



**HUMAN RESOURCES COMMITTEE MEETING Via WEBEX  
LANSING BOARD OF WATER AND LIGHT BOARD OF COMMISSIONERS  
Tuesday, June 23, 2020 ♦ 4:45 P.M. ♦ 1201 S. Washington Ave., Lansing, MI 48910**

**AGENDA**

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

Due to public safety concerns resulting from the COVID-19 Pandemic, this meeting will be conducted via WebEx Conferencing. Instructional options to be in attendance are as follows:

**1. Event Address for Attendees:**

<https://lbwlevents.webex.com/lbwlevents/onstage/g.php?MTID=e824d4754b93fc1070340d49bb9d30efa>

**Event Number for Attendees: 132 891 5906**

**Event password: SvGniRYq835**


**2. Audio conference: United States Toll +1-408-418-9388 Access code: 132 891 5906**

**Call to Order**

**Roll Call**

**Public Comments on Agenda Items**

Options for Public Comment (PC) participation include:

- Raising your hand by clicking on the hand  icon button in the Participants panel
- Submitting written comments by email to [mdenise.griffin@lbwl.com](mailto:mdenise.griffin@lbwl.com) (By the End of PC)
- Submitting written comments to 1201 S. Washington Ave., Lansing, 48911

**1. Human Resources Committee Meeting Minutes of November 5, 2019 ..... TAB 1**

**2. Memorandum of Understanding (MOU) Labor Agreement – Resolution ..... TAB 2**

**3. FY 2021 Charter Appointed Employees**

a) Corporate Secretary/Proposed Reappointment Resolution ..... **TAB 3**

b) General Manager/Proposed Reappointment Resolution ..... **TAB 4**

c) Internal Auditor/ Proposed Reappointment Resolution ..... **TAB 5**

**4. Subsequent Steps for Board Appointed Employees Contracts ..... INFO**

**Other**

**Adjourn**

Persons with disabilities who need an accommodation to fully participate in this meeting should contact the Office of the BWL Corporate Secretary at (517) 702-6033 or [mdenise.griffin@lbwl.com](mailto:mdenise.griffin@lbwl.com) or utilize TTY by dialing 7-1-1 (a statewide telephone relay number that connects deaf, deaf-blind, hard of hearing,

and/or speech impaired people who use text telephones (**TTYs**) with standard (voice) **telephone** users). A 24-hour notice may be needed for certain accommodations. An attempt will be made to grant all reasonable accommodation requests.

STATE OF MICHIGAN EXECUTIVE ORDER #2020-4: Declaration of a statewide State of Emergency due to the spread of the novel coronavirus (COVID-19).

EXECUTIVE ORDER 2020-75 - Temporary authorization of remote participation in public meetings and hearings, public bodies subject to the Open Meetings Act, including boards, commissions, committees, subcommittees, authorities, councils and nonprofit boards, can use telephone- or video- conferencing methods to continue meeting and conducting business during the coronavirus (COVID-19) public health crisis, so long as they follow certain procedures to ensure meaningful access and participation by members of the public body and the general public. (**Rescission of Executive Order 2020-48**)

## HUMAN RESOURCES COMMITTEE

### Meeting Minutes

November 5, 2019

The Human Resources Committee of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:00 p.m. on Tuesday, November 5, 2019.

Human Resources (HR) Committee Chairperson Tracy Thomas called the meeting to order and asked the Corporate Secretary to call the roll.

Present: Commissioners Tracy Thomas, Anthony Mullen, and Sandra Zerkle. Also present: Commissioners David Price and Ken Ross; and Non-Voting Commissioner Doug Jester (E. Lansing) (arrived 5:13 p.m.) and Larry Merrill (Delta Township) (arrived @5:02 p.m.)

Absent: Commissioner Beth Graham

#### **Public Comments**

None

#### **Approval of Minutes**

**Motion** by Commissioner Mullen, Seconded by Commissioner Zerkle, to approve the Human Resources Committee meeting minutes of September 10, 2019.

**Action:** Motion Carried.

#### **Delegation of Authority: Retirement Plan Design and Administrative Decisions**

Mr. Michael Flowers, Executive Director of Human Resources, introduced Mr. Scott Taylor, Finance Manager, who explained the Delegation of Authority for the Administrative Decisions in the Retirement Plan Design. Mr. Taylor stated that there are investment board responsibilities and administrative board responsibilities in the retirement plan. Administrative decisions consist of determining plan qualifications for employees, making and authorizing benefit payments, handling enrollments, authorizing loans, hiring the plan administrator and monitoring performance, hiring the plan actuary, hiring the plan auditor and tax reporting. The proposed resolution is for official delegation for the authority to make the administrative decisions. The resolution also includes authority for benefit design changes and formally calls for any changes to be communicated to the board at the next available meeting. The resolution on the agenda for the lump sum payment for DB plan participants is considered a plan design change. Mr. Taylor noted that the resolution doesn't delegate authority to terminate or freeze the plan.

Commissioner Mullen inquired why the finance area was conducting the discussion about the administrative decisions. Mr. Taylor responded that the retirement plan committee, of which he is a spokesperson, advises on the decisions for the management.

