



BOARD OF WATER & LIGHT BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
July 26, 2022 - 5:30 p.m.
1201 S. Washington Ave., Lansing, Michigan
REO Town Depot

AGENDA

BWL full meeting packets and public notices/agendas are located on the official web site at <https://www.lbwl.com/about-bwl/governance>.

- 1. Roll Call**
- 2. Pledge of Allegiance**
- 3. Election of Officers FY 2022-2023 and Nominating Committee Report**
- 4. Approval of Minutes**
 - a. Regular Board Meeting Minutes of May 24, 2022
- 5. Public Comment on Agenda Items**

*Members of the public are welcome to speak to the Board on any agenda subject. Anyone wishing to comment on any matter **not** on the agenda may do so immediately prior to adjournment.*
- 6. Communications**
 - a. Electronic mail from M. Denise Griffin re: Employment Concerns
 - b. Electronic mail from Elaine Dierwa Fischhoff re: LBWL Amended Rules of Procedure
 - c. Electronic mail from Derek Davis re: Fallen Tree on Power Lines
 - d. Electronic mail from Craig McDaniel re: Residential Account
- 7. Committee Reports**
 - a. Human Resources Committee Meeting (June 21, 2022)-Tracy Thomas, Chairperson
 - b. Nominating Committee Meeting (July 12, 2022) – Tony Mullen, Chairperson
 - c. Committee of the Whole Meeting (July 12, 2022)-Sandra Zerkle, Chairperson
 - d. Finance Committee Meeting (July 12, 2022)-Tony Mullen, Chairperson
- 8. Manager's Recommendations**
- 9. Unfinished Business**
- 10. New Business**

11. Resolutions/Action Items

- a. Appointment of the Charter Position of Corporate Secretary Resolution
- b. Appointment of the Charter Position of Internal Auditor Resolution
- c. Appointment of the Charter Position of Director and General Manager Resolution
- d. Amendment to Appointment to MPPA Resolution
- e. Electric Annuals Capital Project Exceedance Resolution
- f. 401 (a) DC Plan 2 Restatement Resolution

12. Manager's Remarks

13. Commissioners' Remarks

14. Motion of Excused Absence

15. Public Comment

Members of the public are welcome to speak to the Board on any Board of Water and Light subject.

16. Adjournment

Agenda posted on web site and building 07-21-22

2022 Board Meetings Notice/Schedule Posted in the Lansing City Pulse January 5, 2022



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

May 24, 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, May 24, 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, Tony Mullen, Tracy Thomas, and Sandra Zerkle. Non-Voting Commissioners present: Douglas Jester (East Lansing), Larry Merrill (Delta Township), and Brian Ross (DeWitt Township)

Absent: Commissioners Semone James and DeShon Leek

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 Board Meeting Minutes of March 22, 2022; the Special Board Meeting Minutes of April 26, 2022 and the Special Board Meeting Minutes of May 3, 2022.

Action: Motion Carried.

PUBLIC COMMENTS ON AGENDA ITEMS

Randy Dykhuis, Lansing, MI, requested slides from the presentations at the May 10, 2022 COW meeting to be placed on BWL website.

COMMUNICATIONS

Electronic mail received from Gerald Williams regarding recent power outage. - *Referred to Management. Received and Placed on File.*

Electronic mail received from Aaron Jackson regarding Smart meter installation. - *Referred to Management. Received and Placed on File.*

Electronic mail received from Dana Perrien regarding Smart meter installation. - *Referred to Management. Received and Placed on File.*

Electronic mail received from Jessica Melendez regarding water bill. - *Referred to Management. Received and Placed on File.*

Electronic mail received from Heather Douglas regarding BWL renewable energy. - *Referred to Management. Received and Placed on File.*

COMMITTEE REPORTS

Human Resources Committee Chairperson Tracy Thomas presented the following Human Resources Committee Reports:

HUMAN RESOURCES COMMITTEE Meeting Minutes March 31, 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 4:00 p.m. on Thursday, March 31, 2022.

Human Resources (HR) Committee Chairperson Tracy Thomas called the meeting to order at 4:01pm and asked the Acting Corporate Secretary to call the roll. The following members were present: Commissioners Tracy Thomas, Dusty Horwitt, DeShon Leek, David Price and Voting Alternate Commissioner Sandra Zerkle. Also, present: Commissioner Semone James, Executive Director of Human Resources and Labor Relations, Michael Flowers and Global Business Resource Group, William Brewer. There was a quorum for the March 31, 2022, HR Committee meeting.

Absent: None

Public Comments

There were no public comments.

Motion by Commissioner Thomas to remove the minutes from the agenda to allow for amendments to be made. **Seconded** by Commissioner Price. **Motion passes.**

Interview Candidates for the Charter Appointed Position of Corporate Secretary

The Human Resources (HR) Committee interviewed three candidates for the Charter Appointed position of Corporate Secretary, in accordance with Section 5-202.2 of the Lansing City Charter, which states: "The Board shall appoint a Corporate Secretary who shall report directly to the Board. The Corporate Secretary shall serve at the pleasure of the Board."

Mr. Brewer discussed with the Commissioners the process for interviewing the three candidates.

Commissioner Thomas covered with the committee the agenda, timing, importance of this position and the next steps for the Corporate Secretary role.

The HR Committee members presented the three candidates with hypothetical situational questions as well as questions about previous experiences in particular work areas. At the liberty of HR

Committee Chair Thomas, the Human Resources Committee meeting recessed upon the conclusion of each interview to allow the interviewing candidate to exit. Upon conclusion of each interview, the Human Resources Committee completed the rubrics scoring and deliberated on each candidate. The meeting reconvened at the arrival of the next interviewing candidate.

Once all three interviews were completed, the following motion was offered upon conclusion of deliberations: to forward Ms. LaVella J. Todd for full board review for Corporate Secretary for fiscal year of 2022 with clarification from Mr. Matus (BWL General Counsel) on review of timing. Mr. Flowers will check with Mr. Matus and report back to HR Chair Thomas.

Motion made by Commissioner Price, **Seconded** by Commissioner Horwitt to submit by Resolution the selected candidate for the Charter appointed position of Corporate Secretary, to the full Board for consideration. **Motion passes.**

Should there be a special meeting in April for full board review? Before the COW meeting?
Yes, there should be a special meeting for full board review.

Still to be completed before position is offered will be:

Mr. Matus to review timing/contract
References checked
Background check completed

Other

None

Adjourn

Motion made by Commissioner Thomas, **Seconded** by Commissioner Leek, to adjourn the meeting.

Action: Motion Carried

Meeting adjourned at 7:01p.m.

Respectfully Submitted,
Tracy Thomas, Chair
Human Resources Committee

HUMAN RESOURCES COMMITTEE
Meeting Minutes
April 26, 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 1:00 p.m. on Tuesday, April 26, 2022.

Human Resources (HR) Committee Chairperson Tracy Thomas called the meeting to order at 1:00 p.m. and asked the Interim Corporate Secretary to call the roll. The following members were present: Commissioners Tracy Thomas, Dusty Horwitt (arrived at 1:01 p.m.), DeShon Leek, David Price and Voting Alternate Commissioner Sandra Zerkle. Also, present: Commissioner Semone James, Executive Director of Human Resources and Labor Relations, Michael Flowers, Global Business Resource Group

CEO, William Brewer, and CFO Heather Shawa. There was a quorum for the April 26, 2022, HR Committee meeting.

Absent: None

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Price, Seconded by Commissioner Leek to approve the minutes from the March 17, 2022 and March 31, 2022 HR Committee Meetings.

Action: Motion carried.

Interview Candidates for the Charter Appointed Position of Internal Auditor

The Human Resources (HR) Committee interviewed two candidates for the Charter Appointed position of Internal Auditor, in accordance with Section 5-202.2 of the Lansing City Charter, which states: "The Board shall appoint an Internal Auditor who shall report directly to the Board. The Internal Auditor shall serve at the pleasure of the Board."

Mr. Brewer discussed with the Commissioners the process for interviewing the two candidates.

The HR Committee members presented the two candidates with hypothetical situational questions as well as questions about previous experiences in particular work areas. HR Committee Chair Thomas recessed the Human Resources Committee meeting upon the conclusion of each interview to allow the interviewing candidate to exit. Upon conclusion of each interview, the Human Resources Committee completed the rubrics scoring and deliberated on each candidate. The meeting reconvened at the arrival of the next interviewing candidate.

Once both interviews were completed, a motion was offered upon conclusion of deliberations to recommend Mr. Frank Macciocca to the full board to review and approve as Internal Auditor for fiscal year of 2022-2023.

Motion made by Commissioner Price, **Seconded** by Commissioner Leek to recommend Mr. Frank Macciocca for the Charter appointed position of Internal Auditor by Resolution and forward to the full Board for consideration.

Action: Motion carried.

The Commissioner discussed that the candidate will be given a conditional offer of employment, references will be checked, a background check will be completed and a pre-employment physical will be required.

Other

There was no other business.

Adjourn

Motion made by Commissioner Price to adjourn the meeting, Seconded by Commissioner Leek.

Action: Motion Carried

The meeting was adjourned at 4:47 p.m.

Respectfully Submitted,
Tracy Thomas, Chair
Human Resources Committee

Committee of the Whole Chairperson Sandra Zerkle presented the Human Committee of the Whole Report:

COMMITTEE OF THE WHOLE
Meeting Minutes
May 10, 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, May 10, 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, 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 Acting Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner James, **Seconded** by Commissioner Thomas, to approve the Committee of the Whole Meeting minutes of March 8, 2022.

Action: Motion carried. The minutes were approved.

Chair Zerkle introduced and welcomed the new Corporate Secretary, Ms. LaVella Todd, and the new Internal Auditor, Mr. Frank Macciocca.

