



**BOARD OF WATER & LIGHT BOARD OF COMMISSIONERS
REGULAR BOARD MEETING AGENDA
November 15, 2022 - 5:30 p.m.
1201 S. Washington Ave., Lansing, Michigan
REO Town Depot**

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. Approval of Minutes

- a. Regular Board Meeting Minutes of September 27, 2022

4. 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.*

5. Communications

- a. Electronic mail from Averill Woods Neighborhood Association re: Power Outages
- b. Electronic mail from Jesse Lasorda re: Tree Removal
- c. Electronic mail from Mallory Wey re: Utility Deposit Fee

6. Committee Reports

- a. Committee of the Whole Meeting (November 8, 2022) – Sandra Zerkle, Chairperson
- b. Finance Committee Meeting (November 8, 2022) – Dusty Horwitt, Chairperson
- c. Human Resources Committee Meeting (November 15, 2022) – Beth Graham, Chairperson
- d. Pension Fund Trustees Meeting (November 15, 2022) – Semone James, Chairperson

7. Manager's Recommendations

8. Unfinished Business

9. New Business

- a. Easement Grant Over Erickson Property to Consumers Energy Company - Resolution

10. Resolutions/Action Items

- a. Regular Board Meeting Schedule 2023 Resolution
- b. City of Lansing Lien Ordinance Resolution
- c. Steam Annuals Capital Project Exceedance Resolution
- d. Adoption of Amended and Restated Cafeteria Plan Resolution

- e. Acknowledgement of the Acceptance of FY 2022 Audited Financial Statements Resolution
- f. Appointment of Chairperson as Signatory for Trustees Designations Resolution

11. Manager's Remarks

12. Commissioners' Remarks

13. Motion of Excused Absence

14. Public Comment

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

15. Adjournment

Agenda posted on web site/building 11-10-22

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**

September 27, 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, September 27, 2022.

Chairperson Semone James called the meeting to order at 5:30 p.m.

The Corporate Secretary, LaVella J. Todd, called the roll.

Present: Commissioners Semone James, Dusty Horwitt, DeShon Leek, Tony Mullen, David Price, Tracy Thomas, and Sandra Zerkle. Non-Voting Commissioners present: Larry Merrill (Delta Township), and Maggie Sanders (Lansing Township)

Absent: Commissioners Beth Graham and Douglas Jester (East Lansing)

Corporate Secretary Todd declared a quorum.

Commissioner Leek led the Pledge of Allegiance.

APPROVAL OF MINUTES

Motion by Commissioner Price, **Seconded** by Commissioner Horwitt, to approve the Regular Board Meeting minutes of July 26, 2022.

Action: Motion Carried.

PUBLIC COMMENTS ON AGENDA ITEMS

There were no public comments on agenda items.

COMMUNICATIONS

Electronic mail received from Elaine Fischhoff regarding LBWL Rules of Procedure - *Referred to Management. Received and Placed on File*

Electronic mail received from Carla Jones regarding Power Outage - *Referred to Management. Received and Placed on File*

Electronic mail received from Elizabeth Calvert regarding Senior Citizen Utility Rate Fee - *Referred to Management. Received and Placed on File*

Electronic mail received from Amelia Woodruff regarding Utility Bill - *Referred to Management. Received and Placed on File*

Electronic mail received from Joel Christy regarding Utility Bill - *Referred to Management. Received and Placed on File*

Electronic mail received from Lisa Parker regarding Outside LED Lighting - *Referred to Management. Received and Placed on File*

COMMITTEE REPORTS

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

COMMITTEE OF THE WHOLE Meeting Minutes September 13, 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, September 13, 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, and Tracy Thomas; and Non-Voting Members: Larry Merrill (Delta Township).

Absent: Commissioners David Price; and Non-Voting Members: Douglas Jester (East Lansing) and Maggie Sanders (Lansing Township)

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Beth Graham, **Seconded** by Commissioner Tracy Thomas, to approve the Committee of the Whole meeting minutes of July 12, 2022.

Action: Motion Carried.

LBWL's Rules of Procedure

Chairperson Zerkle and Attorney Mark Matus shared the City Council's request for minor changes to the LBWL's Rules of Procedure in section 10.2 AGENDA FOR REGULAR MEETINGS, Preparation of Agenda, and section 19.2.3 MISCELLANEOUS, News Media Regulations. In addition, Commissioner Merrill stated section 2.1 NOTICE OF MEETINGS, Publication of Dates, does not need to be amended but needs some care by the Corporate Secretary to post the Annual Board Meeting Schedule 10-days prior to January 1st to be consistent with the provisions of the Open Meetings Act.

Motion by Commissioner Beth Graham, Seconded by Commissioner Beth Graham, Seconded by Commission Tracy Thomas, to approve the minor changes to the LBWL's Rules of Procedure and return them to the City Council.

LBWL's Rules of Procedure – Edited Version

Chairperson Zerkle introduced the agenda item. Commissioner Tony Mullen shared concerns with this agenda item being presented and questioned the relevance of discussing the item any further in that the Board has already reviewed the Rules of Procedure this year and some of the changes being suggested in the edited version were already voted down. Secondly, Commissioner Mullen cautioned the Board to make sure discussions are presented according to the Open Meetings Act as opposed to "round-robins" as Board action is supposed to be executed through resolutions. He also shared concerns regarding the time spent on answering questions on environmental matters. Commissioner Horwitt stated that because he was not in attendance during the Board's previous discussion on the Rules of Procedure, he wanted to discuss the proposed changes in the edited version as suggestions, either now, or in the future.

Motion by Commissioner Semone James, Seconded by Commissioner Dusty Horwitt, to discuss the LBWL's Rules of Procedure – Edited Version.

Commissioner Horwitt gave an overview of the suggested changes indicated in the LBWL's Rules of Procedure – Edited Version. Additional comments were presented by Attorney Mark Mattus regarding the grammatical changes shared by Commissioner Horwitt. A lengthy discussion followed regarding the suggested grammatical changes to the Rules of Procedure – Edited Version.

Commissioner Leek requested a call to question.

Roll Call Vote for call to question:

Yeas: Commissioners Sandra Zerkle, Beth Graham, DeShon Leek, Tony Mullen, Tracy Thomas, Dusty Horwitt

Nays: None.

Vote to end discussion on item 3. LBWL's Rules of Procedure – Edited Version passes.

Healthcare Review / PUBLIC ACT (PA) 152 Resolution

Michael Flowers, Human Resources Executive Director and Tracy Strudwick, Human Resources Manager, provided an overview of the Healthcare Review/PUBLIC ACT (PA) 152 and Resolution. Brief discussion followed.

Motion by Commissioner Beth Graham, Seconded by Commissioner Tracy Thomas, to forward the Healthcare Review / PA 152 Resolution to the full board for consideration.

Action: Motion Carried

Response to Public Questions Resolution

Motion to accept Response to Public Questions Resolution by Commissioner Semone James, Seconded by Commissioner Horwitt, to the full board for consideration.

Roll Call Vote for Motion:

Yeas: Commissioners Beth Graham, DeShon Leek, Tracy Thomas, Dusty Horwitt, Semone James, Sandra Zerkle; Non-voting Commissioners: Merrill.

Nays: Commissioner Tony Mullen

Response to Public Questions Resolution passes.

Other

Parking space changes – no discussion.

Environmental questions – referenced in above.

Motion by Commissioner Semone James, Seconded by Commissioner Beth Graham, to excuse Commissioners Douglas Jester and Maggie Sanders from tonight’s meeting.

Action: Motion Carried

Reflection

Commissioner Thomas requested reflection upon and well wishes for Commissioner David Price and his spouse considering his recent surgery.

Adjourn

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

Respectfully Submitted
Sandra Zerkle, Chairperson
Committee of the Whole

Finance Committee Chairperson Dusty Horwitt presented the Finance Committee Report:

**FINANCE COMMITTEE
Meeting Minutes
September 13, 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, September 13, 2022.

Finance Committee Chairperson Dusty Horwitt called the meeting to order at 6:40 p.m. and asked the Corporate Secretary to call the roll.

Present: Commissioners Dusty Horwitt, Semone James, and Sandra Zerkle. Also, present: Commissioners Beth Graham, Tony Mullen, and Tracy Thomas; and Non-Voting Commissioners: Larry Merrill (Delta Township)

Absent: Commissioners David Price, Douglas Jester (East Lansing) and Maggie Sanders (Lansing Township)

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner James, **Seconded** by Commissioner Zerkle, to approve the Finance Committee Meeting minutes of July 12, 2022.

