



BOARD OF WATER & LIGHT BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
March 22, 2022 - 5:30 p.m.
1201 S. Washington Ave., Lansing, Michigan
REO Town Depot

AGENDA

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

1. Roll Call

2. Pledge of Allegiance

3. Approval of Minutes

- a. Regular Board Meeting Minutes of January 25, 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 Randy Dykhuis re: Groundwater Contamination at Erickson
- b. Electronic mail from Catherine Church re: Residential Electrical Lines
- c. Electronic mail from Maxine Shepard re: Residential Bill
- d. Electronic mail from Victor Diaz re: Earth Day Celebration

6. Committee Reports

- a. Special Committee of the Whole Meeting (February 15, 2022)-Sandra Zerkle, Chairperson
- b. Finance Committee Meeting (February 22, 2022)-Tony Mullen, Chairperson
- c. Executive Committee Meeting (March 3, 2022)-David Price, Chairperson
- d. Committee of the Whole Meeting (March 8, 2022)-Sandra Zerkle, Chairperson
- e. Human Resources Committee Meeting (March 17, 2022)-Tracy Thomas, Chairperson

7. Manager's Recommendations

8. Unfinished Business

9. New Business

10. Resolutions/Action Items

- a. Approval of the FY 22 Internal Audit Plan

- b. Approval of Amendments to Governance Policy
- c. Approval of Amendments to Rules of Procedure

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 and building 03-17-22

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**

January 25, 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, January 25, 2022.

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

Acting Corporate Secretary, Maria Koutsoukos, called the roll.

Present: Commissioners David Price, Beth Graham, Dusty Horwitt, Semone James, DeShon Leek, Tony Mullen, Tracy Thomas, and Sandra Zerkle. Non-Voting Commissioners present: Larry Merrill (Delta Township), and Brian Ross (DeWitt Township)

Absent: Commissioner Douglas Jester (East Lansing)

Acting Corporate Secretary Koutsoukos declared a quorum.

The meeting attendees recited the Pledge of Allegiance.

APPROVAL OF MINUTES

Motion by Commissioner Thomas, **Seconded** by Commissioner Graham, to approve the Special Board Meeting Minutes of December 21, 2021 and December 14, 2021, and the Regular Board Meeting minutes of November 16, 2021.

Action: Motion Carried.

PUBLIC COMMENTS ON AGENDA ITEMS

There were no public comments on agenda items.

COMMUNICATIONS

Electronic mail received from Kevin Shoen regarding fiber construction permits - *Referred to Management. Received and Placed on File.*

Electronic mail received from Victor Diaz regarding butterfly garden partnership - *Referred to Management. Received and Placed on File.*

Electronic mail received from Tom Hawley regarding street lighting - *Referred to Management. Received and Placed on File.*

Electronic mail received from Terry and Valerie Price regarding water shutoff - *Referred to Management. Received and Placed on File.*

Electronic mail received from Vivian and Brenden Cislo regarding electrical wire hazard - *Referred to Management. Received and Placed on File.*

Electronic mail received from Magdalena Rivera regarding deposit fee - *Referred to Management. Received and Placed on File.*

Late item electronic mail received from Heather Douglas regarding publishing LBWL's energy mix on LBWL's website - *Referred to Management. Received and Placed on File.*

COMMITTEE REPORTS

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

COMMITTEE OF THE WHOLE Meeting Minutes January 11, 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, January 11, 2022.

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

Present: Commissioners Sandra Zerkle, Beth Graham (arrived @5:33 p.m.), Dusty Horwitt, Semone James, DeShon Leek, David Price and Tracy Thomas, and Non-Voting Member: Larry Merrill (Delta Township)

Absent: Commissioners Tony Mullen, Douglas Jester (East Lansing), and Brian Ross (DeWitt Township)

The Acting Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Price, **Seconded** by Commissioner James, to approve the Committee of the Whole meeting minutes of November 9, 2021 as corrected.

Action: The minutes were approved as corrected.

Strategic Plan Execution Update

Strategic Planning and Marketing Executive Director, Brandie Ekren, presented the Strategic Plan Execution Update. Ms. Ekren reviewed the Mission, Vision, and Value Statements, and explained the goals, strategies and tactics of the five (5) priorities. The priorities are set to integrate and enhance customer and community needs and experiences; sustain a workforce that embraces safety and supports BWL's success; lead in providing energy solutions; and continually improve organizational assets—to which people and knowledge were added. The focus will be on communication, monitoring and tracking, execution, and accountability. Ms. Ekren provided key action points for strategic planning and strategic management.