Energy Presentation

General Manager Dick Peffley provided a background of BWL's move toward carbon neutrality and presented market structure and requirements, current market conditions, technology comparison and the BWL portfolio on energy.

GM Peffley highlighted the following:

- 1) the regulatory framework and the MISO market footprint under market structure and requirements which includes delivering electricity to customers and reserving enough generation for peak demand;
- 2) the average cost of energy supply, recent market changes in energy prices, the costs of capacity and transmission under current market conditions which includes noting that energy, capacity and transmission prices are increasing, and that local energy and capacity avoids expensive transmission;
- 3) energy output and energy profiles under technology comparisons which includes intermittent energy, limited credit for capacity given by MISO, and external sourcing being needed due to size of land for solar and wind, and;
- 4) current and projected energy and capacity needs under the BWL portfolio which includes BWL experiencing an unprecedented load growth, and the acceleration of coal plant retirements requiring replacement.

GM stated that BWL's goal of carbon neutrality by 2040 will be met.

Vice Chair Zerkle asked whether there would be a rate increase with the recent market, energy, and technology changes. GM Peffley responded that there wouldn't be a rate increase for customers due to the changes but there will be a minimum increase in the electric rate discussed in the Finance Committee Meeting. Vice Chair Zerkle asked whether customers would incur any of the costs for the new plants. GM Peffley responded that BWL is looking into purchase power contracts to absorb the costs.

Commissioner Mullen asked what carbon neutrality means for the BWL. General Counsel Mark Matus responded that the BWL will capture as much carbon as is emitted for a net zero effect on the environment. Mr. Matus stated that there is emerging technology for the sequestration of gases from power plants, the filtering of carbon in the air and turning it into rock, and the purchasing of trees to capture carbon.

Commissioner Jester commented that storage technology will address some of the gaps and the higher price of energy on the grid is driven by natural gas prices.

Return on Equity (ROE)

CFO Shawa stated that the recommendation for the two-year extension, Amendment No. 6 to the Return on Equity agreement with the City of Lansing, requests a rate of 6.0% of gross revenue, excluding inner utility revenue, and that quarterly payments rather than biannual payments are being recommended. If an adjustment is needed, it will be made in the fourth quarter.

Motion by Commissioner Price, **Seconded** by Commissioner James to approve the resolution for the Return on Equity agreement with the City of Lansing.

Action: Motion Carried

Commissioner Merrill commented that return on equity agreements, payments in lieu of taxes, may cause some divisiveness between the municipality and the community of customers as the payment is a benefit to the municipality. Representing that payment is consistent to what other communities nationwide pay is necessary for the recognition of equity and fairness.

Rate Structures

Commissioner Jester introduced Ms. Janice Beecher, Director of Institute of Public Utilities at MSU, who presented on water affordability and pricing modes. Ms. Beecher provides continuing education to utility regulators, conducts research, and provides publications.

Ms. Beecher spoke about pricing models and shared a detailed supporting slide deck; household utility expenditures; trends for utilities; pressures on water utility costs, prices, and affordability; reasons for cost and price disparity; shifts in infrastructure funding and financing; and sustainable systems.

Commissioner Zerkle commended the BWL on providing assistance to customers that needed help paying bills.

Commissioner Merrill asked whether the BWL has considered a cost or fee structure based on income rather than usage, requested information regarding the Bolt v. City of Lansing court constraints on enterprise services prices, and whether Lansing Fire compensates the BWL for the extra capacity of the system to provide for fire protection through hydrant rental or other system of transfer. GM Peffley responded that a water rate recommendation will be provided during the Finance Committee meeting, new ideas are being explored comparable to what Ms. Beecher presented, and BWL has looked into access to funding. GM Peffley added that the City's fire protection is part of the rate for usage and additionally there is a distribution system similar to hydrant rental. GM Peffley responded that BWL is exploring enterprise services prices and usage rewards.

Commissioner James commended CFO Shawa and GM Peffley on the energy presentation. GM Peffley responded that a copy of the presentation would be sent to the Commissioners with an audio. Commissioner James also commended GM Peffley on the 100% renewable agreement with General Motors and would like information on how it will be met. GM Peffley responded that the 100% renewable was not in the request from General Motors due to an additional premium, but renewables will be negotiated and details provided to the Commissioners thereafter.

Commissioner James inquired about DEI training that is provided to regular BWL employees being provided to the two new appointed employees. GM Peffley responded that training is available and will be provided.

Other

Motion by Commissioner James, **Seconded** by Commissioner Graham for an excused absence for Commissioner Dusty Horwitt.

Action: Motion Carried.

Adjourn

Chair Zerkle adjourned the meeting at 7:05 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 May 10, 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, May 10, 2022.

Finance Committee Chairperson Tony Mullen called the meeting to order at 7:15 p.m. and asked the Acting 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 (East Lansing), Larry Merrill (Delta Township) and Brian Ross (DeWitt Township)

Absent: None

The Acting Corporate Secretary declared a quorum.

Chairperson Mullen requested a postponement of the Internal Audit Status Report.

Public Comments

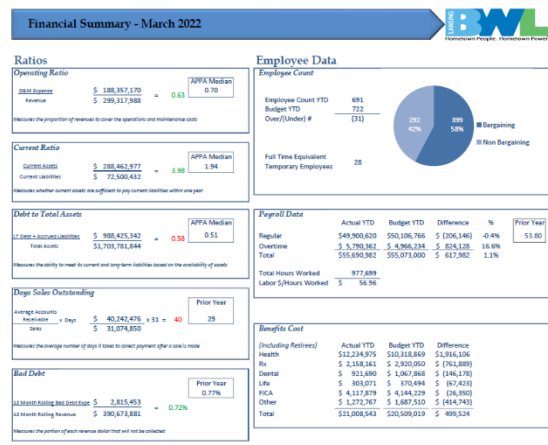
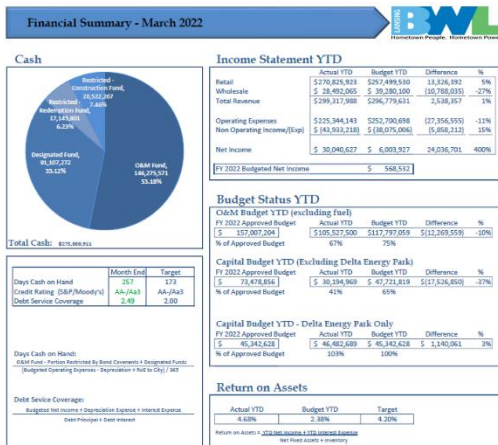
There were no public comments.

Approval of Minutes

Motion by Commissioner Price, **Seconded** by Commissioner James to approve the Finance Committee meeting minutes of February 22, 2022.

Action: Motion Carried.

March YTD Financial Summary



CFO Heather Shawa gave a review of the March 2022 Year-to-date Financial Summary. Total Cash, Days Cash on Hand, and Debt Service Coverage are strong at \$275 million, 257 and 2.49 respectively. On the Income Statement YTD, Total Revenue is slightly over budget and positive at 1%, Operating Expenses is at 11% underspend, and Non-Operating Income/Expense is 15% overspend, resulting in a Net Income YTD of \$30 million compared to the Budget YTD of \$6 million. The FY 2022 Budget Net

Income is just above \$568,000 and any known adjustments will be forecasted at the start of the fourth quarter in the April dashboard. Capital budget YTD is underspend due to labor constraints and supply chain impacts. Capital budget YTD on Delta Energy Park is near budget. The project is on track for closeout at the end of June 2022 and the first full month of depreciation will be indicated on the April dashboard.

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 large claims.

Chairperson Mullen requested a presentation on depreciation at a future meeting. CFO Shaw responded that a presentation will be provided at the July Finance meeting.

Retirement Plan Committee (RPC) Updates

CFO Heather Shawa presented the Retirement Plan Committee (RPC) investment and administrative activity updates. The RPC has recently completed a periodic review of the DB and VEBA plans investment policy statements and recommended reducing the target return for the DB Plan from 6.5% to 6%, reduce the target return for the VEBA Plan from 7% to 6.5%, and revising certain language to better represent the role of the plan advisor as well as the delegations to the RPC. The final steps of the corrective action plan have now been completed for the VCP Submission to the IRS for our 401(a) plans. The required notifications have been sent to the affected participants. The RPC is reviewing the restatement of Nationwide's 401(a) prototype plan documents which are preapproved by the IRS. The IRS requires Plan Sponsors using preapproved plan documents to be restated every 6 years to incorporate all legislative and regulatory changes in the law. The updated 401(a) plan documents for DC Plan 2 will be brought to the Board for approval in July.

Commissioner Zerkle asked the reason for reducing the target return in the RPC investment goals. CFO Shawa responded the reduction follows the guidance of the state of Michigan for public pension plans. Director of Finance, Accounting and Planning, Mr. Scott Taylor, added that the liability for the DB plan is increased by \$1.7 million and by \$7.7 million for the VEBA plan.

Motion by Commissioner Price, **Seconded** by Commissioner James to forward the Revised Defined Benefit Plan Investment Policy Statement Resolution to the full Board for consideration.

Action: Motion carried.

Motion by Commissioner Price, **Seconded** by Commissioner James to forward the Revised VEBA Investment Policy Resolution to the full Board for consideration.

Action: Motion carried.

General Manager Recommendation for RPC Appointment Change

GM Peffley asked for approval of replacing the appointment of the Manager of Finance on the Retirement Plan Committee with the appointment of the Director of Finance, Accounting and Planning.

Motion by Commissioner Price, **Seconded** by Commissioner James to forward the Resolution for the Retirement Plan Committee Appointment Change to the full Board for consideration.

Action: Motion carried.