Action: Motion Carried.

Baker Tilly External Audit Report and Resolution

Chief Financial Officer (CFO) Heather Shawa provided background information on the annual external audit report. Ms. Shawa introduced external auditor Aaron Worthman, Partner and CPA at Baker Tilly Virchow Krause, LLP. Mr. Worthman presented and highlighted the external audit report which included an audit overview, observations and recommendations, and required communications to governing body. Mr. Worthman reported that there were no deficiencies in internal controls and that the BWL and all three pension plans received unmodified audit opinions.

A Commissioner and external auditor question and answer discussion session followed.

Motion by Commissioner Semone James, **Seconded** by Commissioner Sandra Zerkle, to forward the Resolution for the FY2022 Audited Financial Statements to the full Board for consideration.

Action: Motion Carried.

July YTD Financial Summary

Chief Financial Officer (CFO) Heather Shawa gave a review of the July 2022 Year-to-date Financial Summary. CFO Shawa reported the following: revenues were budgeted at \$35.8 million and are at \$40.3 million; operating expenditures were budgeted at \$34.3 million and \$37.4 million was spent; Net Income was budgeted at \$1.5 million, and it is now at \$3 million.

Rate Change Update

CFO Shawa reported that the rate change notice was published on September 2, 2022, and the rate schedules were sent to the City of Lansing on August 5, 2022, for the Public Hearing to be held on September 20, 2022. The resolution for Board approval of the rate changes will be considered at the Board Meeting on September 27, 2022. Recommended changes will not include a demand charge for residential customers but will include a time of use of rate. Residential customers will also receive a discounted rate for the first 2 CCF of water. CFO Shawa stated that customers will be provided information on how the time of use rate will be beneficial to them and the rate change transition.

Retirement Plan Committee (RPC) Update

Accounting, Finance and Planning Director, Scott Taylor gave the Retirement Plan Committee (RPC) update presentation. The investment activity updates included the DB and VEBA investment manager changes of replacing Loomis, Sayles & Company and Vanguard Russell 1000 Value with Northern Trust S&P 500 Index Fund, VEBA portfolio rebalancing due to AEW and Blackstone real asset holdings outperforming other asset classes, and Defined Contribution 401(a) and Deferred Compensation 457(b) Plans fund and fund share class changes. Administrative activity updates included no reimbursements

being made from the VEBA Trust due to a shortfall in investment returns and communication will be made to participants regarding documentation needed for deductions and tax reporting.

Internal Audit Department Update

Internal Auditor Frank Macciocca presented the Internal Audit department update and requested approval of the FY2023 Internal Audit Plan.

Commissioner Zerkle asked whether the energy contract for the Battery cell venture would be audited and what part of shutting down the Erickson plant would be audited. Mr. Macciocca responded that the process and steps for the Battery cell venture and the shutdown of the plant would be audited in order to examine how to improve and streamline the entire process.

Motion by Commissioner James, **Seconded** by Commissioner Zerkle, to forward the Resolution for the FY2023 Internal Audit Plan to the full Board for consideration.

Action: Motion Carried.

Other

Motion by Chairperson Dusty Horwitt, **Seconded** by Commissioner Sandra Zerkle, to excuse Commissioners David Price, Douglas Jester and Maggie Sanders from tonight's meeting.

Action: Motion Carried

Adjourn

Chairperson Dusty Horwitt adjourned the meeting at 8:00 p.m.

Respectfully submitted
Dusty Horwitt, Chairperson
Finance Committee

MANAGER'S RECOMMENDATIONS

There were no Manager's Recommendations.

UNFINISHED BUSINESS

Motion by Chairperson Semone James, **Seconded** by Commissioner Sandra Zerkle to appoint Commissioner Tracy Thomas as the fourth member of the Executive Committee for FY 2022-2023.

Action: Motion Carried.

Chairperson James acknowledged Commissioner Dusty Horwitt as the Chairperson of the Finance Committee for FY 2022-2023 and Commissioner Beth Graham as the Chairperson of the Human Resources Committee for FY 2022-2023.

NEW BUSINESS

There was no new business.

RESOLUTIONS

RESOLUTION 2022-09-01

LBWL Rules of Procedure Amendments

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

WHEREAS, the Board last updated their Rules of Procedure with technical changes to provide clarity, as well as several substantive amendments, on March 22, 2022 and thereafter submitted them to City Council for approval; and

WHEREAS, following a July 25, 2022 City Council Committee of the Whole meeting, the City Council President sent a July 28, 2022 letter requesting the BWL Board of Commissioners to consider further adjustments to the proposed Rules; and

WHEREAS, the Board considered amendments to its Rules at its Committee of the Whole meeting on September 13, 2022, and approved the amendments at its regular Board meeting on September 27, 2022.

NOW, THEREFORE, BE IT RESOLVED, the Rules of Procedure are amended as set forth in Attachment A and the Corporate Secretary may now submit the revised Rules to the Lansing City Clerk and the City Council.

Motion by Commissioner Horwitt, **Seconded** by Commissioner Price, to approve the Amendments to the LBWL Rules of Procedure with friendly amendment and to send the Amended Rules of Procedure to the City of Lansing.

Commissioner Price proposed a friendly amendment to the resolution to address the grammatical corrections as there are no substantive change to the Rules of Procedure.

Action: Motion Carried.

RESOLUTION 2022-09-02

PA 152 Health Care Premium Sharing

WHEREAS, Governor Rick Snyder, on September 27, 2011, signed legislation known as the "Public Funded Health Insurance Contribution Act", Public Act 152 of 2011 (the "Act") limiting the amount public employers may pay for government employee medical benefits, and;

WHEREAS, the Act took effect January 1, 2012 and applies to all public employers including the Lansing Board of Water & Light, and;

WHEREAS, the Act contains three options for complying with the requirements of the Act;

WHEREAS, the three options are as follows:

- 1) Section 3 - "Hard Caps" Option - limits a public employer's total annual health care costs for employees based on coverage levels, as defined in the Act;
- 2) Section 4 - "80%/20%" Option - limits a public employer's share of total annual health care costs to not more than 80%. This option requires an annual majority vote of the governing body;
- 3) Section 8 - "Exemption" Option - a local unit of government, as defined in the Act, may exempt itself from the requirements of the Act by an annual 2/3 vote of the governing body;

WHEREAS, the Board of Commissioners desires to maintain premium sharing at 20% for all active employees for medical benefits effective January 1, 2023 through December 31,2023;

RESOLVE that the Board of Commissioners by a majority vote has decided to adopt the 80%/20% option as its choice of compliance under the Act;

NOW, THEREFORE, BE IT RESOLVED the Board of Commissioners of the Lansing Board of Water & Light elects to comply with the requirements of 2011 Public Act 152, the Publicly Funded Health Insurance Contribution Act, by adopting the 80%/20% option for the medical benefit plan coverage year January 1, 2023 through December 31,2023.

Motion by Commissioner Zerkle, **Seconded** by Commissioner Price, to approve the PA 152 Health Care Premium Sharing Resolution.

Action: Motion Carried.

RESOLUTION 2022-09-03

Commissioner Questions Pertaining to Environmental Matters

WHEREAS, the Board of Commissioners of the Lansing Board of Water & Light (BWL) desire to establish a process when they have received questions from the public or have their own questions pertaining to environmental matters at the BWL that they would like the General Manager or staff to have time to prepare for in advance of presenting responses at a Board or Committee meeting.

NOW THEREFORE BE IT RESOLVED, when Commissioners have received questions from the public or have their own questions pertaining to environmental matters at the BWL that they would like the General Manager or staff to have time to prepare for in advance of presenting responses at a Board or Committee meeting, the Commissioner(s) shall submit the question(s) directly to the General Manager and the Corporate Secretary. The questions should be submitted with sufficient time for review and analysis by the General Manager and sufficient time for the questions to be included in the meeting packet prepared by the Corporate Secretary so that they can be addressed under the "other" portion of the meeting agenda. This does not preclude Commissioners from asking any question they deem necessary or

appropriate at a meeting but is instead intended to provide advance notice to all Commissioners of such questions that have been presented in advance of a meeting.

