



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

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**July 26, 2022**

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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, July 26, 2022.

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

Chairperson Price welcomed new Commissioner Maggie Sanders representing Lansing Charter Township as an Advisory Commissioner.

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

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

Absent: Non-Voting Commissioner Douglas Jester (East Lansing) and Larry Merrill (Delta Township).

Corporate Secretary Todd declared a quorum.

Commissioner Price led the Pledge of Allegiance.

**ELECTION OF OFFICERS FY 2022-2023**

Nominating Committee Chairperson Tony Mullen presented the July 12, 2022, Nominating Committee Report. The proposed slate of officers for Fiscal Year 2022-2023 is as such: Commissioner Semone James serving as Chairperson; and Commissioner Sandra Zerkle serving as Vice Chairperson. There were no further nominations for the officers' positions from the floor.

**Motion** by Commissioner Beth Graham, **Seconded** by Commissioner Tracy Thomas to close nominations for officers' positions.

**Action:** Motion Carried.

**Motion** by Commissioner Beth Graham, **Seconded** by Commissioner DeShon Leek to approve the nominations of Commissioner Semone James to serve as the Chairperson and Commissioner Sandra Zerkle to serve as the Vice Chairperson of the Board of Commissioners for Fiscal Year 2022-2023.

Roll Call Vote called by Commissioner Tracy Thomas.

**Roll Call Vote:**

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

**Nays:** Commissioner Tony Mullen.

**Action: Motion Carried.**

Commissioner David Price congratulated new officers for FY 2022-2023, and then passed the gavel to new Chairperson, Semone James.

Chair James thanks fellow board-members for their support, acknowledged Commissioner Price for his years of service as Chair and requested applause in his behalf.

Chair James tabled nomination for board member for Executive Committee until the September Committee of the Whole Meeting after reciting a section related to Executive Committee from Rules of Procedures.

Chair James stated committee assignments will be assigned next week and she will be reaching out to board members regarding their preferences.

### **APPROVAL OF MINUTES**

**Motion** by Commissioner David Price, **Seconded** by Commissioner Beth Graham, to approve the Regular Board Meeting minutes of May 24, 2022.

**Action:** Motion Carried.

### **PUBLIC COMMENTS ON AGENDA ITEMS**

There were no public comments on agenda items.

### **COMMUNICATIONS**

Electronic mail received from M. Denise Griffin regarding Employment Concerns - *Referred to Management. Received and Placed on File.*

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

Electronic mail received from Derek Davis regarding Fallen Tree on Power Lines - *Referred to Management. Received and Placed on File.*

Electronic mail received from Craig McDaniel regarding Residential Account - *Referred to Management. Received and Placed on File.*

## COMMITTEE REPORTS

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

### 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

Chair James commended Commissioner Thomas for his service as HR Committee Chairperson.

Commissioner Tony Mullen presented the Nominating Committee Report:

#### **NOMINATING COMMITTEE Meeting 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 26<sup>th</sup> 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

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

### **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

Chair James commended Commissioner Zerkle for her service as Committee of the Whole Committee Chairperson.

Finance Committee Chairperson Tony Mullen presented the Finance Committee Report:

### **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

Chair James commended Commissioner Mullen for his service as Finance Committee Chairperson.

## 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 2022-07-01**

#### **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 1<sup>st</sup> 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 1<sup>st</sup> and to conform with its Rules of Procedure, the Board anticipated a reappointment after July 1<sup>st</sup>; 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.

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**Motion** by Commissioner David Price, **Seconded** by Commissioner Tony Mullen, to approve the appointment of the Corporate Secretary for the Fiscal Year 2022-2023.

**Action:** Motion Carried.

**RESOLUTION 2022-07-02**

**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 1<sup>st</sup> 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 1<sup>st</sup> and to conform with its Rules of Procedure, the Board anticipated a reappointment after July 1<sup>st</sup>; 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.

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**Motion** by Commissioner Tracy Thomas, **Seconded** by Commissioner Beth Graham, to approve the appointment of the Internal Auditor for the Fiscal Year 2022-2023.

**Action:** Motion Carried.

**RESOLUTION 2022-07-03**

**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 1<sup>st</sup> 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.

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**Motion** by Commissioner David Price, **Seconded** by Commissioner Dusty Horwitt, to approve the reappointment of the Director and General Manager for the Fiscal Year 2022-2023.

**Action:** Motion Carried.

**RESOLUTION 2022-07-04**

**Amendment to Appointment to MPPA Resolution**

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.

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**Motion** by Commissioner Sandra Zerkle, **Seconded** by Commissioner Tony Mullen to approve the resolution for the Amendment to Appointment to MPPA Resolution.

**Action:** Motion Carried.

**RESOLUTION 2022-07-05**

**Electric Annuals Capital Project Exceedance Resolution**

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.

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**Motion** by Commissioner Tony Mullen, **Seconded** by Commissioner David Price, to approve the resolution for the Electric Annuals Capital Project Exceedance.

**Action:** Motion Carried.

**RESOLUTION 2022-07-06**

**401 (a) DC Plan 2 Restatement Resolution**

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.

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**Motion** by Commissioner Tony Mullen, **Seconded** by Commissioner Tracy Thomas, to approve and adopt the Restatement of the 401 (a) DC Plan 2.

**Action:** Motion Carried.

### **MANAGER'S REMARKS**

General Manager Peffley shared remarks regarding BWL staff's stellar response to restore service to customers who lost power due to Lansing area storm on July 24, 2022, shared appreciation to Commissions for attending the State of the BWL and invited Commissioners to the Eckert Station Time-capsule Opening on August 5, 2022. In addition, GM Peffley announced the BWL Charity Golf Outing on August 19, 2022, and Delta Energy Plant celebration on August 23, 2022.

### **COMMISSIONERS' REMARKS**

Chair James thanked General Manager Peffley for the service response to the community during the July 24, 2022 storm.

Commissioner Mullen enquired if the July 24, 2022 storm was expected - GM Peffley provided details regarding storm preparation.

Vice-Chair Zerkle thanked Commissioner Price for service over the years as Board Chair; GM Peffley for presenting the State of the BWL event as a moral boost to employees.

Commissioner Thomas shared appreciation to GM Peffley for State of the BWL event with employees and for his reappointment to position of General Manager; recognized Corporate Secretary, LaVella Todd and Internal Auditor Frank Macciocca for the impressive work they have done in their initial 90-days and recognized Commissioner Price for the eight years of leadership service to the Board of Commissioners. In addition, Commissioner Thomas stated he is looking forward to assisting Chair James and Vice-Chair Zerkle during FY 2022-2023 and appreciated Commissioner Mullen for his work with the Finance Committee.

Chair James recognized and welcomed new Advisory Commissioner Maggie Sanders to the Board of Commissioners; shared desire to all work together as all board members have a vote.

### **EXCUSED ABSENCE**

**Motion** by Commissioner David Price, **Seconded** by Commissioner Dusty Horwitt, to excuse Commissioner Douglas Jester and Commissioner Larry Merrill from tonight's meeting.

**Action:** Motion Carried.

### **PUBLIC COMMENTS**

#### **Public Comments**

There were no public comments.

## **ADJOURNMENT**

**Motion** by Commissioner Tracy Thomas, **seconded** by Commissioner Sandra Zerkle to adjourn the meeting at 5:58 p.m.

LaVella J. Todd, Corporate Secretary

Preliminary Minutes filed (electronically) with Lansing City Clerk 08-05-22

Approved by the Board of Commissioners: 09-27-22

Official Minutes filed (electronically) with Lansing City Clerk: 09-28 -22