.

Drinking Water State Revolving Fund (DWSRF)

Mr. Taylor introduced BWL Water Principal Engineer, Mr. Michael Lehtonen, who presented information on the Drinking Water State Revolving Fund (DWSRF). DWSRF is a State of Michigan program to assist water suppliers in meeting the requirements of the Safe Water Drinking Act through low interest loans. Eligible projects are new projects that improve reliability, water quality or compliance with an enforcement action, and replacement or upgrade of existing assets that are past the end of useful life. The program offers low interest 20-year loans for 1.85% or 30-year loans for 2.125% with a potential principal forgiveness of 4% - 30% for a Disadvantaged Community. There is a high likelihood that funds from the Federal Infrastructure Bill will be administered through this program. BWL participated in SRF through the City of Lansing's Combined Sewer Overflow (CSO) projects prior to 2008 and currently is self-funding CSO projects. BWL applied to DWSRF for the funding of three CSO projects but was ranked 61 out of 109 projects where the cut off range was 53. To better understand the scoring criteria, BWL met with EGLE and plans to add more diverse projects to maximize points. Mr. Lehtonen provided project plan updates and the project plan schedule for 2022 to submit to EGLE.

Commissioner Zerkle asked whether the 20-year loan was being considered and whether any funds from the Federal Infrastructure Bill would lower the loan. CFO Shawa responded that the 20-year loan was the preferable loan to consider and federal funding would be applied to the loan.

Commissioner Thomas asked whether the next meeting would be virtual or in person and for the length of the meeting. CFO Shawa responded that the EGLE consultant would determine the meeting specifics.

Commissioner Zerkle asked whether any of the drinking water funding could be used for the Erickson water issue. GM Peffley responded that if it is deemed that the increased boron levels were from the coal ash pond that would pertain to the electric part of utility service and not water.

CFO Shawa stated that updates will be provided in the monthly executive highlights and a resolution to adopt a project plan, which is due under EGLE by July 1, 2022, will be provided in the May 2022 Finance Committee meeting. If EGLE approves the loan for the project plan it will be brought before the Board again for approval.

Commissioner Mullen asked if there was additional funding available through the Federal Infrastructure plan. CFO Shawa responded that as more federal funding is going to water infrastructure at this time, the DWSRF funding proposal was updated to include replacing aging water mains, water production facilities and supply wells, plus building a 2-3 million gallon elevated storage or reservoir tank.

Commissioner Jester commented on the federal investment and jobs act in the infrastructure bill called Justice40 that states 40% of spending on climate and energy is to go to communities that have a combination of low income and low education. He stated that there will be a competitive advantage for BWL for making proposals that target those parts of the community. CFO Shawa responded the BWL is working with the City of Lansing and the community response cabinet on grant writing.

Internal Auditor Status Report

Interim Internal Auditor Brian Schimke presented the Internal Auditor Status Report and requested approval of the Internal Audit Plan.

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.*



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.*



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

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



Commissioner Mullen asked if additional help would be required or obtained to complete the audits. Mr. Schimke responded that additional help was requested for the extensive cybersecurity audit and that he has plenty of templates and guidance from previous audits to complete the proposed planned and alternate audits.

Commissioner Jester inquired whether the outage management system audit would include looking at the capacity of the system during a large outage. Mr. Schimke responded that he would review the

audit that was completed during the ice storm and conduct an audit with those issues and measures in mind. He added that a third party may be required to conduct a simulation.

Commissioner Zerkle asked which audits could be completed by June. Mr. Schimke responded he would conduct the payroll audit first, then the Enterprise Information Management Records Retention Management, and then the mobile management devices audit. Additional preparation will be conducted with the IT department for the mobile management devices audit.

Mr. Schimke stated that preliminary work has been started with an audit engagement letter for the payroll audit and requested approval for the proposed audit plan.

Chairperson Mullen recommended putting the prepared audit information into the Commissioners' dashboard in Smartsheet. Commissioner Price added that a lot of the audit information has already been placed in the Commissioners' dashboard Smartsheet but may need some fine tuning.

Commissioner Jester inquired about the audit universe to be provided. Mr. Schimke responded that the information would be provided from previous audits as a comparison and explanation of and for current audits being conducted.

Commissioner Zerkle asked if older audits would be updated and if information could be provided of the reasons why updates were completed or not. Mr. Schimke responded that a baseline of audits and the importance of each proposed audit would be provided for ease of review.