Executive Director of Human Resources & Labor Relations, Michael Flowers, provided information on expanded workforce engagement. Mr. Flowers stated that BWL conducted an employee survey with Gallup with whom a four-year contract was formed in 2021 and partnered with Marsh for training in workplace safety processes. BWL also developed new-hire onboarding and leadership processes, succession planning processes, and processes to support career progression.

Enterprise Business Programs Manager, Kellee Christensen, provided information on the impacts of the Strategic Plan to the BSmart program. Ms. Christensen reported that the BSmart program projects that are in progress are near to, or in Phase V and near completion. BWL has improved customer experience and the customer self-service portal with the BSmart program. The BSmart program has also improved outage management and restoration practices.

Environmental Services & Reliability Compliance Manager, Lori Myott, spoke about climate response and corporate sustainability. Ms. Myott reported that Environmental Services is working on a corporate sustainability report which will track the sustainability and carbon reduction goals and indicate improvements to be made year to year. Waste reduction with recycling and compost efforts, cleaning Eckert station, renewable energy and energy use reduction, and sustainable land use with native pollinators are some of the projects on which Environmental Services is working.

Ms. Ekren concluded the presentation stating that progress would be communicated by providing quarterly updated Balanced Scorecards and an annual corporate sustainability report, while continuing to provide dashboard reports and monthly highlights.

Chair Zerkle inquired what the monitoring and measuring of goals in the strategic plan includes. Ms. Ekren responded that the balanced scorecard measures the tasks and activities in strategic management and indicates the progress of the goals and the key initiatives.

Commissioner Thomas thanked Ms. Ekren and her department for their leadership.

Commissioner Merrill asked if the balanced scorecard, dashboards and key performance indicators were all the same thing, whether they are parts of the different reports, and what determines which information is reported to the Board. Ms. Ekren responded that the balanced scorecard reflects numbers, and the key performance indicators reflect accomplished results and the measures that indicate the results are being accomplished. Ms. Ekren stated that management review meetings are held quarterly to determine barriers to success and to measure performance. Commissioner Merrill asked to what extent strategic plan information is disseminated organization wide. Ms. Ekren responded that providing the information is being addressed and obtaining the data in real time is the main focus.

Commissioner Horwitt asked if there was a year-by-year benchmark plan for achieving carbon neutrality. Ms. Ekren responded the benchmark plan will be reflected in the annual corporate sustainability report, and the report will indicate what carbon use was in the past and what it will be until carbon neutrality is realized in 2030. Emphasis in the plan will be on changing behaviors which affect the environment.

Chair Zerkle inquired about federal money for electric cars and electric charging stations that was addressed in recent bills. GM Peffley responded that CFO Heather Shawa, Executive Director of Operations Dave Bolan, and Ms. Ekren continually search for grants for which BWL can apply. GM Peffley added that the electric distribution system is being assessed for supplying to customer homes. He also added that green fuels are being researched and the EV program will be a separate undertaking. Chair Zerkle asked if the Smartmeters had the capability to measure usage and determine which residents could have electric vehicles. GM Peffley responded that a separate charging station would need to be installed but energy efficiency was started by the BWL before it was required by the state and some groups of houses may be able to be serviced by one transformer. Chair Zerkle asked if there was a time of use rate for electric cars. GM Peffley responded that there is an EV rate 22. He also stated that customers are asked to charge their cars at night for a better rate.

Commissioner Graham asked if there was an area on the BWL website, or some avenue where the community is kept informed, and if classrooms were visited with information. Ms. Ekren responded that there are social media and communication platforms, and programs with school districts. Ms. Myott responded that BWL partners with Consumers Energy and children are taught in partnerships with schools about renewable energy, how electricity works, and energy saving tips.

Other

GM Peffley gave an update regarding a communication received about third party attachers on poles. There is a price for each pole and when receiving a permit and a request to attach a line to a pole, BWL is responsible for making the pole ready by making sure there is room on the pole. The highest voltage wires go on the top. When there is a line attached to the pole without permission, BWL has to ask the other attachers to move their lines which is expensive and time consuming. When BWL asked the attachers to move their lines or be charged for having BWL move them, BWL ended up moving the lines with the help of a construction company. Previously, complaints were received often, resulting in BWL redoing the contracts for the pole attachments two years ago. Permission is required to attach to the poles so that the lines are attached properly to protect the integrity of the pole and safety of the pole and the community.