Motion by Commissioner Zerkle, **Seconded** by Commissioner Horwitt, to approve the Resolution for the Commissioner Questions Pertaining to Environmental Matters.

Yeas: Commissioners Semone James, Dusty Horwitt, Semone James, DeShon Leek, David Price, Tracy Thomas and Sandra Zerkle.

Nays: Commissioner Tony Mullen.

Action: Motion Carried.

RESOLUTION 2022-09-04

**Fiscal Year 2022 Audited Financial Statements
of the Enterprise Fund and Pension Fiduciary Funds**

RESOLVED, that the fiscal year 2022 Audited Financial Statements of the Board of Water and Light have been reviewed and are hereby accepted as presented.

FURTHER RESOLVED, that the Corporate Secretary is hereby directed to file a copy of the fiscal year 2022 Audited Financial Statements of the Board of Water and Light with the City of Lansing no later than October 2022.

Motion by Commissioner Horwitt, **Seconded** by Commissioner Mullen, to approve the Resolution for the acceptance of the Fiscal Year 2022 Audited Financial Statements of the Enterprise Fund and Pension Fiduciary Funds.

Action: Motion Carried.

RESOLUTION 2022-09-05

Internal Audit Plan for FY 2023

RESOLVED, That the Board of Commissioners hereby approves the Internal Audit Plan for FY 2023.

Motion by Commissioner Horwitt, **Seconded** by Commissioner Mullen, to accept the Internal Audit Plan for FY 2023.

Action: Motion Carried.

RESOLUTION 2022-09-06

2022-2023 Rate Increases for Electric, Water, Steam and Chilled Water

WHEREAS, just and reasonable rates shall be established that enable the Lansing Board of Water & Light (BWL) to meet its mission of serving the Greater Lansing area by providing safe, reliable and affordable utility services; and

WHEREAS, BWL management has evaluated the rates for each utility relative to its mission, its Rate Making Principles and its financial plan and recommends the following changes to the rates for each utility:

I. Electric (Attachment A):

BWL management recommends an overall increase of 2.05%, comprised of varying individual rate class increases, to electric billings on November 1, 2022, and November 1, 2023; and

BWL management recommends the following specific changes to the electric rates:

- a) introduction of a Residential Off-Peak Savers Time-of-Use tariff;
- b) the closing of the Residential Senior Citizen Rate 21;
- c) a new rate structure of Small, Midsize, Large, and Extra Large commercial and industrial classes;
- d) additional rate offerings for commercial & industrial customers including Time-of-Use, Commercial Electric Vehicle Charging Station, High Load Factor, Market Based Economic Development and a Standby Rate for Dispatchable Generators; and
- e) new electric riders including the Low Income Energy Assistance Fund Surcharge established through Public Act 95 of 2013, Renewable Energy Distributed Generation Rider that replaces the Renewable Energy Net Metering Rider and the Rate Transition Credit Rider.

II. Water (Attachment B):

BWL management recommends an overall increase of 9.5%, comprised of varying individual rate class increases, to water billings on November 1, 2022, and November 1, 2023; and

BWL management also recommends the introduction of a tiered rate structure for Residential Water Service that provides a discounted first 2 CCFs (1,500 gallons) of water per month, and separate Residential and Commercial Lawn Sprinkling Water Service tariffs; and

BWL management also recommends the implementation of a Water Environmental Charge Rider to recover the costs and expenses incurred from environmental remediation and mitigation activities that are required as a matter of agreement, order, decree, or law.

III. Steam (Attachment C):

BWL management recommends a 9.95% increase in steam billings on November 1, 2022, and November 1, 2023; and

BWL management also recommends the removal of the Amine Treatment Adjustment from the General Steam Service Rate 1, Contract Steam Service Rate 3 and Residential Steam Service Rate 5 tariffs.

IV. Chilled Water (Attachment D):

BWL management recommends a 4.0% increase to chilled water billings on November 1, 2022, and November 1, 2023; and

BWL management also recommends the introduction of a Chilled Water Fuel Cost Adjustment Rider to recover the costs of fuel used in the production of chilled water.

WHEREAS, notice of the proposed rate increases was communicated to all customers by public notice on September 2, 2022, and a public hearing was held on September 20, 2022, to receive comments on the proposed increases; and

WHEREAS, the Board of Commissioners has considered the comments of the public as well as recommendations made by BWL management.

THEREFORE, it is:

RESOLVED, that the electric, water, steam, and chilled water rate schedules, detailed in Attachments A – D, be adopted and made effective for electric, water, steam, and chilled water utility services on November 1, 2022, and November 1, 2023.

Motion by Commissioner Thomas, **Seconded** by Commissioner Mullen, to adopt the 2022 – 2023 Rate Increases for Electric, Water, Steam and Chilled Water.

Roll Call Vote:

Yeas: Commissioners Semone James, Dusty Horwitt, DeShon Leek, Tony Mullen, David Price, Tracy Thomas, Sandra Zerkle

Nays: None

Action: Motion Carried.

MANAGER’S REMARKS

General Manager Dick Peffley provided the following information:

1. The area around Eckert Station is being cleaned up and being made aesthetically pleasing and safe as it will be open for the foreseeable future. The cooling towers will be taken down first, followed by removal of the conveyor belts that run up to the building, and removal of an onsite water silo.
2. EGLE published its draft for the Drinking Water State Revolving Fund for which LBWL submitted an application and LBWL ranked third on its priority list. It appears that LBWL will be approved for \$32.2 million; \$12.2 million of which will be at the low interest of 1.875%; and \$20 million will be

in principal forgiveness. The finalization of the funding sources will be completed in October by EGLE.

3. Delta Energy Park (DEP) was recognized for world class safety by the National Maintenance Agreement at the Policy Committee meeting. Scheck Mechanical received the award for zero injuries on the DEP site.
4. Engineering News Record (ENR) Midwest awarded Delta Energy Park with the Best Project, Energy/Industrial in its Best Projects competition. The Best Overall Project notification will be sent in December.
5. Careers in Energy Week is October 17, 2022 to October 21, 2022. BWL is hosting high school students on October 17th and middle school students on October 21st.

COMMISSIONERS' REMARKS

Commissioner Zerkle commented that questions and answers to environmental matters were included in the packet and asked GM Peffley to provide information on the success of the different agencies that participated in the resource fairs. GM Peffley responded that approximately 90% of the people attending were assisted and the success of the two resource fairs was gauged by the smiling faces of the customers that were assisted by approximately a dozen community agencies.

Commissioner Thomas congratulated Commissioner Beth Graham on the appointment as Human Resources Committee Chairperson. He also commented on the improvement toward the application for the Drinking Water State Revolving Fund.

EXCUSED ABSENCE

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

Action: Motion Carried.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Chairperson James adjourned the meeting at 5:50 p.m.

LaVella J. Todd, Corporate Secretary

Preliminary Minutes filed (electronically) with Lansing City Clerk 10-04-22

Approved by the Board of Commissioners: 11-__-22

Official Minutes filed (electronically) with Lansing City Clerk: 11-__-22

From: [Beth Graham](#)
To: [LaVella Todd](#); [Maria Koutsoukos](#)
Subject: Power outages in the Averill neighborhood
Date: Tuesday, October 11, 2022 10:57:11 AM
Attachments: [5E523840-3694-4182-9E68-DF679D1B6D38.jpeg](#)

- ITD

Lavella,

My son just shared this with me, his neighborhood seems to have several outages and his power just went out again. Can this be addressed?

Thank you,

Beth Graham



--

Beth L. Graham, RAA PMN ePRO C2EX PSA
Certified Residential Appraiser

Sent: Monday, October 24, 2022 8:46 AM

Submitted on Mon, 10/24/2022 - 8:45 AM

Select a Commissioner:

All Commissioners

Name

Jesse Lasorda

Address

LANSING, Michigan

Message

I would like someone from the commission to contact me in regards to an issue with a healthy tree removal and damage to my property made by BWL. Currently no one from BWL will return my phone calls which includes the General Manager.