Motion by Commissioner Zerkle, **Seconded** by Commissioner James to forward the proposed Internal Audit Plan to the full Board for consideration.

Action: Motion Carried.

Other

Commissioner Zerkle inquired about the rate of return and would like a presentation to be given to the Commissioners by the City of Lansing. She also asked to be provided the amount that would be given at each rate of return and an explanation of the results. CFO Shawa responded the information would be provided to the Commissioners.

Commissioner Merrill requested information on the benchmarking of national averages of percentage of revenue return for utilities be provided and that he would like to see BWL toward the average rather than on the high end of the average of revenue return.

Commissioner Mullen and Commissioner Zerkle requested information on the amount of the payment in lieu of taxes, if it was a reasonable amount, and if a lower amount would be better for the customer rate payers.

GM Peffley stated that he spoke with the mayor regarding an increase in the rate on the Return on Equity proposal and requested that the item be discussed at the March 8, 2022 COW meeting. CFO Shawa stated that the information on the Return on Equity proposal would be provided to the Commissioners as soon as it was received back from the City of Lansing.

Adjourn

Chairperson Tony Mullen adjourned the meeting at 6:52 p.m.

Respectfully submitted
Tony Mullen, Chairperson
Finance Committee

Chairperson David Price presented the Executive Committee Report:

EXECUTIVE COMMITTEE Committee Report March 3, 2022

The Executive Committee 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 Thursday, March 3, 2022.

Executive Committee Chair David Price called the March 3, 2022 Executive Committee meeting to order at 12:00 p.m. and asked the Interim Corporate Secretary Maria Koutsoukos to call the roll.

Present: Commissioners David Price, DeShon Leek, Anthony Mullen and Sandra Zerkle; also present Commissioner Semone James.

Absent: None

The Interim Corporate Secretary declared a quorum.

Public Comments

None.

Approval of Minutes

Motion by Commissioner Zerkle, **Seconded** by Commissioner Leek, to approve the Executive Committee meeting minutes of February 25, 2021.

Action: Motion Carried.

Review Proposed Changes to Governance Policy and Rules of Procedure

The Executive Committee members reviewed the substantive and technical amendments to the Governance Policy and the Rules of Procedure which will be forwarded to the COW Meeting to debate and consider for approval. The technical amendments are format and grammar changes, and the substantive amendments are changes that affect how the Board operates.

The technical and substantive changes were reviewed as to whether the changes were to be voted on as technical or substantive changes. The Interim Corporate Secretary was instructed to prepare for the March 8, 2022 COW meeting one document for the Governance Policy and one document for the Rules of Procedure, color code the technical changes and substantive changes within the documents, and add page numbers. The Interim Corporate Secretary will also provide a copy of the current Governance Policy and Rules of Procedure at the COW meeting.

Other

There was no other business.

Excused Absence

None.

Adjourn

Chairperson Price adjourned the meeting adjourned at 1:26 p.m.

Respectfully submitted,
David Price, Chairperson
Executive Committee

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

COMMITTEE OF THE WHOLE Committee Report March 8, 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, March 8, 2022.

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

Present: Commissioners Sandra Zerkle, Beth Graham, Semone James, DeShon Leek, Tony Mullen, David Price and Tracy Thomas, and Non-Voting Members: Larry Merrill (Delta Township), Douglas Jester (East Lansing), and Brian Ross (DeWitt Township)

Absent: Commissioner Dusty Horwitt

The Interim Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Thomas, **Seconded** by Commissioner Graham, to approve the Committee of the Whole Meeting minutes of January 11, 2022.

Action: Motion carried. The minutes were approved.

Motion by Commissioner Leek, **Seconded** by Commissioner Graham, to approve the Special Committee of the Whole Meeting minutes of February 15, 2022.

Action: Motion carried. The minutes were approved.

Approval of Amendments to Governance Policy and Rules of Procedure

The Committee of the Whole reviewed the amendments to the Governance Policy and Rules of Procedure and made the following recommendations.

Motion by Commissioner Price, **Seconded** by Commissioner Graham, to strike in Governance Policy 1) b. and 1) c., require modifications if necessary, and to leave the language as stated in the current document.

Action: Motion carried.

Motion by Commissioner Price, **Seconded** by Commissioner Leek, to strike in Governance Policy 2) a., the replacement of BWL with City of Lansing, and to leave the language as stated in the current document.