Commissioner Price asked what determines how many attachments can be on a pole. GM Peffley responded the height of the pole, and the voltage of the line determines where the line is attached.

Commissioner Graham asked who repairs lines in the back yard of a customer. GM Peffley responded that when BWL is notified, it doesn't repair lines unless the lines are not fixed in a timely manner and BWL charges the attacher for the repair. If a safety matter needs to be addressed or an emergency occurs, BWL will make the line safe and charge the line attacher.

Commissioner Thomas commented that Wright Tree Company is working in his neighborhood and is doing a great job but would like it brought to their attention that their MEN WORKING sign is not diverse.

Commissioner Horwitt asked for an update on the incident with the utility poles breaking and the train hitting the wires. GM Peffley responded that wind shear broke the poles, temporary new poles have been put in, and conductors will be put in during the summer when there will be no interruption. There were approximately six miles of wire downed but no injuries were reported. Costs are still being assessed but it is expected to be over a million dollars. Commissioner Horwitt asked if any litigation was being contemplated by BWL or by those affected. GM Peffley responded that there is no known litigation at this time and that BWL is required by policy to notify the Board of any litigation and referred the question to General Counsel Mark Matus. Mr. Matus responded that significant milestones in pending litigation is provided to the Board. Commissioner Price responded that the information is provided in the monthly updates.

Executive Director of Human Resources & Labor Relations, Michael Flowers provided an update on the HR Hiring Consultant, Global Business Resource Group (GBRG). A contract has been made with the consultant and position descriptions and pay grade information has been sent to their offices. Mr. Flowers has scheduled an initial meeting with Mr. Bill Brewer of GBRG for next steps and to schedule an HR Committee meeting. Mr. Brewer will post the vacant positions on his platform by the end of this week. A current list of applicants for both positions will be shared with him. Timelines to effectively and efficiently move forward with the process will be discussed.

Commissioner Thomas asked that the HR Committee be notified when any important actions are taken.

Chair Zerkle asked to be notified of how long the positions will be posted and when they will be closed in order to know when the interview process will begin. Mr. Flowers responded that those items will be discussed in the initial HR Committee meeting.

Commissioner Horwitt asked for a synopsis to be sent to the HR Committee of what Mr. Flowers just stated and Mr. Flowers responded he would send it. Commissioner Horwitt asked when the meeting with Mr. Brewer is expected to be held. Mr. Flowers responded that he expected it to be scheduled next week.

A discussion followed on how the decision was made for the Board's Corporate Secretary contact person after the resignation of the Corporate Secretary. A suggestion was made that Chair Zerkle work with both the Executive Assistant, Smiljana Williams, and the Assistant to the Corporate Secretary, Maria Koutsoukos, until the Corporate Secretary position was filled. The Commissioners were informed that a decision to change the Board's Corporate Secretary contact person could be made at this meeting.

Commissioner Horwitt asked if documents, to include the Governance Policy, Administrative Rules of Procedure, and a list of delegation decisions, could be sent to the Commissioners to review prior to the Governance Training meeting on February 4th. The Commissioners would provide their comments and suggested revisions and return them to Ms. Koutsoukos by Monday, January 24th. Ms. Koutsoukos will compile the responses and return them to the Commissioners by Friday, January 28th.

GM Peffley asked who the Board would like to be the Acting Corporate Secretary in order for him to prepare a Resolution for the next Board Meeting. Commissioner James supported appointing Ms. Koutsoukos as the Acting Corporate Secretary and the primary contact. Commissioner Leek asked if there was a pay increase with the appointment and GM Peffley responded that a 12.5% increase was given to his employees but as a Board appointee it is the Board's decision. A discussion followed. Chair Zerkle will meet with Ms. Koutsoukos to discuss the position of Acting Corporate Secretary.

Motion by Commissioner Thomas, Seconded by Commissioner Graham, to excuse Commissioners Tony Mullen, Douglas Jester and Brian Ross from tonight's meeting.

Action: Motion Carried

Adjourn

Chair Zerkle adjourned the meeting at 7:16 p.m.