Submitted on Wed, 10/26/2022 - 6:03 PM

Select a Commissioner:

All Commissioners

Name

Mallory Wey

Address

Lansing , Michigan

Message

Hello commissioners of Bwl, my name is Mallory wey and I have some concerns regarding my bill. I've talked to the call center and had a call back from a supervisor with no help. I had a shut off the month of September I believe. I'm being told they can add a deposit fee on now because I'm "eligible". It's over 400 and I can't pay this. Originally one got waived and so did another because I spoke with a lady and she also could not figure out something. She told me I was all set and would not be charged a deposit. I have never been informed this was possible! It's very upsetting. If I can't pay a 200 dollar bill why do you think I can pay over 400 for a deposit. I'm struggling paying my bills with you guys on time as it is. I'm asking if I could please have this waived. The cost of living is enough I don't need this 400 dollar bill as well. Thank you for understanding.

COMMITTEE OF THE WHOLE
Meeting Minutes
November 8, 2022

The Committee of the Whole of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, on Tuesday, November 8, 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, 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 Beth Graham and Non-Voting Commissioner Maggie Sanders (Lansing Township)

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Thomas, **Seconded** by Commissioner Mullen, to approve the Committee of the Whole meeting minutes of September 13, 2022.

Commissioner James stated that her name wasn't listed in the Roll Call Vote in the Committee of the Whole minutes. Commissioner James added Commissioner Price wasn't included in the excused absence motion.

Commissioner Horwitt requested that environmental be included in the Response to Public Questions in the minutes.

Commissioner Merrill stated that his name was included in the Yea votes in the Roll Call Vote for the Response to Public Questions.

The minutes will be corrected as indicated.

Action: Motion Carried.

Regular Board Meeting Schedule 2023 Resolution

Chairperson Zerkle requested the Committee approve the 2023 Regular Board Meeting Schedule.

Motion by Commissioner Horwitt, **Seconded** by Commissioner Price, to approve the Regular Board Meeting Schedule 2023 Resolution and forward it to the full Board for consideration.

Action: Motion Carried.

City of Lansing Lien Ordinance

General Counsel Mark Matus stated that the Lansing City Charter authorizes the LBWL to impose a lien against a property for unpaid utilities, but a previous request has never been made for the City of Lansing to pass an ordinance. A lien against a property with BWL utility service is a sound collection technique and collection can be made when the property is sold. LBWL Associate Attorney Yolanda Bennett presented the Lien Ordinance for Collection of Unpaid Utility Bills to the Committee of the Whole. The Lien Ordinance is being requested to reduce uncollected utility bills bad debt, starting with Commercial and Industrial properties. Public Notice will be published in a local newspaper, final notice will be sent to the property owner and will become a lien on the property if the bill remains unpaid.

Commissioner Mullen asked what recourse is needed to get the lien ordinance accomplished if the City doesn't approve the ordinance. Ms. Bennett responded that there is no recourse, but other jurisdictions have similar ordinances and there is case law that upholds the collection of unpaid charges by lien ordinances.

The Commissioners commented and discussed the effectiveness of the placement of a lien on the property, legal authorities, the cost of placing a lien on a property, and what amount owed would cause a lien to be placed on the property. Ms. Bennett responded that an amount has not been set but is being considered for larger accounts. Ms. Bennett also responded there would be no extra cost in having a lien ordinance but will follow up with finding whether there will be extra cost with enforcing the ordinance. General Manager (GM) Peffley responded that he will follow up with guidelines and procedures for the amount to set for a lien to be placed on a property.

Motion by Commissioner Price, **Seconded** by Commissioner James for the Lansing Board of Water & Light to make a request to the City Council to draft the Lien Ordinance to allow LBWL to place liens on property.

Action: Motion Carried.

Mr. Matus and Ms. Bennett will draft a resolution for the Lien Ordinance to present to the City of Lansing for the full Board to approve at the next Board meeting.

All-Source RFP (Request for Proposal)

GM Peffley gave a brief update on the All-Source Request for Proposal which is the next step in bringing customers clean and affordable energy. Projected proposals are to be received by January 13, 2023 with a target to bring new energy online by June 1, 2025. The evaluation of the proposals will be based on economics, risk of completing the project in a timely manner, and BWL's strategic alignment. More than 50 proposals have been received.

Other

GM Peffley gave a brief update on the recent power outage that affected 13,000 customers.

Commissioner James spoke with Julie Pioch at MSU Extension regarding training for Commissioners on the Robert's Rules of Order. The Corporate Secretary will send an email to the Commissioners for training availability in January.

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

Action: Motion Carried.

Adjourn

Chairperson Zerkle adjourned the meeting at 6:31 p.m.

Respectfully Submitted
Sandra Zerkle, Chairperson
Committee of the Whole

FINANCE COMMITTEE
Meeting Minutes
November 08, 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, November 8, 2022.

Finance Committee Chairperson Dusty Horwitt called the meeting to order at 6:45 p.m. and asked the Corporate Secretary to call the roll.

Present: Commissioners Dusty Horwitt, Semone James, David Price, and Sandra Zerkle. Also, present: Commissioners Tony Mullen, and Tracy Thomas; and Non-Voting Commissioners: Douglas Jester (East Lansing), and Larry Merrill (Delta Township).

Absent: None.

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner James, **Seconded** by Commissioner Zerkle, to approve the Finance Committee Meeting minutes of September 13, 2022.

Action: Motion Carried.

September YTD Financial Summary

CFO Shawa presented the September YTD Financial Summary. The Wholesale Income Actual vs Budget YTD is positive by 100% due to higher market prices and also affects the Net Income. O&M Budget YTD is 18% underspend is due to vacancies and is normal in the first quarter. Capital Budget YTD is positive by 61% due to a carryover payout in the first quarter for a CTG planned outage. The Debt to Total Assets median is not being met due to nonreceipt of unpaid debt. Benefits Cost is low due to receipt of stop loss payments and lower claims.

Capital Project Summary

CFO Shawa presented the Capital Project Summary. The difference between Projected and Budget totals is due to carryover of deferred or delayed projects due to supply chain issues.

Commissioner Zerkle asked Ms. Shawa to identify the carryover projects on the Summary. CFO Shawa responded that she would provide that information to the Commissioners and put those items on future Capital Project Summaries.

CFO Shawa responded that the Steam Annuals Variance was due to I-496 construction and a project exceedance request is being made for it.

Steam Annuals Capital Project Exceedance - Resolution

CFO Shawa requested approval of the Steam Annuals Capital Project Exceedance which is a \$1.4 million opportunity in accordance with the I-496 construction. GM Peffley stated that the project is being moved forward to be completed before the I-496 construction is completed so that ground will not need to be torn up. The project will delay the I-496 construction by one month.

Commissioner James requested that it be stated in the Steam Annuals Capital Project Exceedance Resolution that it is an opportunity. Commissioner Price requested amending the resolution and adding another WHEREAS section because of emergent need due to I-496 construction.

Motion by Commissioner James, **Seconded** by Commissioner Price, to approve the Resolution for the Steam Annuals Capital Project Exceedance, with the addition of the project exceedance being an opportunity, and forward it to the full Board for consideration.

CFO Shawa will amend the Resolution and submit it to the full Board for consideration at the November 15, 2022 Regular Board Meeting.

GM Peffley provided Commissioner Jester with an update on the status of switching from steam to hot water. A new contract is being negotiated with General Motors for converting steam to hot water, and 10.5 miles of steam mains and steam barrels are being considered for replacement. The first conversion would be at the Grand River Assembly Plant.

Action: Motion Carried.

Retirement Plan Committee (RPC) Update

CFO Shawa reported on the investment and administrative activity from the Retirement Plan Committee. Two in person question and answer sessions will be held at BWL on November 28th and December 5th and a virtual session will be held on December 12th.

Internal Audit Department Update

Internal Auditor Frank Macciocca provided the Internal Audit Department Update.

Other

There was no other business.

Adjourn

Chairperson Dusty Horwitt adjourned the meeting at 7:25 p.m.

Respectfully submitted
Dusty Horwitt, Chairperson
Finance Committee

Human Resources Committee Meeting (November 15, 2022)

The Committee Report/Minutes are not available at the time of the creation of the Board packet.

Pension Fund Trustees Meeting (November 15, 2022)

The Committee Report/Minutes are not available due to the meeting being held prior to the current Board Meeting.