Action: Motion Carried.

Motion by Commissioner Price, **Seconded** by Commissioner Graham, to strike in Governance Policy 2) b., the deletion of attempt to, and to leave the language as stated in the current document.

Action: Motion Carried.

Motion by Commissioner Price, **Seconded** by Commissioner Leek, to strike the insertion of Governance Policy 2) c. and to leave the language as stated in the current document.

Action: Motion Carried.

Motion by Commissioner Price, **Seconded** by Commissioner Mullen, to strike in Governance Policy 2) b. i., the deletion of must and insertion of should, and to leave the language as stated in the current document.

Action: Motion Carried.

Motion by Commissioner Graham, **Seconded** by Commissioner Price, to strike the insertion of Governance Policy 2) e. and 2) f. and to leave the language as stated in the current document.

Action: Motion Carried.

Motion by Commissioner Price, **Seconded** by Commissioner Mullen, to strike the deletion of Governance Policy 2) b. i., 2) b. ii., 2) b. iii., and 2) b. iv. and to leave the language as stated in the current document.

Action: Motion Carried.

Motion by Commissioner Zerkle, **Seconded** by Commissioner Price, to strike in Governance Policy 3) a., the deletion of full and exclusive, and to strike replacing BWL with Board of Commissioners, and to leave the language as stated in the current document.

Action: Motion Carried.

Motion by Commissioner Zerkle, **Seconded** by Commissioner James, to strike in Governance Policy 3) e., and modifications if necessary, and to leave the language as stated in the current document.

Action: Motion carried.

Motion by Commissioner Price, **Seconded** by Commissioner Graham, to approve the Resolution to amend the Governance Policy and to forward to the full Board for consideration.

Action: Motion Carried.

Motion by Commissioner Price, **Seconded** by Commissioner James, to amend in Rules of Procedure 1.2.1, two Voting Members to four Voting Members.

Action: Motion Carried.

Motion by Commissioner James, **Seconded** by Commissioner Graham, to strike, in Rules of Procedure 1.2.2, delivered personally and insert provided; to strike, left at his or her place of residence or business; and to insert, acknowledgement of notice is required from each member of the Board and may be in the form of an electronic communication.

Action: Motion Carried.

Motion by Commissioner Price, **Seconded** by Commissioner Leek, to strike in Rules of Procedure 1.5.1, two Voting Members and insert four Voting Members.

Action: Motion Carried.

Motion by Commissioner James, **Seconded** by Commissioner Graham, to strike in Rules of Procedure 1.5.2, the provisions for, and insert, Section 1.2.

Action: Motion Carried.

Motion by Commissioner Price, **Seconded** by Commissioner James, to accept the amendments in Rules of Procedure 1.6.2.

Before voting on the changes to Rules of Procedure 1.6.2, Commissioner Merrill stated that he opposed the change from may to shall in the first sentence as shall is a definite action and may is a permissive action. Commissioner Merrill read from Robert's Rules of Order which states that a section in an organization's rules of procedure authorizing by whom special meetings shall be called, shall specify the board chairperson or specify a number of members nearly equal to a quorum and the number of days of notice required. Both Commissioner Mullen and Commissioner Merrill stated that there is a provision to recuse one's self from voting if there is a conflict of interest.

Commissioner Price withdrew his motion.

City attorney Mr. Jim Smiertka responded that the Open Meetings Act states that Non-Voting Members can be in closed sessions of meetings, but if there is a conflict of interest the non-voting member may be privy to confidential information. If there is a conflict of interest as stated in the ethics ordinance, a two thirds vote of the members will remove the non-voting member from the closed session. Mr. Smiertka added that the word shall indicates a mandatory action and the word may indicates a permissive action, and that allowing Non-Voting Members to vote to go into closed sessions needs to be removed.

Motion by Commissioner Price, **Seconded** by Commissioner Leek, to strike in Rules of Procedure 1.6.2, no, and to insert, a; to strike, any, and to insert, a; to insert, unless; to strike the deletion of shall, and to strike the insertion of may; to strike, which the non-voting member or the municipality(s) the represent has; to insert, the closed meeting poses a conflict of interest to the non-voting member or the municipality the non-voting member represents; to strike the insertion of, or a financial interest other than as a citizen of the municipality; to strike, conflict of interest; to strike determined and insert

resolved; to insert vote; and to strike, before the main question shall be voted on, and if the non-voting member is recused, they shall be prohibited from voting on or participating in the closed session.