Respectfully Submitted
Sandra Zerkle, Chair
Committee of the Whole

Chair David Price presented the Finance Committee Report:

**FINANCE COMMITTEE
Meeting Minutes
January 11, 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, January 11, 2022.

Finance Committee Acting Chair David Price called the meeting to order at 7:24 p.m. and asked the Acting Corporate Secretary to call the roll.

Present: Commissioners Beth Graham, Semone James, David Price and Sandra Zerkle. Also, present: Commissioners Dusty Horwitt, DeShon Leek, Tracy Thomas and Non-Voting Commissioner Larry Merrill (Delta Township)

Absent: Commissioner Tony Mullen

The Acting Corporate Secretary declared a quorum.

Public Comments

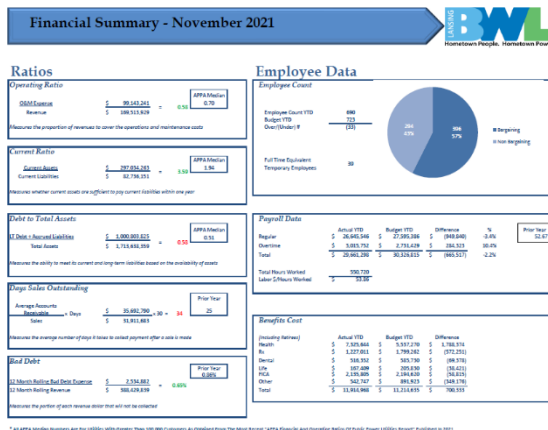
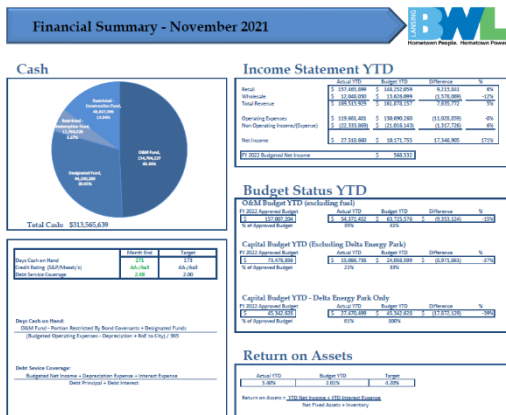
There were no public comments.

Approval of Minutes

Motion by Commissioner James, **Seconded** by Commissioner Graham to approve the Finance Committee meeting minutes of November 9, 2022.

Action: Motion Carried.

November YTD Financial Summary



Finance Manager, Scott Taylor gave a review of the November 2021 Year-to-date Financial Summary. Mr. Taylor reported that the Cash position is still strong. With the pandemic and bringing the new plant online, a conservative position is being maintained. The restricted construction fund will be decreasing and cash will be deployed for capital infrastructure when some items have been completed. Debt service coverage is above budget and retail sales for both commercial and residential are strong. An outage in the Erickson plant affected the wholesale numbers. Operating expenses and budget are down due to the new plant not being online and there is some impact from illnesses. Capital budget is under budget due to some delay in the supply chain. Three of the five ratios are above target. Debt to Total Assets is driven by the debt incurred with the Delta Energy Plant. Days Sales Outstanding is being affected by challenges customers have had making payments during the pandemic. Employee count and payroll data are consistent with previous data. Benefit costs have increased a little with an increase in claims but are offset with a decrease in prescription costs.

Commissioner Zerkle asked if the bad debt was decreasing toward normal levels. Mr. Taylor responded that bad debt was nearing former values from before the pandemic.

Bi-annual Internal Audit Open Management Response

Senior Internal Control Analyst, Elisha Franco, presented the bi-annual Internal Audit Open Management Response. Ms. Franco reported that mandatory training for P-Card holders is estimated to be completed by the end of January and Cyber Maturity is the only open action item under cyber security. Ms. Franco stated that the following closed action items were completed: revising and updating the P-Card manual and program on December 17, 2021 and December 21, 2021 respectively; implementing formal and written procedures for MPPA/MISO billings on August 18, 2021; and implementing a formal user access security review process for the OATI System on July 1, 2021.

Commissioner Zerkle thanked Ms. Franco for her clear, concise presentation.