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Proposed Resolution

**Delegation of Authority: Retirement Plan Design and Administrative Decisions**

WHEREAS, the Board of Water and Light is the “Sponsor” of the (a) Lansing Board of Water and Light Defined Contribution Plan and Trust 1; (b) Lansing Board of Water and Light Defined Contribution Plan and Trust 2; (c) Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust; (d) Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees’ Pensions; and (e) Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light (collectively the “Plans”); and

WHEREAS, the Sponsor wishes to delegate certain administrative and plan design authority over the Plans to the General Manager who may further delegate to the Retirement Plan Committee or any successor of the Committee performing the same duties (the “Committee”).

THEREFORE, it is:

RESOLVED, that the Sponsor expressly delegates to the General Manager, and at the discretion of the General Manager the Committee, authority to perform administrative functions such as the authority to appoint and remove the Plan Administrators; facilitate administration of the Plans and communications to participants and Plan Administrators; engage consultants and services; alter the Plans’ design to address changes in business needs and industry practices and take all actions necessary to carry out the terms of the Plans. To the extent the General Manager or Committee has performed such functions prior to this express delegation, those actions are hereby approved. The Sponsor does not delegate to the General Manager or the Committee authority to freeze or terminate the Plans, and all Plan design changes or updates will be communicated to the Board at the next regularly scheduled meeting of the Board.

FURTHER RESOLVED, that the Sponsor indemnifies and holds harmless the General Manager and each member of the Committee from and against all liability of any kind, including, without limitation, court costs, attorneys’ fees and other expenses that arise from any legal or administrative proceeding of any kind that is brought by any person, entity or government agency in connection with the General Manager’s or the Committee’s discharge of its duties relating to the Plans; provided, however, that this indemnification shall not apply with regard to any proceeding in which the General Manager or a Committee member is found to have been grossly negligent or to have violated a law or committed a crime.

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**Motion** by Commissioner Zerkle, Seconded by Commissioner Mullen, to forward the proposed resolution for Delegation of Authority: Retirement Plan Design and Administrative Decisions to the full Board for consideration.

**Action:** Motion Carried.

**Payment for Eligible Defined Benefit Plan Participants**

Executive Director of Human Resources, Mr. Michael Flowers, presented the resolution for the payment for eligible defined benefit plan participants.

Commissioner Zerkle expressed appreciation for the extra pension that will be given to retirees from long ago with this resolution. General Manager Dick Peffley noted that the payment is less than 1% draw down on the fund.

Commissioner Mullen asked why there wasn't a standard cost of living adjustment as the pension amount for the long-ago retirees isn't that much. GM Peffley responded that the benefit plan is reviewed annually and the fund balances are taken into serious consideration.

Commissioner Ross provided some key facts regarding the fund balance: the fund balance is currently at 112% and the overall financial impact would be approximately \$485,000; the resolution will bring the fund balance to 111%; because there is a taxable issue the payout will be deferred to 2020; and the BWL is not obliged contractually to provide in any given year an extra benefit.

Commissioner Zerkle asked for confirmation that the money is being taken from the defined benefit fund which is currently 12% overfunded and GM Peffley affirmed.

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Proposed Resolution

**Payment for Eligible Defined Benefit Plan Participants**

RESOLVED, that a lump sum payment be made to Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions ("Defined Benefit Plan") participants eligible to receive plan payments as of November 19, 2019, equal to \$65 for each year retired prior to July 1, 2019, rounded up to the nearest whole year.

Staff Comments: This resolution is intended to exclude participants not currently receiving pension payments such as active participants and terminated vested participants.

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**Motion** by Commissioner Zerkle, **Seconded** by Commissioner Mullen, to forward the proposed resolution for Payment for Eligible Defined Benefit Plan Participants to the full Board for consideration.

**Action:** Motion Carried.

**Other**

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

**Action:** Motion Carried

**Adjourn**

**Motion** by Commissioner Zerkle, Seconded by Commissioner Mullen, to adjourn the meeting.

**Action:** Motion Carried

Meeting adjourned at 5:16 p.m.

Respectfully Submitted,  
Tracy Thomas, Chair  
Human Resources Committee

Proposed Resolution

MOU Extending 2016 – 2020 Collective Bargaining Agreement between the Lansing Board of Water & Light and the International Brotherhood of Electrical Workers, AFL-CIO, Local 352

WHEREAS, on October 31, 2016 the Lansing Board of Water & Light and the International Brotherhood of Electrical Workers, AFL-CIO, Local 352, the “Parties,” executed a Collective Bargaining Agreement effective November 1, 2016 through October 31, 2020, the “2016-2020 Labor Agreement.”

WHEREAS, having considered the unprecedented circumstances of the COVID-19 pandemic the Parties have agreed to extend, with two amendments, all provisions of the 2016-2020 Labor Agreement until midnight October 31, 2021;

RESOLVED, that the Board of Commissioners approve the 2020 Labor Agreement MOU extending the 2016-2020 Labor Agreement effective November 1, 2020 through October 31, 2021, and authorize the General Manager to execute same.

Proposed Resolution  
Appointment of the Charter Position of Corporate Secretary

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 Corporate Secretary fiscal year 2020-2021 or until a successor is appointed, whichever last occurs:

M. Denise Griffin, Corporate Secretary

**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 2020's performance.



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

The Board's Rules of Administrative Procedures specify that the Board is to appoint a Director and General Manager, Internal Auditor, and Corporate Secretary, at its first regular meeting following July 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 2020-2021 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 2020's performance.

Proposed Resolution  
Appointment of the Charter Position of Internal Auditor

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 Internal Auditor for fiscal year 2020-2021 or until a successor is appointed, whichever last occurs.

Wesley Lewis, Internal Auditor

**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 2020's performance.