Action: Motion Carried.

Motion by Commissioner Graham, **Seconded** by Commissioner Price, to strike in Rules of Procedure 2.1, at the regularly scheduled meetings in November of each year, the Board shall name the newspaper in which the notice shall be published.

Action: Motion Carried.

Motion by Commissioner Graham, **Seconded** by Commissioner James in Rules of Procedure 3.1 and 3.2, to insert, or the majority of serving Voting Members of the Board.

Action: Motion Carried.

General Counsel Mark Matus noted that using, Members of the Board serving, rather than, Members of the Board appointed, was preferable.

Motion by Commissioner Leek, **Seconded** by Commissioner James, to strike in Rules of Procedure 5.1.2, and Non-voting Members.

Action: Motion Carried.

Motion by Commissioner Price, **Seconded** by Commissioner Graham, to strike in Rules of Procedure 5.3, not participate in discussion or any decision regarding the issue and shall refrain from discussing the issue with any Board member or staff; and to insert, and shall recuse themselves from all discussions, deliberations and decisions related to the issue with any other Board Member or BWL staff.

Action: Motion Carried.

Motion by Commissioner Price, **Seconded** by Commissioner Graham, to strike in Rules of Procedure 5.3, not participate in discussion or any decision regarding the issue and shall refrain from discussing the issue with any Board member or staff; and to insert, and shall recuse themselves from all discussions, deliberations and decisions related to the issue with any other Board Member or BWL staff.

Action: Motion Carried.

Motion by Commissioner Graham, to strike in Rules of Procedure 6, the insertion of Paragraph I, A Commissioner can hold the position of Board Chairperson or Board Vice Chairperson for not more than two (2) years, in a five-year period of time. A Commissioner can serve as Board Chairperson or Board Vice Chairperson multiple times while serving as a Member of the Board of Commissioners as long as it is not more than two (2) consecutive years or two (2) years within a five-year period of time.

Commissioner Price made an amendment to the motion on the floor to strike the insertion of Paragraphs I, II and III in Rules of Procedure 6.

Commissioner Thomas and Commissioner Leek spoke in support of the insertion of Paragraph II, A Commissioner who serves as Chairperson or Vice Chairperson of the Board cannot serve as the Chairperson of a Standing Committee other than the Executive and Board Pension Fund Trustees Committees, in Rules of Procedure 6.

Commissioner Price made an amendment to the motion on the floor to strike only the insertion of Paragraphs I and III and to insert Paragraph II in Rules of Procedure 6. I) A Commissioner can hold the position of Board Chairperson or Board Vice Chairperson for not more than two (2) years, in a five-year period of time. A Commissioner can serve as Board Chairperson or Board Vice Chairperson multiple times while serving as a Member of the Board of Commissioners as long as it is not more than two (2) consecutive years or two (2) years within a five-year period of time; III) The Chairperson shall not appoint the Nominating Committee Chairperson. The Nominating Committee Chairperson position and committee will be determined solely by those formally sharing interest and finally be consensus or vote in the Committee of the Whole Meeting leading up to the election process; II) A Commissioner who serves as Chairperson or Vice Chairperson of the Board cannot serve as the Chairperson of a Standing Committee other than the Executive and Board Pension Fund Trustees Committees.

Action: Motion Carried (Yeas 6: Commissioners Graham, James, Leek, Price, Thomas, Zerkle) (Nays 1: Commissioner Mullen, would like all three paragraphs stricken)

Motion by Commissioner Price, **Seconded** by Commissioner James, to strike in Rules of Procedure 8.1, the insertion of, the Secretary shall be known as the Corporate Secretary and the Director of Corporate Governance.

Action: Motion Carried.

Motion by Commissioner James, **Seconded** by Commissioner Graham, to insert in Rules of Procedure 8.2, Exit Interviews – Unless otherwise determined by the Board of Commissioners, an exit interview shall be offered by the Chairperson of the Human Resources Committee in accordance with the Board of Water & Light exit interview procedure two weeks prior to the departure or retirement of a Charter position.

Action: Motion Carried.