Drinking Water State Revolving Fund (DWSRF)

Director of Accounting, Finance and Planning, Scott Taylor, presented the program plan for the Drinking Water State Revolving Fund and requested approval of the presented resolution to adopt the final project plan for water system improvements and designate an authorized project representative. The plan was published on April 8, 2022, and a public hearing was held on May 9, 2022 at which the plan was explained. Mr. Taylor stated that this resolution is for approval to submit the plan for evaluation for funding, ranking and possible forgiveness, and then projects with which to move forward will be determined.

Chairperson Mullen commented that a proposal was made last year that was turned down and the Finance Team worked with DWSRF to construct a better plan.

Commissioner Thomas asked what the prospective outcome of receiving funding was. Mr. Taylor responded that a better than 50/50 chance was expected for being accepted for the borrowing program and 20-30% chance of receiving forgiveness through the grant.

Motion by Commissioner Price, **Seconded** by Commissioner James to forward the Resolution for Adopting a Final Project Plan for Water System and Improvements and Designating an Authorized Project Representative to the full Board for consideration.

Action: Motion carried.

Chairperson Mullen commented that he believes water is a human right and that payment has to be received whether from the customer or from funding. In addition, Chairperson Mullen stated that the administration works with those who cooperate with the BWL to keep their water from being shut off. GM Peffley responded that creative ideas and funding are being explored and if any payment is given water isn't shut off.

Commissioner James asked if rates based on income were being considered yet. GM Peffley responded that they weren't yet, but it is being studied, along with other options.

Commissioner Zerkle asked whether an explanation was given to customers regarding the beneficial use of Smartmeters. GM Peffley responded that Smartmeters indicate whether there is a waste of water which is beneficial to the customers and the more education given to the customers the better.

FY23 Operating Budget and FY23-28 Forecast Presentation

CFO Shawa presented the FY23 Operating Budget and FY23-28 Forecast. CFO Shawa highlighted strategic objectives, key budget and forecast assumptions, sales volume history and forecast by utility, and the operating budget and forecast. CFO Shawa covered FY 2022 accomplishments, target metrics, and the focus of the budget and forecast cycle under strategic objectives; plus, water main replacements, investment returns, rate changes and structure refinement, and Return on Equity under key budget and forecast assumptions. Director of Finance, Accounting and Planning, Scott Taylor highlighted the following items in the capital budget and forecast: the increase in the Water T&D portfolio in FY 2028 with the completion of the 8 mile per year water pipeline replacement; the addition to the Capital Forecast of the phase process where projects have reached the design and

construction stage where the final budget amount of the project is determined; and the next steps in the process of the forecast including verifying department spend aligns with capital spend, verifying metrics hit planned targets, and requesting Board approval and submission of the forecast to the city. CFO Shawa requested approval of the resolution for the Fiscal Year 2023-2028 Budget and Forecast.

GM Peffley stated that the strategic objectives plan information would be continually provided to the employees to emphasize the importance of the implementation of the plan.

Commissioner Mullen asked for the definition of the terminology workforce engagement. CFO Shawa responded that workforce engagement included workforce development, the leadership academy, retention and recruiting career development, and the Gallup best practice and national benchmark for workforce development.

Commissioner Zerkle asked for information on COVID-19 recovery regarding health costs, lost worktime and costs for the next couple of years. GM Peffley responded that the workforce is back to the new normal which includes a work-from-home policy. CFO Shawa responded that the two key financial areas are supply chain disruptions and past due accounts. Finance is working on bringing the past due and uncollectable accounts to pre-pandemic numbers. GM Peffley responded that he has requested a policy to be made by the executive staff for the purchasing of only American-made products when possible, to reverse the negative impact on the generating portfolio.

Commissioner Zerkle commented that income from electricity carries the BWL utility and asked why this transpires as rate increases have occurred for each type of utility service. GM Peffley responded that the customer base is smaller for the non-electric utility services and that electricity is also sold wholesale. GM Peffley added that the water rates for other utility companies in Michigan are higher than the rates of the BWL.

Commissioner Merrill asked whether the 9.5% increase in water rates would be the same for the wholesale and retail customer and when was the anticipated day for the increase to go into effect. CFO Shawa responded that input will be requested from Commissioners in July 2022, a public hearing will be held in September 2022, and the rate increase would go into effect on November 1, 2022. GM Peffley added that there are four industrial entities looking to enter the BWL service territory and that will also benefit the income for water service if any of them do.

Commissioner Jester asked about the prices for chilled water not being raised aggressively. CFO Shawa responded that the price increase for chilled water in the current forecast is the first increase since 2014. CFO Shawa added there are efficiency projects being planned, there are 19 customers for chilled water and the impact on them is not known yet.

Commissioner Price asked what the differential is between the rates for the closest competitor and BWL. GM Peffley responded that rates on residential for the closest competitor is 14% with a rate hike of greater than 2% and BWL. GM Peffley responded that the BWL was demonstrating the value of locating to the Lansing area.

Commissioner Zerkle asked whether electricity service could subsidize water service. GM Peffley responded that is against the law because classes of utility services can't be mixed.

GM Peffley noted that the BWL typically replaces a mile and a half of the water pipeline per year but due to the pandemic is a little delayed.

Commissioner Jester asked whether there is an opportunity for the water pipeline replacement to be coordinated with street repair that needs to be done. GM Peffley replied that BWL is working to coordinate with the CSO project and if the City is working on an area of road where the water pipeline needs to be repaired, BWL will repair that area of the pipeline.

Commissioner James asked how the ratings by the credit rating agencies could be improved. Mr. Taylor responded that the key items that the agencies review are days cash on hand and debt service coverage. The agencies also look at the area served, the overall makeup of utility service, and the diversity of customers serviced. GM Peffley responded that BWL is in the top 20% of utilities across the country. CFO Shawa responded that agencies look at the governing board, the support of steady increases, and City ratings.

Commissioner Zerkle asked if a presentation could be made relaying what will be done with the rate increase as the Commissioners could provide input on what customers would like. CFO Shawa responded that the presentation will be made at the July Finance Committee meeting.

Motion by Commissioner James, **Seconded** by Commissioner Price to forward the FY 2023-2028 Budget and Forecast Resolution to the full Board for consideration.

Action: Motion Carried.

Other

There was no other business.

Adjourn

Chairperson Tony Mullen adjourned the meeting at 8:42 p.m.

Respectfully submitted
Tony Mullen, Chairperson
Finance 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 2022-05-02

Return on Equity (ROE) Renewal

WHEREAS, the City of Lansing has expressed a desire to continue the Agreement Between the City of Lansing and The Board of Water & Light dated June 30, 1992 (the Agreement), which has been

subsequently extended by means of five Amendments thereto in 2001, 2012, 2013, 2018 and 2020, respectively;

WHEREAS, the Board of Commissioners Committee of the Whole (COW) considered the City of Lansing's request on May 10, 2022;

WHEREAS, the General Manager recommended the Agreement be extended by two (2) years at a rate of 6% of total operating revenues, excluding inter-utility sales, which would be memorialized as Amendment No. 6;

WHEREAS, the COW has considered the proposed Amendment No. 6, agreed with the General Manager's recommendation and approved the Amendment, including authorization for the General Manager to execute the Amendment, and the Amendment shall be forwarded to the Board of Commissioners for approval at the May 24, 2022 meeting.

RESOLVED, the proposed Amendment No. 6 to the Agreement Between the City of Lansing and The Board of Water & Light dated June 30, 1992 is approved by the COW, including authorization for the General Manager to execute the Amendment, and shall be forwarded to the Board of Commissioners for approval at the May 24, 2022 meeting.

Motion by Commissioner Graham, Seconded by Commissioner Horwitt, to approve the Return on Equity (ROE) Renewal.

Action: Motion Carried.

**AMENDMENT NO. 6 TO AGREEMENT
BETWEEN THE CITY OF LANSING AND
THE BOARD OF WATER & LIGHT**

This Amendment No. 6 is entered as of this ___ day of _____, 2022, by and between the City of Lansing, 124 W. Michigan Ave., Lansing, MI 48933, hereinafter referred to as "City," and the Board of Water & Light, 1201 South Washington Ave., Lansing, Michigan 48910, hereinafter referred to as "Board." The City and the Board are each a "Party" and, collectively are the "Parties."

STATEMENT OF PURPOSE

- A. The Parties entered into an Agreement dated June 30, 1992 (the "Agreement"), a copy of which is attached as **Exhibit A**;
- B. The Parties entered into Amendment No. 1 to the Agreement on December 17th, 2001, which expired June 30, 2012, a copy of which is attached as **Exhibit B**;
- C. The Parties entered into Amendment No. 2 to the Agreement on June 30, 2012, which expired June 30, 2017, a copy of which is attached as **Exhibit C**;
- D. The Parties entered into Amendment No. 3 to the Agreement on December 23, 2013, which increased the Board's annual payment to the City to 6.1% of its revenue from retail and wholesale sales of chilled water, electric, steam, heat and water utilities for the preceding 12-month period ending May 31st of each year (the "Payment"). A copy of Amendment No. 3 is attached as **Exhibit D**;

- E. Amendment No. 3 also extended the term of the Agreement for an additional year beyond that provided for in Amendment No. 2, such that the Agreement expired June 30, 2018, unless extended in writing by the Board of Commissioners and the City Council of Lansing;
- F. The Parties entered into Amendment No. 4 to the Agreement on July 1, 2018. Amendment No. 4 extended the terms and provisions of the Agreement by an additional two years such that the Agreement expired June 20, 2020, unless extended in writing by the Commissioners of the Board and the City Council of Lansing. A copy of Amendment No. 4 is attached as **Exhibit E**; and
- G. The Parties entered into Amendment No. 5 to the Agreement on July 1, 2020. Amendment No. 5 extended the terms and provisions of the Agreement by an additional two (2) years. Further, the Parties agreed that the Board would pay to the City a fixed dollar amount for each of the Fiscal Years 2020, 2021, and 2022 as follows: FY2020 \$23,100,000; FY2021 \$25,000,000; and FY2022 \$25,000,000. It was also agreed that in addition to the amounts described in the preceding paragraph, for each of FY2021 and FY2022, the Board would pay to the City an amount determined as follows:

(the Board's revenue from retail and wholesale sales of chilled water, electric, steam, heat and water utilities for the preceding 12-month period ending May 31st minus \$409,836,066) multiplied by 3%). A copy of Amendment No. 5 is attached as **Exhibit F**.