Retirement Plan Committee (RPC) Updates

CFO Heather Shawa presented the Retirement Plan Committee (RPC) investment and administrative activity updates. Quarterly meetings were held with advisor ACG for the DB and VEBA Plans and with CapTrust and Nationwide for the Defined Contribution and Deferred Compensation Plans. The quarterly pension reports were emailed to the Board on December 17, 2021 and the final transition of assets from

MissionSquare (ICMA-RC) to Nationwide was completed on December 21, 2021. A new account will be opened at Bank of America to handle the disbursement of pension payments for the DB Plan.

The Administrative Services Agreement for the VEBA Plan became effective January 1, 2022. A section will be added to the March 31, 2022 Quarterly Pension Report showing benefits paid on behalf of the Trust and, if applicable, the amount reimbursed from the Trust to the BWL operating account. An Approval of Plan Document Amendment was made to align with the Centers for Medicare and Medicaid Services standards, and to clarify coverage eligibility for participants.

The Voluntary Correction Program response was filed in January 2021 to the IRS examiner for the October 29th follow-up request for the Defined Contribution & Deferred Compensation Plans. There is one item that remains for approval and acceptance of correction. The Miners Act and SECURE Act optional provisions recommended and adopted by the Board are reducing in-service distribution age from 70 ½ to 59 ½ for 457 (b) participants and allowing withdrawal of \$5,000 following birth or adoption without a 10% early withdrawal penalty.

Commissioner James asked how the amounts were selected for the optional provisions in the two acts. CFO Shawa responded that in the review meetings with the advisors, the optional provisions were determined to be an advantage to participants. Commissioner James asked if any other options were considered. CFO Shawa responded that those were the only two brought forward for the plan but the Board may suggest additional options they would like considered.

Internal Auditor Status Report

Acting Chair Price requested that the Internal Audit Status Report be postponed until the Regular Board meeting.

Other

Finance Committee Chair Tony Mullen provided by email the Commissioners with a proposed resolution to appoint BWL Principal Auditor Brian Schimke as the Interim Internal Auditor. The resolution submitted in the November 9, 2021 Finance Committee Meeting was removed from the agenda due to concerns raised by legal counsel. Legal counsel's concerns will be addressed by the BWL Human Resources Department administering this position through its normal process for interim positions.

Motion by Commissioner Graham, **Seconded** by Commissioner Zerkle to forward the resolution as amended to appoint BWL Principal Auditor Brian Schimke as the Interim Internal Auditor until the Charter Appointed position of (Director) Internal Auditor is filled by the Board of Commissioners to the full Board for consideration.

Commissioner James asked what the Interim Internal Auditor would be expected to produce for the Board during the interim period. Chair Price responded that Mr. Schimke will be producing the revised audit plan as it has been proposed. Commissioner James asked if the five-year peer review would be completed by the Interim Internal Auditor. Chair Price stated he did not have that information and requested that questions regarding the Interim Internal Auditor role be postponed until the full Board meeting.

Commissioner Zerkle asked if General Counsel Mark Matus could elaborate on why the wording in one of the Interim Internal Auditor documents included that BWL had the right to eliminate the position when

the position is appointed by the Board. Mr. Matus responded that it is standard language for contracts for interim positions.

Commissioner Thomas requested further clarification on management having the right to eliminate the position when it is a Board position. He requested that the resolution be amended to the Board having the right to eliminate the position. Mr. Matus responded that the resolution can be amended for the Board to have the discretion to eliminate the position.

Action: Motion Carried.

Adjourn

Chair David Price adjourned the meeting at 8:00 p.m.

Respectfully submitted
David Price, Acting Chair
Finance Committee

Commissioner Mullen stated that Principal Auditor, Brian Schimke would give a brief presentation of the Internal Auditor Status Report this evening. Commissioner Mullen added that a Finance Committee meeting would be scheduled for a full presentation of the Audit Report if the Commissioners requested one.

Chair David Price presented the Human Resources Committee Report:

**HUMAN RESOURCES COMMITTEE
Committee Report
January 20, 2022**

The Human Resources Committee met on **January 20, 2022**.

The Committee met for the purpose of:

- Introducing Mr. Bill Brewer, CEO of Global Business Resource Group.
- Discussion of Director, Internal Audit and Corporate Secretary job description survey results.
- Setting of a timeline for the hiring process for the two appointed positions.
- Discuss next steps in the hiring process.

The Committee engaged in dialogue, and suggested language and edits to the Director, Internal Audit and Corporate Secretary job descriptions. Motions were made to amend the job descriptions. These amendments are on the agenda for consideration this evening.