Motion by Commissioner Price, **Seconded** by Commissioner James, to insert of in Rules of Procedure 9.1.2, Committees shall have no authority to exercise the collective powers and duties of the Board of Water & Light Commissioners except as expressly authorized by an adopted resolution of the Board of Water & Light Commissioners.

Action: Motion Carried.

Motion by Commissioner Price, **Seconded** by Commissioner Graham, to strike in Rules of Procedure 9.2.1, the insertion of, and Environmental; and to strike in Rules of Procedure 9.2.5, the insertion of The Environmental Committee paragraph.

Action: Motion Carried.

Motion by Commissioner James, **Seconded** by Commissioner Leek, to strike in Rules of Procedure 9.2.2 and 9.2.4, oversight, and to strike, recommendations to the Board of Commissioners related to.

Action: Motion Carried.

Motion by Commissioner Graham, **Seconded** by Commissioner Leek, to strike in Rules of Procedure 9.2.3, at its annual organizational meeting; to leave in, endeavor to; and to insert, pursuant to Section 6 Annual Organization.

Action: Motion Carried.

Motion by Commissioner Graham, **Seconded** by Commissioner Leek, to accept the technical changes in Rules of Procedure 9.4 through 9.8.

Action: Motion Carried.

Motion by Commissioner Price, **Seconded** by Commissioner Graham, to strike in Rules of Procedure 9.10, the deletion of two thirds, and to leave the language as stated in the current document.

A discussion was held whether an affirmative vote of two thirds or an affirmative vote of the majority would be the correct terminology in 9.10 Discharge of Consideration. It was determined that Rules of Procedure 9.10 Discharge of Consideration was already addressed in Robert's Rules of Order and didn't need to be included in the Rules of Procedure. Commissioner Price withdrew his motion.

Motion by Commissioner James, **Seconded** by Commissioner Graham, to strike Rules of Procedure 9.10 Discharge of Consideration from the document.

Action: Motion Carried.

A discussion was held on Rules of Procedure 10.1.3 Preparation of Agenda regarding whether all requested agenda items would be addressed with the suggested strikes and insertions. Rules of Procedure 10.1.4 Changes to the Agenda states that Voting Members determine what can be on the agenda. It was also determined that any items that weren't placed on an agenda could be addressed under Other Business on the agenda.

Motion by Commissioner Price, **Seconded** by Commissioner Graham, to insert in Rules of Procedure 10.1.3, the Board Chairperson with the assistance of the Corporate Secretary in consultation with the Committee Chairperson, and the General Manager within eighteen (18) hours prior to; to strike three days preceding; to strike, for informational purposes only; and to strike, however, the agenda is subject to unilateral change by the General Manager before the meeting.

Action: Motion Carried.

A discussion was held on Rules of Procedure 12.5 Ex Parte Communications. General Counsel Mark Matus will review the premise of ex parte communications as it pertains to the BWL and respond back to the Commissioners.

Commissioner Merrill inquired whether a transcript of a hearing under Rules of Procedure 12.8 Transcript had the same record retention schedule as minutes of a meeting. General Counsel Mark Matus will reply back to the Commissioners about BWL's record retention policy for minutes and transcripts and the requirements of Michigan state law. The Board of Commissioners will vote on Rules of Procedure 12.8 at the next Board meeting.

Commissioner Mullen was excused from the meeting at 8:00 p.m.

Motion by Commissioner James, **Seconded** by Commissioner Thomas, to insert in Rules of Procedure 13.1 Attendance, the Corporate Secretary shall submit official documented attendance in a report to each Commissioner annually and to the Mayor and City Council before the reappointment of a Commissioner.

Commissioner James withdrew the motion to insert in Rules of Procedure 13.1 Attendance, the Corporate Secretary shall submit official documented attendance in a report to each Commissioner annually and to the Mayor and City Council before the reappointment of a Commissioner.

Motion by Commissioner Price, **Seconded** by Commissioner James, to insert in Rules of Procedure 19.6 Hiring Consultants, however, if a majority of voting members of the Board present at a regular or special Board meeting, as expressed by a vote of the members, believe that there could be a conflict of interest between the Board and Management of the BWL, the in-house counsel shall be recused. The Board shall then request that outside legal counsel be hired.

Action: Motion Carried.

Motion by Commissioner James, **Seconded** by Commissioner Price, to strike in the second paragraph of Rules of Procedure 19.7.1, Executive Committee, and insert Board.

Action: Motion Carried.