Including as modified by this Amendment No. 6, and by the prior Amendments Nos. 1-5, the Parties desire to extend the term and modify the return on equity payment calculation of the Agreement.

AGREEMENT

The Parties therefore agree as follows:

- 1) The term of the Agreement is extended by an additional two (2) years, such that the Agreement shall automatically terminate on June 30, 2024, unless extended further by the Commissioners of the Board and the City Council of Lansing.
- 2) The Board shall make return on equity payments to the City for the two fiscal years commencing on July 1, 2022, in the amount of 6% of total Board operating revenues, excluding inter-utility sales, as reported in the Board's audited financial statements.
- 3) Payments shall be made quarterly within 30 days after each quarter's end. Any changes to operating revenues or inter-utility sales after a quarterly payment has been made, such as in the case of a year-end audit adjustment, will be adjusted for in the subsequent quarter's payment.
- 4) This Agreement as amended contains the entire Agreement and any terms, conditions or provisions not contained in this Agreement as amended are not binding on either Party.
- 5) This Agreement shall inure to the benefit of the Parties to the Agreement.

- 6) This Agreement, or any of its terms or provisions, shall not be waived, modified or otherwise altered except as agreed in writing and executed by both Parties.
- 7) Except as modified in this Amendment No. 6, the Agreement shall remain in full force and effect. Nothing herein releases the Board from any payments it is obligated to make pursuant to the previous amendments to the Agreement.

[Signature page follows]

IN WITNESS WHEREOF the parties have signed this Amendment No. 5, and it shall become effective on the date first above written.

CITY OF LANSING

By: _____
Andy Schor, Mayor

By: _____
Chris Swope, City Clerk

BOARD OF WATER & LIGHT

By: _____
Richard R. Peffley
General Manager

By: _____
LaVella J. Todd
Corporate Secretary

Approved as to form only:

Approved as to form:

City Attorney

Board of Water & Light
Legal Counsel

Approved as availability of funds:
Account No. 101-674100

Controller

RESOLUTION 2022-05-03

Revised Defined Benefit Plan Investment Policy Statement

WHEREAS, the Lansing Board of Water & Light (the "Sponsor") sponsors the Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions (the "Defined Benefit Plan"); and

WHEREAS, the Retirement Plan Committee, established by the Sponsor and delegated certain duties by the Trustees related to the investment of Defined Benefit Plan assets, periodically reviews the target rate of return for each plan and, as the result of its most recent review, recommends the target rate of return for the Defined Benefit Plan be reduced from 6.5% to 6%; and

WHEREAS, the Retirement Plan Committee also periodically reviews the investment policy statement, formally known as the Statement of Investment Policies, Procedures and Objectives, for the Defined Benefit Plan and, as the result of its most recent review, recommends revisions to the language within the Defined Benefits Plan's investment policy statement; and

WHEREAS, the Retirement Plan Committee along with the General Manager recommends the Sponsor adopt the revisions which reflect these recommendations in the attached Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions Statement of Investment Policies, Procedures and Objectives; and

WHEREAS, the Sponsor wants to adopt the revisions reflected in the attached Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions Statement of Investment Policies, Procedures and Objectives;

THEREFORE, it is:

RESOLVED, that, after its review, and based on the recommendation from the Retirement Plan Committee along with the General Manager, the Sponsor adopts and approves the attached Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions Statement of Investment Policies, Procedures and Objectives.

Motion by Commissioner Mullen, **Seconded** by Commissioner Graham to approve the Resolution for Revised Defined Benefit Plan Investment Policy Statement.

Action: Motion Carried.

Commissioner Horwitt inquired about the importance of the resolutions for the DB and VEBA Investment Policy Statements changes. Director of Finance, Accounting and Planning, Scott Taylor responded that there are three primary changes; the lowering of discount rates in the VEBA Investment Policy Statement from 7% to 6.5% and in the DB Investment Policy Statement from 6.5% to 6%; making a change to refer to ACG as an advisor rather than a consultant; and making a change to align the responsibilities delegated to the Retirement Plan Committee with the resolutions that was recently passed.

Commissioner Horwitt asked whether the lowering of the rate was related to the recent downturn in the financial market. Mr. Taylor replied that the state's reporting requirements have uniform assumptions that must be met and the allowable return has been gradually decreasing and BWL

wanted to align with those values. Mr. Taylor added that ACG also reported lower expectations on returns and BWL would achieve their targets with the lower rates.

RESOLUTION 2022-05-04

Revised VEBA Investment Policy Statement

WHEREAS, the Lansing Board of Water & Light (the “Sponsor”) sponsors the Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light (the “VEBA”); and

WHEREAS, the Retirement Plan Committee, established by the Sponsor and delegated certain duties by the Trustees related to the investment of VEBA assets, periodically reviews the target rate of return for each plan and, as the result of its most recent review, recommends the target rate of return for the VEBA be reduced from 7% to 6.5%; and

WHEREAS, the Retirement Plan Committee also periodically reviews the investment policy statement, formally known as the Statement of Investment Policies, Procedures and Objectives, for the VEBA and, as the result of its most recent review, recommends revisions to language within the VEBA’s investment policy statement; and

WHEREAS, the Retirement Plan Committee along with the General Manager recommends the Sponsor adopt the revisions which reflect these recommendations in the attached Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light Statement of Investment Policies, Procedures and Objectives; and

WHEREAS, the Sponsor wants to adopt the revisions reflected in the attached Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light Statement of Investment Policies, Procedures and Objectives;

THEREFORE, it is:

RESOLVED, that, after its review, and based on the recommendation from the Retirement Plan Committee along with the General Manager, the Sponsor adopts and approves the attached Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light Statement of Investment Policies, Procedures and Objectives.

Motion by Commissioner Thomas, **Seconded** by Commissioner Mullen to approve the Resolution for Revised VEBA Investment Policy Statement.

Action: Motion Carried.

RESOLUTION 2022-05-05

Retirement Plan Committee Appointment Change

WHEREAS, the Board of Water and Light (the “Sponsor”) sponsors the (a) Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees’ Pensions; (b) Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light; (c) Lansing Board of Water and Light Defined Contribution Plan and Trust 1; (d) Lansing Board of Water and Light Defined Contribution Plan

and Trust 2; and (e) Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust (collectively the “Plans”); and

WHEREAS, the Sponsor created a formal committee effective September 27, 2016, the name of which is the “Retirement Plan Committee” (the “Committee”), to which the Sponsor delegated discretionary authority and responsibility for the discharge of certain duties, and the Sponsor appointed the following individuals to serve on the Retirement Plan Committee: Chief Financial Officer, Executive Director of Human Resources, and the Manager of Finance. Each Retirement Plan Committee member is appointed to serve on the Committee until his or her resignation or removal from the Committee; and

WHEREAS, due to a recent organizational change, the Sponsor has decided to replace the appointment of the Manager of Finance on the Committee with the appointment of the Director of Accounting, Finance, and Planning.

THEREFORE, it is:

RESOLVED, that the Sponsor replaces the appointment of the Manager of Finance on the Committee with the appointment of the Director of Accounting, Finance, and Planning on the Committee.

FURTHER RESOLVED, that the Sponsor now recognizes the following individuals as appointed to serve on the Committee: Chief Financial Officer (Committee Chair), Executive Director of Human Resources, and the Director of Accounting, Finance and Planning.

Motion by Commissioner Horwitt, **Seconded** by Commissioner Graham to approve the Resolution for Retirement Plan Committee Appointment Change.

Action: Motion Carried.

RESOLUTION 2022-05-06

A Resolution Adopting a Final Project Plan for Water System Improvements and Designating an Authorized Project Representative

WHEREAS, the Lansing Board of Water & Light (“BWL”) is seeking low interest funding to assist in its efforts to improve existing raw water supply, water treatment and distribution systems through the State of Michigan, Department of Environmental Quality’s (“EGLE”) Drinking Water State Revolving Fund (“DWSRF”); and

WHEREAS, as a requirement of the DWSRF Loan Program, municipalities applying for DWSRF loans are required to submit to EGLE an adopted Project Plan (“Project Plan”) describing the proposed improvement to existing water treatment and distribution systems program projects; and

WHEREAS, the purpose of the Project Plan is for raw water supply, water treatment plant and distribution system improvement projects located within the City of Lansing. The projects have several benefits, which include reducing potential safety hazards, as well as improvements to reliability, water quality, and flow efficiencies to ultimately increase public health protection; and

WHEREAS, the Project Plan for the majority of the water main replacement projects will be in partnership with the City of Lansing’s Combined Sewer Overflow project among other City of Lansing street rehabilitation projects. Raw water supply and water treatment projects will be done on BWL property; and

WHEREAS, the BWL authorized Hubbell, Roth, & Clark, Inc. to prepare a Project Plan, which recommends the construction of the following:

Water Treatment Plant Upgrades

- Dye WCP – convert ammonia system to aqueous form
- Dye WCP – chemical handling project
- Wise Rd WCP – new chemical building

Operational System Improvements

- Elevated storage tank – feasibility study and installation
- Well drilling to replace aging wells

Water Distribution Improvements

- Multiple location of water main replacement projects throughout BWL jurisdiction that includes approximately 14 miles of water main replacement.
- Raw water main extension to connect a recently drilled well

WHEREAS, the estimated total project cost of the projects listed above is \$46.2 Million; and

WHEREAS, a Public Hearing to receive public comment on the proposed Project Plan was held on May 9, 2022; and

NOW THEREFORE BE IT RESOLVED that the Lansing Board of Water & Light formally adopts the Project Plan and agrees to implement the selected alternative.