EASEMENT FOR PIPELINES

Master Tract # ROW000916070816
SAP# 1060140544
Design# 11340955
Agreement# MI00000060893

CITY OF LANSING BY ITS BOARD OF WATER AND LIGHT, a Michigan Municipal Utility, whose address is 1232 Haco Drive, Lansing, Michigan 48912 (hereinafter "Owner")

for \$1.00 and other good and valuable consideration [*exempt from real estate transfer tax pursuant to MCLA 207.505(f) and from State real estate transfer tax pursuant to MCLA 207.526(f)*] grants and warrants to

CONSUMERS ENERGY COMPANY, a Michigan corporation, One Energy Plaza, Jackson, Michigan 49201 (hereinafter "Consumers")

a permanent non-exclusive easement to enter certain real property owned by Owner located in the Township of Delta, County of Eaton, and State of Michigan as more particularly described in the attached Exhibit A (hereinafter "Owner's Land") to construct, operate, maintain (specifically excluding cathodic protection systems, except where approved in advance by Owner), inspect (including aerial patrol), repair, survey, replace, reconstruct, improve, remove, relocate, change the size of, enlarge only within the Easement Area as herein defined and protect in place a pipeline or pipelines in, on, under, over, across, and through a portion of Owner's Land (hereinafter "Easement Area") as more fully described in the attached Exhibit B, together with any required associated valves, fittings, location markers and signs, communication systems, utility lines, protective apparatus and all other equipment, appurtenances, and facilities, below grade or as reasonably necessary above grade, ("Facilities") and reasonably necessary except cathodic protection controls (whether below or aboveground) will be permitted only where approved in advance by Owner but in no event are such cathodic protection controls permitted within 50 feet of wells, useful or incidental for the operation or protection thereof, for the purpose of transmitting and distributing natural gas and for no other purpose. Consumers may not conduct any other activity, even as may be convenient in connection therewith as determined by Consumers for the purpose of transmitting and distributing natural gas, without the prior written consent of Owner. Owner reserves the right to use and allow others to use the Easement Area, provided such use does not unreasonably interfere with Consumer's use of the Easement Area as provided herein.

Additional Work Space: In addition to the Easement rights granted herein, Owner further grants to Consumers, during initial construction and installation only, which shall in no event be more than 10 (ten) months, the right to temporarily use such additional work space reasonably required to construct said Facilities, excluding restoration. Restoration will be completed as soon as practical after construction. Said temporary work space shall abut the Easement Area, on either side, as required by construction as shown on Exhibit C.

Acceptance of the Property: Consumers has examined the Easement Area prior to the execution of this agreement and accepts same in the condition as it exists at the execution of this agreement and waives any and all claims Consumers (or its successors

or assigns) may at any time have against Owner related to the condition of the Easement Area, except where provided in the Section titled Environment below or required by law. Owners shall have no obligation to make any repairs to the Easement Area.

Access: Consumers shall have the right to access said Facilities, and the right of ingress and egress on, over, and through Owner's Land between Canal Road and the Easement Area for any and all purposes necessary to the exercise by Consumers of the rights granted hereunder. Consumers shall provide advance notice to Owner of any significant work on the Easement Area, except in the event of an emergency, when advance notice shall not be required.

Trees and Other Vegetation: Owner and Consumers shall not plant any trees within the Easement Area. Consumers shall have the right to trim, cut down, and otherwise remove and control any trees, brush, roots, and other vegetation within the Easement Area that interferes or threatens to interfere with Consumers' use of the Easement or the Facilities upon advance notice via regular mail to Owner whenever reasonably practical except in the event of an emergency or service restoration.

Buildings/Structures: Absent anything to the contrary herein, Owner agrees not to build, create, construct, or permit to be built, created, or constructed, any permanent obstruction, building, septic system, drain field, fuel tank, pond, swimming pool, lake, pit, well, foundation, engineering works, installation or any other type of structure over, under, or on said Easement Area that would impair Consumers' rights under this agreement or any temporary obstruction that would impair Consumers' rights under this agreement.

Unobstructed Use: Consumers' use of the Easement Area shall at all times be subject to Owner's use provided such use does not unreasonably interfere with Consumer's permitted use as provided herein. Without limiting the foregoing, Consumers' use of the Easement Area shall be at all times subject to the right of Owner to construct, operate, maintain, repair, enlarge, change, relocate, substitute for, remove, and replace electric lines, gas pipelines, towers, poles, or other structures for the transmission and distribution of water, electricity, gas, and other utilities, in, on, under, over, or across the Easement Area, and to cut, trim, remove, destroy, or otherwise control any trees, brush, and other vegetation now or hereinafter standing or growing on the Easement Area as Owner, in Owner's sole judgment, deems necessary or advisable for the protection of Owner's water, electric, gas, or other facilities. Consumers assumes the risk of damage to the Facilities, Consumers' property, or Consumers' improvements on the Easement Area resulting from Owner's use of the Easement Area, except in the event of Owner's negligent or willful misconduct, on Owner's Land, and waives all claims against Owner for any such damage. Owner shall accept no responsibility or liability in connection with the safety of the work performed by Consumers under this Easement.

Performance of Work: Construction, operation, maintenance, alterations, improvements, additions, repair, inspection, and removal of the Facilities shall comply with all of the following conditions, limitations, and requirements:

(a) At Owner's expense, Owner may have an inspector present at all times during the initial construction of said Facilities. It is expressly agreed that the making of such inspections or the failure to inspect shall not impose any liability on Owner for the adequacy of safety of the work of Consumers and shall not relieve Consumers from any responsibility, obligation, or liability assumed by Consumers under this agreement or otherwise. Consumers shall give Owner seven (7) days' notice prior to construction of said Facilities.

(b) The Facilities shall not be located within

(i) fifty (50) feet of any well head,

(ii) ten (10) feet horizontally and eighteen (18) inches vertically of any other water facilities, and

(iii) ten (10) feet from electric distribution or transmission lines, poles, or structures located in, on, under, over, or across the Easement Area, unless otherwise approved by Owner in writing. Any trench work in the vicinity of a tower or pole, will be done such that the slope of the angle formed by the floor of the trench to the base of the structure at grade shall have a slope of less than 1 foot of rise per 1 foot of distance (a slope of less than 45 degrees). Said 1 foot of rise per 1 foot of distance requirement will apply for the distance between the trench and the pole; the bottom of the trench must be an equal distance from any pole and no deeper than the butt of the pole and in the event a deeper trench is required, the pole must be supported.

(c) Consumers, by exercising the rights herein granted, agrees that during all excavation the topsoil shall be placed on one side of the trench and the subsoil on the other side. Any of Owner's pipelines or water facilities that are exposed during excavation or construction shall have 100% sand backfill to at least within one (1) foot of grade, rather than subsoil unless Owner advised otherwise. After the trench is dug and the Facilities are placed, the site shall be restored by putting clean soil in first and then the topsoil, except in the event sand backfill is required as provided herein. Restoration shall be completed so that the ground elevation and grade, preconstruction and post-construction, remain the same, and Consumers shall grade and reseed all disturbed areas with grasses appropriate for the time of year upon the completion of construction or near thereafter as practical.

(d) Prior to commencing any excavation or digging on the Easement Area, Consumers shall contact the Utility Communications System (Miss Dig), prior to performing any excavation or similar activity in accordance with Michigan Compiled Law 460.721 et seq., as amended by Public Act 17 4 of 2013 and any future amendments.

Heavy Equipment Use on Property: The design of the Facilities shall incorporate the expectation that Owner, including its agents and/or contractors, will be using heavy equipment on the Easement Area and/or Owner's Land, and therefore, the Facilities shall be capable of withstanding such loading. Regardless of the forgoing, in no event shall Owner, including its agents and/or contractors, exceed 24,000 pounds per axle when crossing the Easement Area with heavy equipment. Equipment shall be operated at no more than 5 miles per hour when crossing the Easement Area to minimize impact loading. In the event Owner, including its agents and/or contractors, exceeds 24,000 pounds per axle, Owner, or its agents and/or contractors, shall submit weight to Consumers for further evaluation and Owner, or its agents and/or contractors, may be required to install protective bridging. Consumers will provide drawings showing accepted bridging practices.

Ground Elevation and Grade: Should Owner desire to change the grade within the Easement Area by more than six (6) inches, Owner shall notify Consumers to determine appropriate measures to protect the Facilities. Consumers shall not change the ground elevation or grade of the Easement Area or Owner's Land.