Motion by Commissioner James, **Seconded** by Commissioner Leek, to approve the Resolution to amend the Rules of Procedure and to forward to the full Board for consideration.

Action: Motion Carried.

Return on Equity (ROE)

General Manager Dick Peffley reported that BWL and the City of Lansing have discussed a two-year \$25 million Return on Equity agreement with a rate that is about 6.0%. The previous two year's rates were 6.55% and 6.76%. CFO Heather Shawa stated that the City of Lansing presents its budget at the end of March and BWL will present its budget to the Commissioners in May with a revenue forecast.

Commissioner James commended GM Peffley and CFO Shawa on providing information to the Commissioners.

Commissioner James inquired about a longer term for the Return on Equity agreement. GM Peffley responded that as there is an expected increase in income in the next couple of years, which would result in a larger payment amount at the same percentage rate, a two year agreement is preferred.

Commissioner Merrill asked for a comparison of Return on Equity agreements with other utilities and national benchmarking. GM Peffley responded that the agreement will be based on a percentage amount rather than a flat amount as a percentage is easier to justify in the budget, and that is what other utilities are doing. CFO Shawa responded that BWL benchmarking was in line with the median for utilities of BWL's customer base size and at 6% BWL would be at the \$25 million agreement. GM Peffley responded that BWL would bring a ROE recommendation to the Board for approval.

Cyber Security Update

Chief Information Officer, Rod Davenport, provided a brief cyber security update. The conflict between Russia and Ukraine is causing an increased risk in cyber security events. Although no events have occurred, the environment is being watched.

Other

GM Peffley stated that an update on the ground water issue will be provided to the Commissioners by the end of this week. He added that the first of the two pandemic relief fairs would be held on Wednesday, March 9th at the Grier Community Center and the second on Tuesday, March 15th at Letts Community Center.

Motion by Commissioner Graham, **Seconded** by Commissioner Thomas, to excuse Commissioner Dusty Horwitt from tonight's meeting.

Action: Motion Carried

Adjourn

Chair Zerkle adjourned the meeting at 8:35 p.m.

Respectfully Submitted
Sandra Zerkle, Chairperson
Committee of the Whole

Human Resources Committee Chairperson Tracy Thomas presented the Human Resources Committee Report:

HUMAN RESOURCES COMMITTEE Committee Report March 17, 2022

The Human Resources Committee 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, at 5:00 p.m. on Thursday, March 17, 2022.

Human Resources (HR) Committee Chairperson Tracy Thomas called the meeting to order at 5:00 p.m. and asked the Acting Corporate Secretary to call the roll. The following members were present: Commissioners Tracy Thomas, DeShon Leek, Semone James and David Price. Also present: Commissioners Sandra Zerkle, Executive Director of Human Resources and Labor Relations, Michael Flowers, Global Business Resource Group, William Brewer and Dawn Plenar were also in attendance.

Absent: none

HR Chair Thomas made a motion to move agenda item 5 – Status of Search Process for Director Internal Auditor to follow approval of minutes. Seconded by Commissioner Leek.

Action: Motion Carried

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Price. Seconded by Commissioner Leek to approve the minutes from the October 26, 2021, Human Resources Committee Meeting.

Action: Motion Carried

Motion by Commissioner Price. Seconded by Commissioner Leek to approve the minutes from the October 27, 2021, Human Resources Committee Meeting.

Action: Motion Carried

Motion by Commissioner Price. Seconded by Commissioner Leek to approve the minutes from the January 20, 2022, Human Resources Committee Meeting.

Action: Motion Carried

Status of Search Process for Director Internal Auditor

Mr. Flowers asked Mr. Brewer to give the Board of Commissioners an update on the search for Internal Auditor position. Mr. Brewer stated that the status for Internal Auditor is a slow but steady process. Placed the job posting on various venues such as LinkedIn, Glass door, Facebook to garner interest in this position. Mr. Brewer will update the Board of Commissioners in a few weeks.

Commissioner's Comments:

Commissioner Zerkle asked about our pay scale compared to others that are posting for same position.

Mr. Brewer stated that if there are concerns regarding pay, he would reach out to the committee.

Commissioner Zerkle asked if there was a timeline for this position as we have been without an Internal Auditor for a year or so.

Mr. Brewer stated that only a few more weeks might be needed. Mr. Brewer wants to fully vet the candidates that he has.

Commissioner Leek asked if the economy/war has any impact.