BE IT FURTHER RESOLVED, that the Water Distribution Principal Engineer, a position currently held by Michael Lehtonen, P.E., is designated as the authorized representative for all activities associated with the projects referenced above, including the submittal of said Project Plan as the first step in applying to the State of Michigan for a Drinking Water State Revolving Fund Loan to assist in the implementation of the selected alternative.

Motion by Commissioner Thomas, **Seconded** by Commissioner Mullen to approve the Resolution for Adopting a Final Project Plan for Water System Improvements and Designating an Authorized Project Representative.

Yeas (names of Members voting Yes): Commissioners David Price, Beth Graham, Dusty Horwitt, Tony Mullen, Tracy Thomas and Sandra Zerkle

Nays (names of Members voting No): None

I certify that the above Resolution was adopted by Board of Water & Light Board of Commissioners (the governing body of the applicant) on May 24, 2022.

BY: _____
LaVella J. Todd

Corporate Secretary

Signature

Date

RESOLUTION 2022-05-07
Fiscal Year 2023-2028 Budget and Forecast

RESOLVED, that the Annual Operating and Capital Budget covering Fiscal Year 2023 is hereby approved as presented; and

RESOLVED, that the Operating and Capital Forecast for the Fiscal Years 2024-2028 is hereby accepted as presented; and

FURTHER RESOLVED, that the Corporate Secretary be directed to make the appropriate filings with the Lansing City Clerk's office in accordance with the Lansing City Charter regarding the above actions.

Staff Comments:

Staff recommends an operating and maintenance budget of \$363.0M and a capital budget of \$71.8M for Fiscal Year 2023.

The Operating and Capital Budget and Forecast for Fiscal Years 2023-2028 includes forecasted rate increases. The forecast rate increases are subject to revision and, in any case, prior to implementation, must be subject to the BWL's formal rate setting process as per Lansing City Charter, Section 5-205 which refers to the BWL's authority to set just and reasonable rates and defines the public hearing process.

In accordance with the provisions of the Lansing City Charter, Article 5, Chapter 2, Section 5-203.5 and Section 5-203.6, staff recommends the Finance Committee approve the budget and forecast for presentation and adoption by the Board at its May 24, 2022 board meeting.

Motion by Commissioner Thomas, **Seconded** by Commissioner Mullen to approve the Resolution for the Fiscal Year 2023-2028 Budget and Forecast.

Action: Motion Carried.

MANAGER'S REMARKS

General Manager Richard Peffley provided information on the following items:

1. The energy slide presentation from the May 10, 2022 Committee of the Whole meeting will be provided with audio in the packet on the BWL website.
2. An invitation was sent out for the 1st STEP graduation on May 25, 2022 at 5:30 p.m. at the REO Depot.
3. Several employees received recognition during the last two months.
 - a. Customer Experience Team led by Executive Director of Customer Experience, Steve Serkaian

- i. Kellee Christenson, Director of Strategic Planning received a National Leader Award at the Customer Service Week Conference for the Customer Information Service (CIS) project which was initiated by CFO Heather Shawa;
- ii. The CIS project was a finalist in projects submitted for customer conference honors. The project was supported by Customer Experience Manager Bob Peralas and Customer Operations Manager Deanna Sparks;
- iii. Government & Community Relations Manager Breina Pugh received the Capital Area United Way Marian Marshall Award for her community volunteer work;
- iv. Communications Manager Amy Adamy was honored by Public Relations Society of America (PRSA) for December's East Lansing train accident video; PRSA also recognized BWL and several employees with a Pinnacle Award for the BWL's leadership in the pandemic relief fairs;
- v. Business Developing & Marketing Manager Rhonda Jones was thanked for her efforts and negotiations on the General Motors Ultim contract;
- vi. BWL employees will be speaking at the APPA Conference in June 2022;
- vii. Employee awards and recognitions will be in the Pipeline.

COMMISSIONERS' REMARKS

Commissioner Mullen requested a presentation with more detail on what BWL will do to reach carbon neutrality by 2050. GM Peffley responded that a presentation would be created and provided.

Commissioner Zerkle and Commissioner Thomas thanked DeWitt Township Commissioner Brian Ross for his service on the Board of Commissioners.

Commissioner Thomas thanked Executive Director of Human Resources Michael Flowers and Executive Assistant Smiljana Williams for their work with the Human Resources Committee in the hiring of the Corporate Secretary and Internal Auditor.

Commissioner Horwitt thanked Chairperson Price for arranging the Diversity, Equity and Inclusion training for the Commissioners.

Commissioner Horwitt received a question from a community member about the location of the joint state and BWL solar array that will power the state administration building. GM Peffley responded the location hasn't been set yet or the buildings that will be powered but he will provide the information as soon as it is available.

Commissioner Horwitt asked for an update on the boron testing results at Erickson. GM Peffley responded that samples are continually being taken, letters have been drafted to the 50 homeowners and the elevated levels still appear to be background levels. GM Peffley added that an additional well was drilled at the Erickson Station from which samples are being taken. GM Peffley will provide information to the Commissioners as it becomes available. Commissioner Horwitt requested that the communication received from the EPA be circulated to the Commissioners. GM Peffley responded that he would follow up. Commissioner Horwitt also requested the modeling results that would be presented to EGLE in June be provided to the Commissioners. GM Peffley responded the results would be sent to the Commissioners.

EXCUSED ABSENCE

Motion by Commissioner Graham, **Seconded** by Commissioner Thomas, to excuse Commissioners Semone James and DeShon Leek from tonight's meeting.

Action: Motion Carried.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Chairperson Price adjourned the meeting at 5:58 p.m.

LaVella J. Todd, Corporate Secretary

Preliminary Minutes filed (electronically) with Lansing City Clerk 05-26-22

Approved by the Board of Commissioners: 07-__-22

Official Minutes filed (electronically) with Lansing City Clerk: 07-__-22

Submitted on Tue, 05/24/2022 - 3:23 PM

Select a Commissioner:

Tracy Thomas

Name

M. Denise Griffin

Street Address

Evanston , Illinois

Message

Human Resource chairperson Tracy Thomas, Please provide me with a copy of my employee contracts and annual evaluations from 2010 thru 2021.

Thank you.

M. Denise Griffin 5-24-22

Submitted on Tue, 05/24/2022 - 3:37 PM

Select a Commissioner:

Anthony H. Mullen

Name

M. Denise Griffin

Message

Former Human Resource chairperson Tony Mullen, Please provide me with a copy of my employee contracts and annual evaluations from 2010 thru 2021.

Thank you.

Submitted on Sun, 07/10/2022 - 10:15 PM

Select a Commissioner:

All Commissioners

Name

Elaine Fischhoff
Lansing, Michigan

Message

cc of letter submitted to the Lansing City Council for consideration of my proposed objections to the LBWL's proposed Board Rules of Administrative Procedure:

Elaine Dierwa Fischhoff

July 10, 2022

President Hussain and Council Members
124 W. Michigan Ave., 10th Floor
Lansing, MI. 48933

Re: Objections, in part, to the Lansing Board of Water and Light proposed Board Rules of Administrative Procedure

Page 1

Dear President Hussain and Council Members:

The Lansing Board of Water and Light's proposed Board Rules of Administrative Procedure are Item 25 on the July 11, 2022 City Council Meeting Agenda. According to the City Clerk's cover letter, the Lansing City Counsel may approval the Rules or object, in whole or in part, and return the Rules with a statement of objections and recommendations.

I believe the LBWL Board has approved language in its Rules that discourages, not encourages, public review and comment of its actions and policies. The Lansing City Council should exercise its power to object to that language. That is the premise supporting most of my proposed objections.

I respectfully request that the Council object in part to portions of the Rules for the reasons stated below. For clarity, the proposed Rule is quoted with LBWL's changes in boldface and deletions bracketed [], followed by a separate paragraph explaining each proposed change and my reasoning.

“1. MEETINGS

1.1 Regular Meetings

1.1.1 The Lansing Board of Water [and]/& Light (BWL) Board of Commissioners (Board) shall hold regular bi-monthly meetings on the fourth Tuesday

of the month [in]/at the REO Depot, 1201 S. Washington Ave., Lansing, Michigan 48910 or at such other place as the Board shall determine, unless a regular meeting is rescheduled as provided herein.”

I propose using acronym LBWL in this document, instead of BWL, to recognize that this institution continues to belong to the City of Lansing and its residents.

I also propose a provision allowing the Board to pass a resolution to meet via video-conferencing if allowed under State law. I further propose that any such resolution require providing a means for the public to “attend” and comment. We’ve experienced a pandemic that made video-conferencing necessary. The Rules should explicitly provide for such action.

“ 1.5 Committee of the Whole Meetings

1.5.1 The Board may convenes a Committee of the Whole upon call by the Vice Chairperson or by any [two]/four (4) Voting Members of the Board.”

I propose objecting to doubling the number of Voting Members of the Board — let it remain at two instead of raising the bar to 50% of the whole Board. I’ve never heard that there has been any abuse of the existing rule. Doubling the number impedes consideration of some action that two Members might choose to propose. It would be a greater restraint on Board Member action without any justification, to my knowledge, other than the recommendation of the LBWL’s executive staff.

“2. NOTICE OF MEETINGS

2.1 Publication of Dates

A notice listing the dates of the regular Board meetings shall be published annually in a newspaper of general circulation in Ingham County, Michigan at least three (3) days prior to the time of the regularly scheduled meeting in January. . . .”

I propose requiring the dates of the regular Board meetings to be posted electronically on the LBWL’s website. The Internet has replaced printed newspapers for the most part. The Rules should recognize that.

“4. OFFICIAL ACTION AT REGULAR OR SPECIAL MEETINGS

...