Alterations: Consumers shall not make any significant alterations, improvements, or additions in, on, under, over, or across the Easement Area or its Facilities located on the Easement Area except as provided herein or without first supplying Owner with such plans and details for any proposed alteration, improvement, or addition as may be reasonably required by Owner. Nor shall Consumers make any surface alterations, improvements, or additions, in, on, over, or across the Easement Area or its Facilities after the initial construction that may significantly interfere with Owner's right to and use of the Easement Area without Owner's advance written consent, which shall not be unreasonably withheld.

Removal of Facilities and Alterations: Upon the expiration or any termination of this easement, Consumers shall, at Consumers' sole cost and expense, promptly remove all aboveground Facilities and all alterations, improvements, or additions in, on, under, over, across, or to the Easement Area, made by Consumers or on Consumers' behalf, including but not limited to those contemplated herein, whether performed with or without Owner's consent as provided herein. Further, Consumers shall yield and deliver the Easement Area unless otherwise approved of Owner, in a like condition as when taken subject to normal wear and tear, provided however, Owner may designate by written notice to Consumers those alterations, improvements, or additions which Consumers shall not remove but shall remain and be stabilized in a condition that conforms with industry standards; said designated alterations, additions, or improvements that are not to be removed shall then attach to the real estate and become property of Owner and shall be transferred from Consumers to Owner by a bill of sale. If Consumers fails to do so, Owner may, at its option, have such work performed, in which event Consumers shall reimburse Owner for the cost thereof, including attorney fees, due and payable within sixty (60) days of notice.

Property Restoration: At least fourteen days (or other reasonable timeframe for the circumstances) prior to completion of any work performed by Consumers hereunder, Consumers shall notify Owner to allow for an inspection. Upon completion of any work performed or caused to be performed by Consumers permitted herein, Consumers shall be responsible to clean up and return Owner's Land, including the Easement Area, to a similar condition that existed prior to said work including to and not limited to ground elevation and grade. If Consumers fails to do so, Owner may, at its option, have such cleanup work performed, in which event Consumers shall reimburse Owner for the cost thereof, due and payable within sixty (60) days of notice. Consumers shall reimburse Owner for all damage to Easement Area, Owner's Land, or other property whether real or personal related to any work performed by Consumers, or caused to be performed on Consumers' behalf, or related in any way to this agreement. Consumers shall immediately report the occurrence of any such personal property damage to Owner.

Spoil: Notwithstanding any requirement to backfill herein, spoil generated in connection with the exercise of Consumers' use of the Easement Area or the exercise of the rights granted in this agreement shall remain on Owner's Land and shall not be transported off Owner's Land without Owner's prior written consent. No spoils shall be stockpiled within fifty (50) feet of any well head or directly under any electric transmission or distribution lines, now or in the future located in, on, under, over, or across the Easement Area unless otherwise approved by Owner. Consumers shall, as soon as reasonably practical, notify Owner of the presence of contaminated spoil upon becoming aware of it at the Easement Area or Owner's Land and transport any such spoil from the Easement Area and/or Owner's Land, in accordance with all applicable laws, rules, and regulations.

Protection of Owner's Facilities: Consumers must maintain the Facilities, Easement Area, and appurtenances in safe and good repair at all times and take reasonable precautions to prevent damage to Owner's Land. Consumers hereby agrees to protect any wells, poles, and/or other structures and facilities now or hereafter located in, on, over, under, or across the Easement Area or

Owner's Land by the erection and maintenance of suitable means of protection as may reasonably be deemed to be required by the engineers of Owner, and Consumers agrees that the erection and maintenance thereof shall be at its sole cost and expense. Consumers shall ensure that its use of the Easement Area does not interfere with the operations or maintenance of, or in any way affect the continuity of service provided by Owner's utility facilities now or hereafter located in, on, under, over, or across the Easement Area or in the vicinity of the Easement Area unless otherwise approved in writing in advance by Owner.

Relocation of Facilities: If Owner finds it necessary to change or relocate its facilities located in, on, under, over, or across the Easement Area, Owner's Land, or adjoining property in order to accommodate Consumers' use of the Easement Area as herein provided, Owner shall be responsible for the actual costs and expenses for such relocation.

Compliance with Laws: Consumers, its agents, invitees, visitors, employees, contractors, and subcontractors shall comply with all laws, ordinances, and regulations of all federal, state, or local governmental authorities that are now or hereafter in any manner affecting the Easement Area and the use and occupancy thereof; provided however, that nothing herein shall be construed as a waiver by Consumers of any of its existing or future rights under state or Federal law. Consumers shall be responsible for obtaining and following any and all environmental or other permits that may be necessary to support the Facilities' construction, operation, or maintenance activities upon the Easement Area and shall provide to Owner copies of all such permits associated with initial construction or as reasonably requested by Owner.

Environmental: Consumers shall not interfere with any soil erosion and sedimentation controls, environmental testing or remediation efforts (if any), whether by Owner or a third party. Without limiting any other provision of this agreement, Consumers shall comply in all material respects with all applicable constitutional provisions, laws, ordinances, orders, requirements, rules, and regulations made by any governmental entity, body, or authority relating to its property and operations under this Lease. If Consumers' use of the Easement Area results in the presence on, in, or under the Easement Area (which includes but is not limited to the groundwater underlying the Easement Area) of contaminants, hazardous waste, hazardous substances or constituents, or toxic substances, as currently or hereafter defined in the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 USCA 9601 et seq; the Resource Conservation and Recovery Act (RCRA), 42 USCA 6901 et seq; the Toxic Substances Control Act (TSCA), 15 USCA 2601 et seq; the Michigan Natural Resources and Environmental Protection Act, MCL 324.101 et seq; or any other similar existing or future statutes, Consumers will to the extent caused by Consumers, its employees, agents, contractors, and subcontractors or anyone authorized by or on behalf of Consumers at no cost to Owner, immediately notify Owner and promptly take: 1) all actions that are required by any federal, state, or local governmental agency or political subdivision, and 2) all actions that are necessary to restore the Easement Area to the condition existing prior to the release or introduction of such contaminants, hazardous waste, hazardous substances or constituents, or toxic substances, notwithstanding any lesser standard of remediation allowable under applicable law or governmental policies. The actions required by Consumers pursuant to this paragraph include, but are not limited to: a) the investigation of the environmental condition of the Easement Area; b) the preparation of any feasibility studies, reports, or remedial plans required by law or governmental policy, and c) the performance of cleanup, remediation, containment, operation, maintenance, monitoring, or restoration work, whether on or off the Easement Area. Consumers will proceed continuously and diligently with such investigatory and remedial actions. The parties will provide to each other free of cost to the other copies of all test results and reports generated in connection with the above activities and copies of all reports submitted to any governmental entity. No cleanup, remediation, restoration, or other work required to be performed pursuant to this paragraph will require or result in the imposition of any limitation or restriction on the use of the Easement Area without prior notification and approval, which shall not be unreasonably withheld, to the other. The provisions of this paragraph will survive the term or any termination of this agreement.

Soil Erosion and Sedimentation Control: Although a soil erosion and sedimentation control (SESC) permit may not be required by regulation, Consumers shall have an SESC plan with proper controls in place which is provided to Owner for approval prior to Consumer's use of the Property. The SESC plan is to ensure proper material housekeeping. Consumers must install and maintain SESC controls to suit the type of material storage at the Owner's Land. Consumers shall keep all piles of material well-managed and must prevent sand/gravel from blowing or moving offsite to adjacent properties or washing/plowing into the street storm drains. Consumers shall also provide Owner with the inspector's contact information. Consumers will have an inspector visit the site weekly and submit inspection reports to Owner and perform an inspection at the end of the project to ensure the Owner's Land is properly restored. Owner's inspector may routinely visit the site and provide Consumers with SESC corrective measures to be completed within twenty-four (24) hours.

Exercise of Easement: If Consumers shall discontinue use of the Easement Area for any period of two (2) or more years, this agreement shall be terminated and Consumers, at its sole cost and expense, shall perform work necessary to stabilize the abandoned Facilities, including, but not limited to purging the pipes with nitrogen or as is standard in the industry and

subsequently restore the surface of such Easement Area, subject to normal wear and tear. Except as otherwise provided in this section, Consumers' nonuse or limited use of this Easement Area shall not preclude Consumers' later use of this agreement to its full extent.