Mr. Brewer stated that a lot of things are factors in this research. Covid, the Great Reshuffling, Inflation, as well as the war.

Commissioner James wanted to know if stating that this position is a 1-year contract, does that have any impact to the candidate pool/applicants.

Mr. Brewer stated that this does not seem to be of any issue.

Commissioner Thomas asked about poaching someone from another company.

Mr. Brewer stated that they have done that before as potential candidates are passively looking.

Status of Search Process for Corporate Secretary

Commissioner Thomas shared in full transparency that candidate number 2 was a student of his 25+ years ago.

Mr. Brewer sent the candidates resumes, videos and tabulations to the committee earlier this week.

At this time, please refer to the candidates by their numerical number (1-6). Once the reviews are discussed tonight, the next step is to invite the passing candidates to a face-to-face interview.

Commissioner James would like to know that once the committee reviews the scores/assessments, if a candidate does not have a certain score, do they move on or not?

HR Chair Thomas would like the committee to have a discussion around each candidate as well as to look at scores.

Commissioner Price wants to know if there is a limit of how many candidates can move forward for a face-to-face interview.

HR Chair Thomas stated that there should not be a limit and that the committee can move forward with face-to-face interviews with as many as needed.

Mr. Brewer also gave the committee a brief overview of the video interviewing process.

Review Tabulation of Current Candidates' Interviews and Selection for Next Round

The HR Committee spent some time discussing **Candidate 1**.

Commissioner Price makes a motion to move Candidate 1 forward in the process. Seconded by Commissioner Leek. **Motion declined**

The HR Committee spent some time discussing **Candidate 2**.

Commissioner Price makes a motion to move Candidate 2 forward in the process. Seconded by Commissioner Thomas. **Motion declined**

The HR Committee spent some time discussing **Candidate 3**.

Commissioner Price make a motion to move candidate 3 forward in the process. Seconded by Commissioner Leek. **Motion passes**

The HR Committee spent some time discussing **Candidate 4**.

Commissioner Leek makes a motion to move Candidate 4 forward in the process. Seconded by Commissioner Price. **Motion passes.**

The HR Committee spent some time discussing **Candidate 5**.

Commissioner Price makes a motion to move Candidate 5 forward in the process. Seconded by Commissioner Leek. **Motion passes.**

The HR Committee spent some time discussing **Candidate 6**.
Commissioner Price make a motion to move Candidate 6 forward in the process. Seconded by
Commissioner Leek. **Motion passes.**

Next Steps

Four candidates will be moving forward in the process. Mr. Brewer will conduct reference and background checks of those 4 candidates. Once those assessments are back, the face-to-face interviews will be scheduled.

Face to Face interviews to be held on March 31st, 2022, starting at 4pm. Each face-to-face interview will take about 30 to 45 minutes with a buffer time in between to assess each candidate.

Other

This process will be repeated in April for the Director Internal Auditor position.

Will there be a special board meeting to introduce the new candidate to the Board of Commissioners?

HR committee stated that this is a crucial meeting and should be offered.

Mr. Brewer wanted to review the timeline with the Commissioners.

Commissioner Price makes a motion to excuse Commissioner Dusty Horwitt. Seconded by
Commissioner Leek. **Motion passes.**

Adjourn

HR Committee Chairperson Thomas adjourned the meeting at 6:21 p.m.

Respectfully Submitted,
Tracy Thomas, Chairperson
Human Resources Committee

MANAGER'S RECOMMENDATIONS

There were no Manager's Recommendations.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

There was no new business.

RESOLUTIONS

RESOLUTION 2022-03-01 **Internal Audit Plan for FY 2022**

RESOLVED, That the Board of Commissioners hereby approves the Internal Audit Plan for FY 2022.

Motion by Commissioner Mullen, **Seconded** by Commissioner Graham, to approve the Resolution for the Internal Audit Plan for FY 2022.

Action: Motion Carried.