Thank you and that concludes my Report.
David Price, HR Chair
01-20-22

MANAGER'S RECOMMENDATIONS

There were no Manager's Recommendations.

UNFINISHED BUSINESS

Principal Auditor Brian Schimke gave a brief presentation of the Internal Auditor Status Report.

Proposed (Revised) FY 2022 Audit Plan

1. Planned Audits

- Time Recording, Payroll Processing, Payment of Overtime and Review Access to Employee Master File (Human Resources: Last Audit - October 2017)
- Manage Mobile Devices (Information Technology: Last Audit - October 2017)

2. Alternate Audits

- Enterprise Information Management Records Retention Management (Legal: Last Audit - March 2014)
- Outage Management System (Operations: Last Audit - April 2015 [Prior OMS System])

**Please note - Alternate audits may only be implemented if there is ample time left in the fiscal year to commence or if circumstances prevent IA from commencing a planned audit.*



IA Status Report 01/11/2022

3

Proposed (Revised) FY 2022 Audit Progress Report

Audit Engagements and Activities in Audit Plan Completed, Active, Scheduled to Start, or Changed.

1. Payroll Audit – Audit Status: Active, commenced preliminary work back on 08/23/2021
2. Mobile Devices Audit – Audit Status: Scheduled to start after receiving approval of the proposed (revised) FY22 Audit Plan

**Please note: A FY22 Audit Plan has NOT been approved, however, IA was given permission to engage in audit work related to the FY22 Payroll Audit.*



IA Status Report 01/11/2022

4

Other Items Internal Audit's Addressing

1. FY22 IIA Required Peer Review

- Required to be completed every five years to maintain compliance with IIA standards. The last Peer Review was completed in FY2017
- Working with Purchasing to issue RFP to solicit a vendor to perform the Peer Review

2. Working on completing FY22 Goals

- Established to improve the efficiency and efficacy of Internal Audit

3. Composing an Audit Universe for Board of Commissioners

- Will provide the Commissioner's with a comprehensive list of previous audits and breadth of the universe



IA Status Report 01/11/2022

5

NEW BUSINESS

Chair Price brought forth the recommended amendments to the Internal Auditor and Corporate Secretary job descriptions. After reviewing the job description for the Internal Auditor, it was suggested to change the requirement for the amount of time to obtain the Certified Information Systems Auditor and Certified Management Accountant designations from six months to one year. When the original job description was written, remote work was not as prevalent and a suggestion was made to add a hybrid work environment of in-office and remote work expectations under Working Conditions. After reviewing the job description for the Corporate Secretary, it was suggested to change having a bachelor's degree in Business required to having a bachelor's degree or equivalent preferred. It was also suggested to add that qualified candidates will have relevant education and experience necessary to perform the essential functions and meet the performance expectations for the position.

Commissioner Zerkle commented that the reasons for applying section was added to the Corporate Secretary job description as it was in the Internal Auditor job description.

Motion by Commissioner Zerkle, **Seconded** by Commissioner Leek, to approve the Amendments to the Director, Internal Auditor and Corporate Secretary job descriptions.

Action: Motion Carried.

RESOLUTIONS

RESOLUTION 2022-01-01

Appointment of Interim Internal Auditor

WHEREAS, on November 9, 2021, the Finance Committee recommended that BWL Principal Auditor Brian Schimke serve as the Interim Internal Auditor reporting directly to the Board of Commissioners until a permanent Internal Auditor has been appointed and approved by the Board of Commissioners;

WHEREAS, at the regular Board meeting on November 16, 2021, the resolution to appoint an interim internal auditor was removed from the agenda following concerns raised by Legal Counsel; and

WHEREAS, Legal Counsel's concerns will be addressed by means of the BWL Human Resources Department administering this interim position through its normal process for interim positions and making a written offer to Mr. Schimke containing the terms of the interim position,

RESOLVED, that Brian Schimke will serve as the Interim Internal Auditor while remaining a BWL at-will employee though reporting directly to the Board of Commissioners until the permanent Charter Appointed position of (Director) Internal Auditor is approved by the Board of Commissioners.

Motion by Commissioner Mullen, **Seconded** by Commissioner Graham, to approve the Resolution for the Appointment of Interim Internal Auditor.

Action: Motion Carried.