Consumers' Covenants: Consumers covenants that it will enter onto and use the Owner's Land only for the purpose set forth herein (or for other purposes for which Consumers has existing or future rights, if any) and for no other purpose without the express prior consent of Owner and that it will use all reasonable efforts not cause any debris or anything that would create a hazard or undue interference with Owner's ability to access, maintain, repair, enlarge, change, relocate, substitute for, remove, and replace electric lines, towers, poles, or other structures for the transmission and distribution of water, electricity, and other utilities, in, on, under, over, or across Owner's Land to be left on Owner's Land, except as permitted herein, and will remove any such hazard or undue interference within 24 hours' notice from Owner, and if not removed by Consumers within 24 hours or in the event of an emergency, Owner may remove the hazard or undue interference at Consumers' cost and expense. Consumers agrees that, at its own expense, it will do the following: i) repair any damage to Owner's Land caused by its acts or omission, and ii) as soon as practical following the completion of any construction or maintenance activities within the Easement Area, remove all of its and its agents' personal property from the Owner's Land, except as permitted within the Easement Area herein, and clean-up, level, and reseed the Easement Area and any portion of Owner's Land disturbed by Consumers in a good and workmanlike manner to the condition consistent with the surrounding area on Owner's Land.

Indemnification: Consumers shall at all times assume all liability for and protect, indemnify and save Owner, its successors and assigns, harmless from and against all actions, judgments, losses, orders, decrees, costs, and expenses brought or recovered against or incurred by Owner by reason of any death, bodily injury, personal injury, and loss or damage to Owner's Land but only to the extent caused by and proportionate to Consumers negligent actions or omissions on Owner's Land. To the fullest extent allowable by law, Owner shall at all times assume all liability for and protect, indemnify and save Consumers, its successors and assigns, harmless from and against all actions, judgments, losses, orders, decrees, costs, and expenses brought or recovered against or incurred by Consumers by reason of any death, bodily injury, personal injury, and loss or damage to Owner's Land but only to the extent caused solely by and proportionate to Owner's negligent actions or omissions in the Easement Area, to the fullest extent provided by law. With respect to 3rd party claims, and only with respect to 3rd party claims, nothing herein shall be construed as a waiver by Owner of available defenses as a matter of law due to its governmental status, such as governmental tort liability. Consumers shall not permit any liens on the Owner's Land for any labor or material furnished to Consumers in connection with its use of the Easement Area.

Choice of Law: This agreement shall be governed in all respects, by the laws of the State of Michigan, including as to interpretation, enforceability, validity and construction. Venue shall be deemed proper in Ingham County, Michigan.

Disclaimer of Warranties: Owner has not and does not make any express, implied, or statutory representations or warranties of any kind to Consumers concerning the Owner's Land or Easement Area; the status of Owner's title with respect to the Owner's Land, the condition or usability of the Easement Area; or the parties' use of the Easement Area being in compliance with any statute, ordinance, or regulation, including, but not limited to those relating to the environment. The provisions of this section shall survive any termination of this agreement.

Damage: Owner shall have no liability for any loss or damage caused to Consumers' Facilities that may be occasioned by or through the acts or omissions of others.

Property Taxes: To the extent allowed or required by law, Consumers shall be responsible for all taxes or assessments levied upon the value of structures, facilities, and improvements owned, installed, and/or under the control of Consumers on the Easement Area pursuant to this agreement ("Consumers' Improvements"), except as provided herein. Owner and Consumers agree that the easement does not negate that the primary use of Owner's Land is for a public purpose. If any notice of assessment is issued to Owner's Corporate Secretary that purports to assess tax on the value of structures, facilities, and improvements owned, installed and/or under the control of Consumers on the Easement Area, Owner will strive to provide a copy to Consumers before the applicable board of review's first meeting. Owner will grant Consumers standing to challenge any assessment on Consumers' improvements, to the extent possible.

Successors: This easement shall bind and benefit Owner's and Consumers' respective heirs, successors, lessees, licensees, and assigns. Consumers' interest under this agreement shall be further subject to any and all existing leases, licenses, easements, and other interests in the Easement Area as are a matter of public record as the date of this agreement, provided in writing by Owner, or as reasonably apparent through a survey or inspection of the Easement Area. Consumers is solely responsible for

complying with any and all applicable requirements, including notice, consent, and permit requirements, of such prior leases, licenses, easements, and other interests, and further Consumers shall abide by any and all terms, conditions, and provisions of said requirements, notices, consents, or permits of record or as otherwise provided to Consumers by Owner. Further, Consumers may not assign, convey, or otherwise transfer its rights under this agreement and any such assignment or conveyance is void without the advance written approval of Owner, which shall not be unreasonably withheld.

Notice: Any notices required or permitted to be given under the terms of this agreement shall be in writing and mailed by registered or certified U.S. mail, return receipt requested, postage prepaid, and in any case duly and properly addressed to the party indicated below or such other address or recipient as the party to whom such notice is to be given may specify from time to time by notice to the other party in accordance with this paragraph:

To Consumers: Consumers Energy Company
Business Services - Real Estate One Energy Plaza
Jackson, Michigan 49201

To Owner: Lansing Board of Water and Light
1201S. Washington Avenue
Lansing, Michigan 48901

Each such notice shall be deemed to have been given and effective when mailed, as evidenced by the receipt of said mailing.

Authority: Owners and Consumers each acknowledge and represent that it is duly organized, validly existing and in good standing and has the right, power, and authority to enter into this agreement and bind itself through the party set forth as signatory for the party below.

Counterparts: This Easement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. It is not necessary that all parties execute any single counterpart if each party executes at least one counterpart.

Entire Agreement: This agreement constitutes the entire agreement and understanding between the parties and supersedes any prior discussions, negotiations, agreements and understandings. This agreement may only be amended or modified except in writing signed by both parties.

SIGNATURE PAGES TO FOLLOW

Date: _____

Owner: CITY OF LANSING by its Board of Water and Light, a Michigan Municipal Utility

Signature

By: _____ Andy Schor

Its: _____ Mayor

Acknowledgment

The foregoing instrument was acknowledged before me in _____ County, _____,

on _____ by Andy Schor, Mayor of the City of Lansing, by its Board of Water and Light,
Date

a Michigan Municipal Utility, on behalf of the company.

Notary Public

Print Name _____

_____ County, _____

Acting in _____ County

My Commission expires: _____

Date: _____

Owner: CITY OF LANSING by its Board of Water and Light, a Michigan Municipal Utility

Signature

By: _____ Chris Swope

Its: _____ Clerk

Acknowledgment

The foregoing instrument was acknowledged before me in _____ County, _____,

on _____ by Chris Swope, Clerk of the City of Lansing, by its Board of Water and Light,

Date

a Michigan Municipal Utility, on behalf of the company.

Notary Public

Print Name

County, _____

Acting in _____ County

My Commission expires: _____

Date: _____

Owner: CITY OF LANSING by its Board of Water and Light, a Michigan Municipal Utility

Signature

By: _____ Richard R. Peffley _____

Its: _____ General Manager _____

Acknowledgment

The foregoing instrument was acknowledged before me in _____ County, _____,

on _____ by Richard R. Peffley, General Manager of the City of Lansing, by its Board of Water and Light, a Michigan Municipal Utility, on behalf of the company.

Notary Public

Print Name

_____ County, _____

Acting in _____ County

My Commission expires: _____

Date: _____

Owner: CITY OF LANSING by its Board of Water and Light, a Michigan Municipal Utility

Signature

By: LaVella Todd

Its: Corporate Secretary

Acknowledgment

The foregoing instrument was acknowledged before me in _____ County, _____,

on _____ by LaVella Todd, Corporate Secretary of the City of Lansing, by its Board of Water and Light, a Michigan Municipal Utility, on behalf of the company.

Notary Public

Print Name

County, _____

Acting in _____ County

My Commission expires: _____

PROPERTY OWNERS MAIL
SIGNED EASEMENT TO:
Amber Wiswell #190-4
Consumers Energy Company
311 E Michigan Avenue
Battle Creek, MI 49014

Prepared By:
Kayla Hall 1/21/2022 P24-720
Consumers Energy Company
1945 W Parnall Rd
Jackson, MI 49201

REGISTER OF DEEDS OFFICE USE
ONLY
Return recorded instrument to:
Carrie J. Main, P24-720
Consumers Energy Company
1945 W Parnall Rd
Jackson, MI 49201

EXHIBIT A

Owner's Land

Land situated in the Township of Delta, County of Eaton, State of Michigan:

A parcel of land being in the Northwest 1/4 of the Southwest 1/4 of Section 34, Town 4 North, Range 3 West.