RESOLUTION 2022-03-02 **Commissioner Governance Policy Amendment**

WHEREAS, the Lansing Board of Water & Light (BWL) is established by City Charter as an administrative board with executive, policy making and management authority over the operation of utility services of the City; and

WHEREAS, pursuant to Section 5-105 of the Lansing City Charter BWL Board of Commissioners developed and adopted a Commissioner Administrative Rules of Procedure, which has been approved by Lansing City Council, which Procedure identifies how the Board conducts business to fulfill its governance and policymaking responsibilities for the operation of the BWL; and

WHEREAS, the Board further adopted a Commissioner Governance Policy on July 25, 2017, as superseded by Resolution 2019-01-01, to better define the understanding between individual Board members on day-to-day dealings; and

WHEREAS, the Board desires to update the Commissioner Governance Policy with technical changes to provide clarity, as well as several substantive amendments, and these changes are set forth in Attachment A.

NOW, THEREFORE, BE IT RESOLVED, the Commissioner Governance Policy is amended as set forth in Attachment B incorporating the changes set forth in Attachment A.

This Resolution supersedes Resolution 2019-01-01 which amended Resolution 2017-07-06 which established and adopted the Commissioner Governance Policy.

Motion by Commissioner Zerkle, **Seconded** by Commissioner James, to approve the Commissioner Governance Policy Amendment Resolution.

Action: Motion Carried. (Yeas: Commissioners Price, Graham, Horwitt, James, Leek, Thomas, and Zerkle; Nays: Commissioner Mullen)

Commissioner Horwitt inquired about the ability of the Commissioners to share information with the community. Chairperson Price responded that Commissioners can always state their own opinion and state it as such.

RESOLUTION 2022-03-03
Rules of Procedure Amendment

WHEREAS, the Lansing Board of Water & Light (BWL) is established by City Charter as an administrative board with executive, policy making and management authority over the operation of utility services of the City; and

WHEREAS, pursuant to Section 5-105 of the Lansing City Charter the BWL's Board of Commissioners developed and adopted a Commissioner Administrative Rules of Procedure, which has been approved by Lansing City Council, which Procedure identifies how the Board conducts business to fulfill its governance and policymaking responsibilities for the operation of the BWL; and

WHEREAS, the Board desires to update their Rules of Procedure with technical changes to provide clarity, as well as several substantive amendments, and these changes are set forth in Attachment A.

NOW, THEREFORE, BE IT RESOLVED, the Rules of Procedure are amended as set forth in Attachment B which incorporates the changes set forth in Attachment A.

Motion by Commissioner Zerkle, **Seconded** by Commissioner James, to approve the Amendments to the Rules of Procedure Resolution.

Action: Motion Carried. (Yeas: Commissioners Price, Graham, Horwitt, James, Leek, Thomas, and Zerkle; Nays: Commissioner Mullen)

MANAGER'S REMARKS

General Manager Richard Peffley provided information on the following items:

1. In May, there will be a Customer Service Conference, for which BWL was a finalist for the Excellence Award. Kellee Christensen, Enterprise Business Program Manager, will be receiving a distinguished leader award. At the APPA Conference in Nashville in June, Amy Adamy, Breina Pugh and Deanna Sparks will be giving a presentation on the pandemic relief fairs.
2. Delta Energy Plant became operational on March 16, 2022 and was under budget even with COVID impediments. Six miles of gas line has been completed and also 20,000 hours of operator training
3. The REO Plant has completed ISO 55000 Certification and is now compliant.
4. BWL doesn't have any investment in the Russian economy and therefore there are no impacts due to the Russia/Ukraine conflict.
5. GM Peffley will be in a hockey tournament in Las Vegas and it will be one of the very few times he will be off the BWL grid.

COMMISSIONERS' REMARKS

Commissioner Horwitt requested an update on the Erickson groundwater issue and GM Peffley responded that he would send an update to the Commissioners on March 23rd. About half of the private well owners accepted temporary bottled water service.

Chairperson Price asked if EPA had an order or directive to BWL to test the wells and GM Peffley responded that they hadn't.

Commissioner Thomas congratulated GM Peffley and the BSmart program for their accomplishments. He also thanked the HR Department and Dawn Plenar for their help with the two employees hiring process.

EXCUSED ABSENCE

Motion by Commissioner James, **Seconded** by Commissioner Graham, to excuse Commissioner Douglas Jester and Commissioner Brian Ross from tonight's meeting.

Action: Motion Carried.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Chairperson Price adjourned the meeting at 6:02 p.m.

Maria Koutsoukos, Interim Corporate Secretary
Preliminary Minutes filed (electronically) with Lansing City Clerk 03-23-22
Approved by the Board of Commissioners: 05-24-22
Official Minutes filed (electronically) with Lansing City Clerk: 05-27-22