RESOLUTION 2022-01-02

Appointment of Interim Corporate Secretary

WHEREAS, on January 7, 2022, the Charter Appointed position of Corporate Secretary was vacated;

WHEREAS, on January 11, 2022, the Committee of the Whole recommended that BWL employee, Maria Koutsoukos, serve as the Interim Corporate Secretary, effective January 10, 2022, until a permanent Corporate Secretary has been appointed by the Board of Commissioners;

WHEREAS, the BWL Human Resources Department will administer this interim position through its normal process for interim positions and make a written offer to Maria Koutsoukos containing the terms of the interim position.

RESOLVED, that Maria Koutsoukos will serve as the Interim Corporate Secretary effective January 10, 2022, while remaining a BWL at-will employee though reporting to the Board of Commissioners in her interim capacity until a permanent Corporate Secretary has been appointed by the Board of Commissioners.

Motion by Commissioner James, **Seconded** by Commissioner Zerkle, to approve the Resolution for the Appointment of Interim Corporate Secretary.

Action: Motion Carried.

MANAGER'S REMARKS

General Manager Richard Peffley provided information on the following items:

1. BWL's First STEP program that was ceased during the COVID-19 pandemic has been reactivated. GM Peffley stated there are ten students in the program and encouraged attendance at the graduation event which will be announced at a later time.
2. There was an article regarding the Erickson fly ash pond in the media. The City Pulse story included factual inaccuracies, our drinking water has not been contaminated and BWL has made a commitment to protect drinking water. Proactively, additional wells are being drilled for sampling purposes and updates will be provided. The two elements for which tests are being run are naturally occurring and samples will be taken to determine whether BWL is adding to it.

Commissioner Zerkle asked whether it was correct that water for the city was checked three times a day for pollutants or problems. GM Peffley responded that the water is checked continually. Commissioner Zerkle asked if customers with wells could bring in samples to be tested. GM Peffley responded that BWL can check the samples and that BWL manages the aquifer and where groundwater flows to keep the water clean.

Commissioner Horwitt thanked GM Peffley for his commitment to keeping the water safe and asked whether BWL had any wells near the Erickson plant or where there may be contaminants and if a potential issue would be with private wells. GM Peffley responded that BWL had three wells in the vicinity that are no longer in use and that the private water wells have been converted to the Delta Township system and are not used for drinking water. Commissioner Horwitt asked about disagreements BWL had with the EPA and asked for the Commissioners to be provided with any comments that BWL will submit to the EPA. He also asked for a diagram of the location of the ash ponds and the proximity of the wells. GM Peffley responded he would provide the Commissioners with the comments submitted and that he would provide a map to the Commissioners. Commissioner Merrill asked that the information also be provided to Delta Township officials and GM Peffley responded he would share that with them.

3. BWL has acquired a contract for 120 MW of service with a 20-year agreement. A normal service request for an assembly plant is for 23 MW. BWL will build a substation and \$33 million has been granted by the State of Michigan. A reduced rate has been negotiated in the agreement due to the work and efforts of the employees at BWL.

COMMISSIONERS' REMARKS

Commissioner Leek thanked and congratulated GM Peffley and his staff for approving the reduced energy rate and asked when ground would be broken for the substation. GM Peffley responded that BWL is expecting to break ground in six weeks.

EXCUSED ABSENCE

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

Action: Motion Carried.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Chair Price adjourned the meeting at 6:01 p.m.

Maria Koutsoukos, Interim Corporate Secretary
Preliminary Minutes filed (electronically) with Lansing City Clerk 01-27-22
Approved by the Board of Commissioners: 03-__-22
Official Minutes filed (electronically) with Lansing City Clerk: 03-__-22

Submitted on Fri, 02/04/2022 - 8:46 AM

Select a Commissioner:

All Commissioners

Name

Randy Dykhuis

Street Address

Lansing, Michigan

Message

On behalf of the Lansing Environmental Action Team, I am submitting questions that have arisen as a result of recent actions by the US EPA about the groundwater contamination at the Erickson plant. We are also concerned about the apparent plans to supply electricity to the new GM plant through new capacity fired by natural gas. We ask that you respond to our questions as quickly as possible but no later than February 18 and that you also address them in public at the next Committee of the Whole meeting. Thank you.