Also known as: 3725 South Canal Road, Lansing, Michigan 48917

Part of Parcel ID: 040-034-300-013-00

EXHIBIT B

Easement Area

See attached.

Proposed Resolution
Easement Grant over Erickson Property to Consumers Energy Company

RESOLVED, that the Board of Commissioners hereby recommends that Lansing City Council grant an easement extending the existing easement to Consumers Energy Company which will be located on property occupied and maintained by the Board of Water and Light, specifically a portion of Erickson Power Plant property; and

FURTHER RESOLVED, the General Manager of the Board of Water and Light is authorized to execute all documents to effectuate this easement grant once approved by the Lansing City Council.

Staff Comments: Consumers Energy Company (“Consumers”) intends to construct the new gas pipeline to serve a critical supplier to the area businesses, including General Motors, and Consumers has requested an easement for said pipeline across a portion of the Erickson Power Plant property. The BWL has performed an operational feasibility assessment and negotiated the terms of said easement, which includes only nominal monetary consideration, that are mutually agreeable.

Motion by Commissioner _____, Seconded by Commissioner _____ to approve the Resolution for the Grant Easement over Erickson Property to Consumers Energy Company at a Board Meeting held on November 15, 2022.

Action: Motion Carried

Proposed Resolution
Regular Board Meeting Schedule 2023

In accordance with the Lansing Board of Water & Light's Rules of Administrative Procedure, a schedule of dates, places, and times for each regular meeting of the Board of Commissioners for the calendar year shall be adopted in November.

RESOLVED, that regular meetings of the Lansing Board of Water & Light's Board of Commissioners are hereby set for calendar year 2023 as follows, unless otherwise notified or as a result of date conflicts with rescheduled City Council meetings:

2023
Lansing Board of Water & Light Board of Commissioners
Regular Board Meeting Schedule

Tuesday	January 24
Tuesday	March 28
Tuesday	May 23
Tuesday	July 25
Tuesday	September 26
Tuesday	November 14

Meetings will be held in the Lansing Board of Water & Light REO Town Depot located at 1201 S. Washington Ave., Lansing, MI at 5:30 p.m.

RESOLVED FURTHER, that a notice of the meeting schedule shall be published in a newspaper of general circulation in Ingham County the week of January 1, 2023.

Motion by Commissioner _____, **Seconded** by Commissioner _____, to approve the Resolution for the 2023 Regular Board Meeting Schedule at a Board meeting held on November 15, 2022.

Action: Motion Carried.

Proposed Resolution
Requesting A Lien Ordinance for Unpaid Utility Debt

WHEREAS, the Lansing Board of Water & Light (“BWL”) is a municipally owned utility company organized under the Lansing City Charter as permitted by the Home Rule Cities Act, MCL 117.4(f)(c), and governed by the Board of Commissioners (“Board”). The Board, per the Lansing City Charter, is delegated administrative, executive, and policy-making authority over the operation of the BWL, which includes the full and exclusive management of water, heat, steam, and electric services and such additional services of the City of Lansing as may be agreed upon by the Board and City Council.

WHEREAS, the Board’s role as the governing body for the BWL includes certain fiduciary duties such as acting in the BWL’s best interest, protecting and enhancing the BWL as owned by its ratepayers, exercising reasonable care, loyalty, and good faith in actions and decisions, meeting legal and regulatory requirements, and assuring the BWL is effective by providing adequate support and resources.

WHEREAS, the BWL wrote off approximately \$6,847,696 in uncollectable utility bills between FY2019 - FY2022, and a lawful and reasonable measure should be implemented to diminish uncollectable utility debt.

WHEREAS, Section 506-2 of the Lansing City Charter states, “[u]pon the request of the Board, the City Council shall provide by ordinance for the collection of unpaid charges for public utility services furnished by the Board of Water and Light and for the imposition and enforcement of liens upon property served by the Board of Water and Light.”

WHEREAS, such an ordinance is also supported by the Revenue Bond Act, MCL 141.121 (PA 94 of 1933), and the Municipal Water Lien Act, MCL 123.162 (PA 178 of 1939).

WHEREAS, the Board recognizes that the utility service shutoff and collection process is not a fully effective collection tool and therefore supports the need for a property lien ordinance to collect unpaid electricity and water utility services.

NOW, THEREFORE, BE IT RESOLVED, pursuant to Section 506-2 of the Lansing City Charter and state law, the Board requests the Lansing City Council provide an ordinance for the collection of unpaid charges for public utility services furnished by the BWL and for the imposition and enforcement of liens upon property served by the BWL.

Motion by Commissioner _____, **Seconded** by Commissioner _____, to approve the Motion to request the Lansing City Council implement a lien ordinance for the collection of unpaid utility debt at a Board meeting held on November 15, 2022.

Proposed Resolution
Capital Project Exceedance: AS – Steam Annuals

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

WHEREAS, the previously approved budget for Capital Project AS – Steam Annuals was \$1,245,900; and

WHEREAS, as a result of MDOT’s I-496 reconstruction project, steam vaults which normally cannot be accessed for inspection have been made accessible and BWL has discovered that these vaults are in very poor condition and should be rehabilitated or replaced while the freeway is closed, and the work must be done before MDOT can complete the reconstruction project; and

WHEREAS, the projected final total cost for Capital Project AS – Steam Annuals is \$2,680,360, 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 AS – Steam Annuals projected spending be approved; and

RESOLVED, the BWL Board of Commissioners approve projected spending for Capital Project AS – Steam Annuals with a projected final total cost of \$2,680,360.

Motion by Commissioner _____, **Seconded** by Commissioner _____, to approve the Resolution for the Capital Project Exceedance: AS – Steam Annuals at a Board meeting held on November 15, 2022.

Staff Comments: Due to the discovery of the current conditions of the steam vaults exposed by the MDOT construction project, staff recommends immediate rehabilitation/replacement of these vaults to extend the life of the system and allow the MDOT construction to continue. The existing vaults were installed in 1984 with an estimated useful life of 50 yrs but the I-496 project presents an early and singular opportunity for repair while the freeway is already closed for repairs.

Proposed Resolution
Adoption of the Amended and Restated Cafeteria Plan

WHEREAS, the Lansing Board of Water and Light (“BWL”) maintains the Lansing Board of Water and Light Cafeteria Plan (“Cafeteria Plan”) for the benefit of certain employees and retirees; and

WHEREAS, the BWL desires to amend and restate the Cafeteria Plan for certain technical regulatory changes and for certain plan design changes for consistency with Plan operations and administration.

NOW, THEREFORE, BE IT RESOLVED, that the amended and restated Cafeteria Plan effective as of December 1, 2022 is hereby approved and adopted; and

FURTHER RESOLVED, that the officers of the BWL, and their designee(s), are hereby authorized and directed to take such actions and to implement and execute such documents and instruments (including the amendment referenced above as well as ancillary documentation) as necessary or desirable to effectuate the intent of this resolution.

Motion by Commissioner _____, Seconded by Commissioner _____ to approve and adopt the amended and restated Cafeteria Plan at a Board meeting held on November 15, 2022.

Action: Motion Carried

Proposed Resolution

**Acknowledgement of the Acceptance of 2022 Audited Financial Statements for
Defined Benefit Pension Plan, Defined Contribution Pension Plan, and Retiree
Benefit Plan**

Resolved, that the Corporate Secretary receive and place on file the Defined Benefit, Defined Contribution, and Retiree Benefit Plan reports presented during the Pension Trustee Meeting.

Staff comments: All three Plans received clean audit reports.

Motion by Commissioner _____, Seconded by Commissioner _____ to approve the Resolution at a Board meeting held on November 15, 2022.

Proposed Resolution
Appointment of Chairperson as Signatory for Trustee Appointments and Removals

RESOLVED, that the Board of Commissioners hereby appoints the following individual as signatory for appointments and/or removal of Co-Trustees, or until a successor is appointed, whichever last occurs.

Semone James, Chairperson of the Board

FURTHER RESOLVED, that the Chairperson of the Board of Commissioners is authorized to execute any and all contractual documents which reflect appointment or removal of an individual Co-Trustee.

Motion by Commissioner _____, Seconded by Commissioner _____ to approve appointment of Chairperson as signatory for trustee appointments and removals at a Board meeting held on November 15, 2022.