4.2. Resolutions

[formerly 4.3] The Board speaks through resolutions. A member of the Board may only speak on the Board’s behalf in accordance with its resolution. See 19.2.3.” {News Media Regulations, italics in the original}

I propose adding a sentence here and/or in 19.2.3 explicitly recognizing the right of any Board member to voice their personal opinions on any matter related to the LBWL to avoid the perception that these Rules preclude such.

“10. AGENDA FOR REGULAR MEETINGS

...

10.1.2. Preparation of Agenda

An agenda shall be prepared by the Board Chairperson with the assistance of the Corporate Secretary, in consultation with the Committee Chairperson and the General Manager and made available for distribution [3 days preceding] within 18 hours prior to a regular or Special Meeting [for informational purposes only. However the agenda is subject to unilateral change by the General Manager before the meeting.]”

I propose retaining the 3 days notice requirement. The phrase “within 18 hours” is ridiculous as it means that the agenda need only be made available 18 HOURS OR LESS preceding the meeting. Making it available 5 minutes before the meeting would conform to this provision but deprive the public of any meaningful opportunity to prepare and make comment at the meeting. LBWL should be increasing not decreasing its transparency. LBWL should be making easier, not more difficult, for the public to inform itself and comment on LBWL’s actions and policies. LBWL shouldn’t be allowed to make rules reducing public review.

For the same reasons, I propose rejecting any suggestion that substituting the language “18 hours preceding a regular or Special meeting” be approved. An 18 hour minimum preceding a meeting allows distribution to occur at 12:00 pm midnight the day before the meeting — with notice effectively becoming only 12 hours — assuming that someone gets up at 5:30 am, otherwise less — for the public to become aware of matters that will be considered and prepare any comment. LBWL should be increasing, not decreasing, its transparency. LBWL shouldn’t be allowed to make rules reducing public review.

Page 4

I also propose requiring the Agenda to appear electronically on the LBWL website at least 3 days before the meeting to, again, increase LBWL's transparency.

I also propose adding the requirement that any documents supporting the Agenda that will be provided to the Board, and thus become a document subject to a FOIA request, accompany the Agenda and also be required to be posted electronically on the LBWL website.

"10.5. Reports and Recommendations of the [Director and] General Manager
The [Director and] General Manager shall advise the Board [by mail] any Reports and Recommendations to be considered at each regular meeting."

I propose rejecting elimination of "by mail" as it permits the General Manager to provide his information and recommendation verbally to the Board. Without a document containing the information and recommendation, FOIA is not available. That decreases the public's access to information that will be considered by the Board in its decision making.

I also propose that any of the General Manager's Reports and Recommendations be reduced to written form and posted electronically on the LBWL website with the Agenda.

"12 PUBLIC HEARINGS

...

12.3 Notice

Notice of the hearing will be placed in at least one (1) newspaper of general circulation in the Lansing, Michigan area, no less than fourteen (14) days before the public hearing. The notice shall state the date, time, place and subject of the hearing. Notice shall also be posted electronically on the [L]BWL's website."

I propose adding a requirement that the Notice provide a link to any information pertaining to the subject of the hearing and also be posted electronically on the website.

Thank you for considering my proposals.

Sincerely yours,

Elaine Dierwa Fischhoff

cc: Board of Commissioners for the Lansing Board of Water and Light (LBWL)
LEAT (Lansing Environmental Action Team) c/o Chair Randy Dykhuis
LWV Lansing Area, Environmental Advocacy Group c/o Chair Ellen Link City Pulse
Lansing State Journal

Submitted on Tue, 07/19/2022 - 4:51 PM

Select a Commissioner:

David Price

Name

Derek Davis

Message

Hello! On July 15, 2022 we had a huge tree fall on our power lines. We called BWL and they said they would have someone to our home in 15 minutes. 15 minutes passed and no one came. We called again and a woman said someone would be there by 1:45 am. No one came. We then called Saturday and they said they couldn't see a work order. In that time we could not get out of the driveway or have other workers come in until the power lines were cleared. I have a 9 month pregnant wife due to give birth any day now and we could not get anything done or leave because Bwl did not keep their word that they said on each call. When they finally came we had no choice to hire a last minute tree company that charged us 2700.00. By the time Bwl contacted us back they said they were sending someone to clean up the tree but we had already paid. Our insurance has a 1000.00 deductible that we will not be reimbursed. Had bwl cleared that area we could have waited and paid a lot less than 2700.00 for a tree company to do the rest. I am requesting a refund for the 1000.00 deductible not covered by insurance. I can provide documentation of all the charges and insurance deductible.

Submitted on Tue, 07/19/2022 - 10:41 AM

Select a Commissioner

All Commissioners

Name

Craig McDaniel

LANSING, Michigan. 48910

Message

I found myself getting my power turned off a few minutes before I was going to pay my outstanding bill the other day, so I paid it and got it restored, and got hit with a 60 dollar reconnect fee, and now I am supposed to pay a 327 dollar deposit for whatever reason.

This is straight up extortion in order to keep a service where the LBWL is the only option available. I can't afford to pay 587 dollars in my next bill that is due by the 8th of august. What recourse do I have. JC the CSR manager I talked to just kept repeating to me that this is approved by the board of commissioners. Can you help?

HUMAN RESOURCES COMMITTEE
Meeting Minutes
June 21, 2022

Human Resources Committee: Tracy Thomas, Committee Chairperson; Commissioners: Dusty Horwitt, DeShon Leek, David Price; Sandra Zerkle (Alternate).

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 5:30 p.m. on Tuesday, June 21, 2022.

Human Resources (HR) Committee Chairperson Tracy Thomas called the meeting to order at 5:30 p.m. and asked the Corporate Secretary to call the roll. The following members were present: Commissioners Tracy Thomas, Dusty Horwitt, DeShon Leek, and David Price. Also present: Commissioners Sandra Zerkle (Alternate) and Tony Mullen; Commissioner Semone James attended the meeting via conference phone.

Absent: None.

Public Comments

None.

1. Approval of Minutes

Motion by Commissioner David Price, **Seconded** by Commissioner DeShon Leek, to approve the Human Resources Committee meeting minutes of April 26, 2022.

Action: Motion Carried.

2. FY 2023 Board Appointee Performance Review – General Manager

HR Committee Chairperson Thomas opened the floor for the Board Appointee Performance Review.

General Manager Richard Peffley requested a closed session for the purpose of receiving his contractual year-end performance evaluation as permitted by the Open Meetings Act exemption MCL 15.268(a).

Motion by Commissioner David Price, **Seconded** by Commissioner DeShon Leek, to enter into closed session to discuss the contractual year-end performance evaluation of General Manager, Richard Peffley.

Roll Call Vote:

Yeas: Commissioners Tracy Thomas, Dusty Horwitt, DeShon Leek, and David Price.

Nays: None.

Action: Motion Carried.

The Human Resources Committee went into closed session at 5:37 p.m.

Motion by Commissioner David Price, **Seconded** by Commissioner Dusty Horwitt, to reconvene into open session.

Roll Call Vote:

Yeas: Commissioners Tracy Thomas, Dusty Horwitt, DeShon Leek, and David Price.

Nays: None.

Action: Motion Carried.

The Human Resources Committee reconvened to open session at 6:10 p.m.

3. General Manager Reappointment Resolution

At the start of open session, the following motion was offered:

Motion by Commissioner David Price, **Seconded** by Commissioner Dusty Horwitt, to forward the resolution reappointing Richard (Dick) Peffley to the Charter position of General Manager for FY23 to the full Board for consideration at its July 2022 Meeting.

Action: Motion Carried.

The purpose of the revised contracts for the recently hired Internal Auditor and Corporate Secretary (Agenda Item 4) is:

- To align the contracts with the Board's Rules of Procedure for annual review and appointment of its three employees at the end each fiscal year ending June 30: "the Board at its first regular board meeting following July 1 of each year or as soon as practical thereafter, shall appoint a Director of Internal Audit and a Corporate Secretary."
- The original contract could not conform with this Procedure because the City Charter prohibits contracts in excess of 12 months and both new employees started their employment on May 9, 2022, creating a gap between May 9, 2023 and June 30, 2023.
- With the revised contracts a new term is established that conforms with the Board's own Procedure and the City Charter and eliminates the gap by appointing both employees for a new 12-month period commencing July 1, 2022 and ending June 30, 2023.

4. Revised Employment Contract for Corporate Secretary and Internal Auditor

Revised Employment Contract for Corporate Secretary

Motion by Commissioner David Price, Seconded by Commissioner DeShon Leek, to forward the resolution to revise the appointment of Corporate Secretary LaVella J. Todd from July 1, 2022 to June 30, 2023 to the full Board for consideration at its July 2022 Meeting.

Action: Motion Carried.

Revised Employment Contract for Internal Auditor

Motion by Commissioner David Price, **Seconded** by Commissioner DeShon Leek, to forward the resolution to revise the appointment of Internal Auditor Frank Macciocca from July 1, 2022 to June 30, 2023 to the full Board for consideration at its July 2022 Meeting.

Action: Motion Carried.

Other

There was no other business.

Adjourn

Human Resources (HR) Committee Chairperson Thomas adjourned the meeting at 6:16 p.m.

Respectfully Submitted,
Tracy Thomas, Chairperson
Human Resources Committee

NOMINATING COMMITTEE MINUTES

July 12, 2022

The Nominating Committee of the Lansing Board of Water and Light met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:00 p.m. on Tuesday, July 12, 2022.

Nominating Committee Chairperson, Tony Mullen, called the meeting to order at 5:00 p.m. and asked the Corporate Secretary to call the roll. The following committee members were present: Commissioners Tony Mullen, Beth Graham, DeShon Leek, and Tracy Thomas.

Absent: None

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Thomas, Seconded by Commissioner Graham to approve the Nominating Committee meeting minutes of June 15, 2021.

Action: Motion Carried.

Officer & Committee Survey Results & Officer & Committee Survey Memorandum

Nominating Committee Chairperson Tony Mullen stated that the Officer Committee Survey Results Forms and Committee Survey Memorandum were included in the Nominating Committee meeting packet for review and asked if there were any questions regarding the documents. There were no questions.

Nomination of Board Officer Candidates for Fiscal Year 2022-2023

Chairperson and Vice Chairperson

Nominating Committee Chairperson Mullen opened the floor for nominations for the Chairperson for the 2022-2023 fiscal year and for the Vice Chairperson for the 2022-2023 fiscal year.

Motion by Commissioner Leek, Seconded by Commissioner Thomas to nominate Commissioner James to serve as Chairperson of the Board of Commissioners for the 2022-2023 fiscal year.

Roll Call Vote:

Yeas: Commissioners DeShon Leek, Tracy Thomas

Nays: Commissioners Beth Graham, Tony Mullen

Action: Motion failed.

Motion by Commissioner Graham, Seconded by Commissioner Mullen to nominate Commissioner Price to serve as Chairperson of the Board of Commissioners for the 2022-2023 fiscal year.

Commissioner Thomas commented that the position of Chairperson should be rotated.

Roll Call Vote:

Yeas: Commissioners Beth Graham, Tony Mullen

Nays: Commissioners DeShon Leek, Tracy Thomas

Action: Motion failed.

Motion by Commissioner Mullen, Seconded by Commissioner Leek to nominate Commissioner Zerkle to serve as Chairperson of the Board of Commissioners for the 2022-2023 fiscal year.

Roll Call Vote:

Yeas: Commissioners DeShon Leek, Tony Mullen

Nays: Commissioners Beth Graham, Tracy Thomas

Action: Motion failed.

Commissioner Graham commented that the Chairperson position should be filled by someone who has served as Vice-Chairperson. Commissioner Thomas commented that Commissioner James had served as Chairperson in a previous appointment and Commissioner James confirmed that was correct.

A second motion was made to nominate Commissioner James to serve as Chairperson for the 2022-2023 fiscal year.

Motion by Commissioner Thomas, Seconded by Commissioner Graham to nominate Commissioner James to serve as the Chairperson for the 2022-2023 fiscal year.

Roll Call Vote:

Yeas: Commissioners Beth Graham, DeShon Leek and Tracy Thomas

Nays: Commissioner Tony Mullen

Action: Motion carried.

Motion by Commissioner Leek, Seconded by Commissioner Mullen to nominate Commissioner Zerkle to serve as Vice-Chairperson of the Board of Commissioners for the 2022-2023 fiscal year.

Roll Call Vote:

Yeas: Commissioners DeShon Leek, Tony Mullen

Nays: Commissioners Beth Graham, Tracy Thomas

Action: Motion failed.

Motion by Commissioner Leek to nominate Commissioner Thomas to serve as Vice-Chairperson of the Board of Commissioners for the 2022-2023 fiscal year.

Commissioner Price made a point of order that a member of the Nominating Committee could not be nominated for an officer position. Commissioner Leek withdrew his motion.

A second motion was made to nominate Commissioner Zerkle to serve as Vice-Chairperson for the 2022-2023 fiscal year.

Motion by Commissioner Thomas, Seconded by Commissioner Mullen to nominate Commissioner Zerkle to serve as the Vice-Chairperson for the 2022-2023 fiscal year.

Roll Call Vote:

Yeas: Commissioners Beth Graham, DeShon Leek, Tony Mullen and Tracy Thomas

Nays: None

Action: Motion carried.

Motion by Commissioner Leek, Seconded by Commissioner Thomas to present the slate of Officers for 2022-2023 to the full Board for consideration as follows:

Chairperson:	Semone James
Vice Chairperson:	Sandra Zerkle

Roll Call Vote:

Yeas: Commissioners Beth Graham, DeShon Leek, Tony Mullen and Tracy Thomas

Nays: None

Action: Motion carried.

Nominating Committee Chairperson Mullen stated that the recommended slate will be presented to the full Board for consideration and nominations will be taken from the floor at the July 26th Regular Board/Annual Organizational meeting.

Adjourn

There being no further business, the meeting adjourned at 5:21 p.m.

Respectfully submitted,
Tony Mullen, Chairperson
Nominating Committee

COMMITTEE OF THE WHOLE

Meeting Minutes

July 12, 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, July 12, 2022.

Committee of the Whole Chairperson Sandra Zerkle called the meeting to order at 5:30 p.m. and asked the Corporate Secretary 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 Maggie Sanders (Lansing Township)

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Graham, **Seconded** by Commissioner Mullen, to approve the Committee of the Whole Meeting minutes of May 10, 2022 with corrections.

Commissioner Horwitt requested that the minutes be corrected in Commissioner Jester's comment to the higher price of energy on the grid is driven by natural gas prices.

Commissioner James requested that the minutes be corrected to Commissioner James making the motion for the Resolution for the Amendment to the Return on Equity and Commissioner Price seconding the motion.

Action: Motion carried. The minutes were approved with corrections.

Energy Waste Reduction and Renewable Energy Annual Update

Environmental Services Manager Lori Myott presented the energy waste reduction and renewable energy update and provided information on the energy saving and budget goals, pandemic impacts, residential programs, low-income programs, business programs and renewable energy. Ms. Myott added that BWL has increased savings goals of 1.25% in 2022, 1.35% in 2023 and 1.5% for 2024-2026.

Amendment to Appointment to MPPA - Resolution

Dave Bolan, Chief Operations Officer, requested approval of the resolution for the Amendment to Appointment to MPPA in which James Mitchell, Market Operations Supervisor of Bulk Power Trading, was stepping down and Lynn McKinstry, Operations Process Support Director, was being appointed in his stead.

Motion by Commissioner James, **Seconded** by Commissioner Graham to forward the resolution to Amend the Appointment to Michigan Public Power Agency to the full Board for consideration.

Action: Motion Carried

Blackout Coordination Meeting

GM Peffley spoke about the MISO footprint. MISO is an energy governing agency that sent out a notification that a capacity shortage is expected for July and energy load would need to be shed. A meeting was held for city and county officials to inform them what that would involve.

Chairperson Zerkle asked if BWL had the ability to choose what time of day when the blackout would occur and would information be distributed to customers to be prepared. GM Peffley responded that BWL would get about a 20-minute notice and load would not be shed for essential services such as hospitals. GM Peffley added that an initial circuit would be shut off and then a second circuit would be shut off and the first circuit could be turned back on and this would be done in a variety of areas.

Environmental Updates

GM Peffley responded to questions read by Corporate Secretary LaVella Todd that were submitted by the Commissioners that included regulatory communications with the Board of Commissioners; public health and safety impacts; renewable energy; reducing energy consumption; carbon neutrality goals; and groundwater testing at Erickson.

Excused Absence

Motion by Commissioner James, **Seconded** by Commissioner Graham, to excuse Commissioner Maggie Sanders from tonight's meeting.

Action: Motion Carried.

Other

Commissioner Zerkle commented about Rules and Procedures communications received and stated that the Board would follow up on any edits to the Rules and Procedure after it was reviewed by the City Council.

Adjourn

Motion by Commissioner Price, **Seconded** by Commissioner Horwitt, to adjourn the meeting.

Action: Motion Carried.

Chairperson Zerkle adjourned the meeting at 6:26 p.m.

Respectfully Submitted,
Sandra Zerkle, Chairperson
Committee of the Whole

FINANCE COMMITTEE
Meeting Minutes
July 12, 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, July 12, 2022.

Finance Committee Chairperson Tony Mullen called the meeting to order at 6:33 p.m. and asked the Corporate Secretary to call the roll.

Present: Commissioners Tony Mullen, Beth Graham, Semone James, David Price and Sandra Zerkle.

Absent: None

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Graham, **Seconded** by Commissioner James to approve the Finance Committee meeting minutes of May 10, 2022.

Action: Motion Carried.

May YTD Financial Summary

CFO Heather Shawa presented the May YTD Financial Summary and Capital Project Summary. In response to Chairperson Mullen, Ms. Shawa reported that owed debt has been reduced to \$7-8 million from \$11 million and will include this in the next monthly report.

Electric Annuals Capital Project Exceedance – Resolution

CFO Shawa requested approval for the projected spending for Capital Project AE – Electric Annuals which has an exceedance of \$3.3 million. The increases are due to more line extensions and cable upgrades than were expected, and some due to customer growth.

Commissioner Zerkle asked if any of the First STEP interns could be recruited for linemen positions. GM Peffley responded that BWL is working with Vegetation Management to expand their training as they are already comfortable working in a bucket.

Motion by Commissioner Price, **Seconded** by Commissioner Graham, to forward the Resolution for the Capital Project Exceedance: AE – Electric Annuals to the full Board for approval.

Action: Motion Carried.

Retirement Plan Committee (RPC) Update and 401 (a) DC Plan 2 Restatement

CFO Shawa reported that there were no updates to the Defined Contribution and Deferred Compensation Plans. The restated 401(a) plan documents for DC Plan 1 have already been executed by the RPC and because authority for DC Plan 2 document changes has been retained by the Board, the restated plan documents for DC Plan 2 are being brought forward for execution by the Board for submission by the July 31, 2022, deadline.

Motion by Commissioner Graham, **Seconded** by Commissioner Zerkle to forward the Restated DC Plan 2 Resolution to the full Board for consideration.

Action: Motion carried.

Bi-Annual Internal Audit Open Management Responses Update

Senior Internal Control Analyst Elisha Franco presented the Internal Audit Open Management Responses update.

Internal Audit Department Update

Internal Auditor Frank Macciocca presented the Internal Audit Department update. Interviews were conducted and an applicant selected for an Executive Administrative Assistant in the Internal Audit Department.

Rate Presentation

CFO Shawa stated that a public hearing and Special Board Meeting would be held in September regarding rate increases in November.

Corporate Planning Manager Paul Eory introduced Mark Beauchamp, President of Utility Financial Solutions, who presented rate design trends and impacts to the distribution system for demand charges, time of use pricing and energy incentives. Mr. Eory presented rate design recommendations and costs of services. BWL will file the recommendations with the City Clerk on August 5, 2022, send out a notice on September 6, 2022, for a Public Rate Hearing to be held at a Special Board meeting on September 20, 2022, and submit for approval at the September 27, 2022, Regular Board meeting. On November 1, 2022, year one changes will be implemented and on November 1, 2023, year two changes will be implemented.

Commissioner Zerkle requested a booklet or pamphlet be made to distribute to customers in order for them to be informed and select what will be their most beneficial rates. GM Peffley responded that BWL Communications Department is working on a plan to educate customers in order for them to select what fits them best in order to reap benefits. Commissioner Zerkle requested that BWL work with community organizations to distribute the information.

CFO Shawa responded that a tentative communication plan and meetings to be scheduled will be presented in the July Monthly Update and requested that specific questions be brought to the Finance Committee Chairperson. Commissioner Zerkle requested that the information be provided in the monthly Executive Highlights instead of in the Committee Meetings.

Upon Commissioner Jester's request for information on differentiated pricing and solar customers outflow billing rate, a follow up meeting regarding rate strategy will be scheduled for Commissioner Jester with BWL staff.

PA 95

Executive Director of Customer Experience Stephen Serkaian and his team, Customer Service Manager Deanna Sparks, Community Relations Manager Breina Pugh, and Customer Experience Manager Bob Perialas recommended a change in policy to opt into PA 95. Opting into the PA 95 rate strategy would assist low-income households through the Michigan Public Service Commission by charging up to one dollar for every residential and commercial customer. If BWL opts into the PA 95 program, eligible customers facing shutoff will receive assistance with their bill. No resolution is necessary, and no Board action was required at this meeting.

Commissioner Zerkle commented that Commissioners have fought against opting into PA 95 as there was no guarantee that state assistance would be provided in the geographic area from which funds were received. Mr. Serkaian handed out a list of utilities opting into and out of PA 95, plus the MSPC statutory requirement to direct funds to the geographic area from which they were received to the extent possible.

Commissioner Merrill inquired why the request to opt into PA 95 was for 2023-2024 season after a year through another winter. Mr. Serkaian responded that since opting into PA 95 is a rate increase and a public hearing would need to be held, it is requested for the 2023-2024 season and is being added to the upcoming rate increase hearing.

Other

There was no other business.

Adjourn

Chairperson Tony Mullen adjourned the meeting at 8:33 p.m.

Respectfully submitted,
Tony Mullen, Chairperson
Finance Committee

Proposed Resolution
Appointment of the Charter Position of Corporate Secretary

WHEREAS, the Board's Rules of Procedure specify that the Board is to appoint a Director and General Manager, Internal Auditor, and Corporate Secretary, respectively at its first regular meeting following July 1st of each year or as soon thereafter as may be appropriate; and

WHEREAS, at the Special Board meeting on April 26, 2022, the Board approved extending an offer of employment effective May 9, 2022 to May 8, 2023 for the position of Corporate Secretary to LaVella J. Todd prior to July 1st and to conform with its Rules of Procedure, the Board anticipated a reappointment after July 1st; and

WHEREAS, the Board desires to appoint LaVella J. Todd for a new 12-month period commencing July 1, 2022 and ending June 30, 2023 to align the employment contract with the Rules of Procedure for annual review and appointment of its three employees at the end of each fiscal year ending June 30.

RESOLVED, that the Board of Commissioners hereby appoints LaVella J. Todd to the Charter position of Corporate Secretary for a one year term.

FURTHER RESOLVED, that LaVella J. Todd shall be extended an employment contract which shall be effective from July 1, 2022, and expire on June 30, 2023, or until such new date as may be set forth in an amended contract or a successor is appointed, whichever later occurs.

Motion by Commissioner _____, seconded by Commissioner _____, to approve the appointment of LaVella J. Todd as the Corporate Secretary at a Board meeting held on _____.

Proposed Resolution
Appointment of the Charter Position of Internal Auditor

WHEREAS, the Board's Rules of Procedure specify that the Board is to appoint a Director and General Manager, Internal Auditor, and Corporate Secretary, respectively at its first regular meeting following July 1st of each year or as soon thereafter as may be appropriate; and

WHEREAS, at the Special Board meeting on May 3, 2022, the Board approved extending an offer of employment effective May 9, 2022 to May 8, 2023 for the position of Internal Auditor to Frank J. Macciocca prior to July 1st and to conform with its Rules of Procedure, the Board anticipated a reappointment after July 1st; and

WHEREAS, the Board desires to appoint Frank L. Macciocca for a new 12-month period commencing July 1, 2022 and ending June 30, 2023 to align the employment contract with the Rules of Procedure for annual review and appointment of its three employees at the end of each fiscal year ending June 30.

RESOLVED, that the Board of Commissioners hereby appoints Frank J. Macciocca to the Charter position of Internal Auditor for a one year term.

FURTHER RESOLVED, that Frank J. Macciocca shall be extended an employment contract which shall be effective from July 1, 2022, and expire on June 30, 2023, or until such new date as may be set forth in an amended contract or a successor is appointed, whichever later occurs.

Motion by Commissioner _____, seconded by Commissioner _____, to approve the appointment of Frank J. Macciocca as the Internal Auditor at a Board meeting held on _____.

Proposed Resolution
Appointment of the Charter Position of Director and General Manager

The Board's Rules of Administrative Procedures specify that the Board is to appoint a Director and General Manager, Internal Auditor, and Corporate Secretary, at its first regular meeting following July 1st of each year or as soon as practicable thereafter.

RESOLVED, That the Board of Commissioners hereby appoints the following individual to the Charter position of Director and General Manager for fiscal year 2022-2023 or until a successor is appointed, whichever last occurs:

Richard R. Peffley, Director and General Manager

FURTHER RESOLVED, That the Chair of the Board of Commissioners is authorized to execute any and all contractual amendment documents which reflect merit adjustments recommended by the Human Resources Committee for FY 2022's performance.

PROPOSED RESOLUTION
Amending Appointment to Michigan Public Power Agency

WHEREAS, Dave Bolan is the Michigan Public Power Agency (MPPA) Commissioner on behalf of the Lansing Board of Water & Light (BWL), along with James Mitchell and Constance Carantza, who serve as First and Second Alternate Commissioners, respectively; and

WHEREAS, Lynn McKinstry serves as the BWL's Director of Operations' Process Support; and

WHEREAS, it is appropriate and in the best interest of the BWL to name a replacement for the BWL's First Alternate on behalf of the BWL.

NOW, BE IT RESOLVED, that Dave Bolan will remain as the MPPA Commissioner on behalf of the BWL.

FURTHER RESOLVED, that Constance Carantza will remain as the Second Alternate Commissioner.

FURTHER RESOLVED, that Lynn McKinstry is named as BWL's First Alternate MPPA Commissioner.

Proposed Resolution
Capital Project Exceedance: AE – Electric Annuals

WHEREAS, Lansing Board of Water & Light’s (BWL) Policy F1-13, entitled Capital Project Exceedance Approval, requires BWL Board of Commissioners approval for specific capital projects that are expected to exceed their previously approved designed budget amount by both 15% and \$200,000 prior to completion of the project; and

WHEREAS, the previously approved budget for Capital Project AE – Electric Annuals was \$15,692,000; and

WHEREAS, the projected final total cost for Capital Project AE – Electric Annuals is \$19,000,000, should the project be completed; and

WHEREAS, BWL staff and management reviewed the project cost in detail, which includes but is not limited to the rationale and circumstances for the increased budget projection; and

WHEREAS, BWL staff and management recommends that the Capital Project AE – Electric Annuals projected spending be approved; and

RESOLVED, the BWL Board of Commissioners approve projected spending for Capital Project AE – Electric Annuals with a projected final total cost of \$19,000,000.

Motion by Commissioner _____, Seconded by Commissioner _____, to approve the Resolution for the Capital Project Exceedance: AE – Electric Annuals at a Board meeting held on _____.

Proposed Resolution
Restated DC Plan 2

WHEREAS, the Lansing Board of Water & Light (the "Board") maintains the Lansing Board of Water and Light Defined Contribution Plan and Trust 2 (the "DC Plan 2"); and

WHEREAS, the Board uses the Internal Revenue Service ("IRS") preapproved prototype plan documents of Nationwide Retirement Solutions ("Nationwide"), the third party administrator for the DC Plan 2; and

WHEREAS, Nationwide has amended and restated its prototype plan documents to comply with the IRS's requirement that preapproved plan documents be restated every 6 years to incorporate all legislative and regulatory changes in the law; and

WHEREAS, the Board desires to amend and restate the DC Plan 2; and

WHEREAS, the Board has received and reviewed copies of the proposed DC Plan 2 and Summary of Plan Provisions; and

WHEREAS, the Board desires to approve and adopt the restated DC Plan 2 and Summary of Plan Provisions.

NOW THEREFORE, it is:

RESOLVED, that the restated DC Plan 2 is hereby approved and adopted, effective as set forth therein;

FURTHER RESOLVED, that the Summary of Plan Provisions is hereby approved and adopted, effective as set forth therein;

FURTHER RESOLVED, that any member of the Board of Commissioners, on behalf of the Board, is authorized to execute the restated DC Plan 2 and any other documents that are necessary to implement the foregoing resolutions.

Motion by Commissioner _____, Seconded by Commissioner _____, to approve and adopt Restated DC Plan 2 at a Board Meeting held on _____.