Coal ash:

1. Why were there no groundwater samples taken between October 17, 2017 and October 19, 2020 as required by EPA? (see page 8 of EPA prepublication notice of "Proposed Date to Cease Receipt of Waste for Erickson Power Station based on Interim Determination of Incompleteness of Demonstration", available here: https://www.epa.gov/system/files/documents/2022-01/erickson_incomplete_proposal_508_prepub.pdf.)
2. BWL has said that there are only a few nearby private wells that may be affected by possible contamination. Media reports say there are dozens. Which is correct? If only a few, where are they?
3. BWL has said that all nearby residents with private wells have been contacted. News media articles state that no contacts have been made. Who is right? If residents have been contacted, when did that happen and who from BWL spoke to those residents?
4. What policies does the BWL Board of Commissioners have in place to ensure that it is notified in a timely manner of possible threats to public health. For example, a policy might say, "The Board shall be informed of any State or Federal notification of violations or potential violations that would impact public health or BWL operations within 24 hours of such notification." If there are no such policies, what plans does the board have to remedy that? If there are policies, why were they not followed by management?

GM battery plant:

1. BWL has said that the new GM plant will require 120 megawatts of power, much more than can be generated with current capacity. How will the demand be met? Please provide specifics regarding the timeline of decisions and construction.
2. In its most recent 10K filing with the SEC (the fiscal year ending Dec 31, 2020), GM stated, "We continue our efforts to increase our use of renewable energy, improve our energy efficiency and work to drive growth and scale of renewables. We are committed to meeting the electricity needs of our

operations worldwide with renewable energy by 2035, pulling forward our previous commitment by five years, and plan to be carbon neutral by 2040 in our global products and operations, supported by a commitment to science-based targets." In September 2021, GM issued a press release (<https://investor.gm.com/news-releases/news-release-details/gm-set-reach-100-percent-renewable-energy-us-5-years-ahead>) that stated, "Today, General Motors announced that it plans to source 100 percent renewable energy to power its U.S. sites by 2025 – five years earlier than previously announced, and 25 years ahead of its initial target that was set in 2016." What conversations has BWL had with GM about sourcing its electricity from renewable resources? How is BWL proposing to meet GM's stated plans for electricity at the Lansing plant from 100 percent renewable energy sources by 2025? What conversations, if any, has BWL had with GM about the sources for electricity for the new plant? Was the topic of electricity from renewables raised by GM at any time?

3. What is the operational life-span of a new gas fired facility? How will BWL transition from gas to renewables to meet GM's goal for 100 percent renewables by 2025?

4. With the new capacity coming from an expansion of the new gas plant, how will this affect the current goals of 80 percent reduction in greenhouse gas emissions by 2025 and 50 percent clean energy by 2030? Does BWL include natural gas sourced power in its definition of "clean energy"?

5. How did BWL decide to expand Delta Energy Park? Were alternatives such as investing in renewables and battery storage considered? If not, why not?

6. BWL has stated that residents will not pay higher rates because of the new capacity for GM. How did BWL arrive at this conclusion? Is the statement intended to be limited to only this and/or the next year's rates?

7. What role will the Board of Commissioners play in the decisions associated with implementing BWL's expected contract with GM?

8. When and how often does the BWL administration expect to update the Board of Commissioners on progress made to achieve the higher electricity demand posed by the contract with GM?

Submitted on Wed, 02/23/2022 - 10:13 AM

Select a Commissioner:

All Commissioners

Name

Catherine Church
Lansing, Michigan

Message

How often are residential electrical lines replaced?

Submitted on Thu, 03/03/2022 - 10:12 AM

Select a Commissioner:

All Commissioners

Name

Maxine Shepard

Street Address

DeWitt, Michigan

Message

Acct. 10046809. Dear Sirs/Madams: I believe my meter has been tampered with and that I am being incorrectly billed for \$480.00+ in error. I have been unable to get this matter resolved with your customer service agents. I have requested a reread given that my previous bills averaged \$55.00. I was told there was nothing I could do about it and that I was being billed for past usage over a year ago. I do not agree that this bill is accurate and plan to file suit. This email is notice of my intention to pursue this matter in court. I also believe this action is in retaliation for a lawsuit that I have pending in the US District Court, Shepard v. Dept. of Veterans Affairs, et al. I believe some of the neighbors have conspired to have my meter tampered with to cause the bill to go up. My email notifications were stopped on my online account, so had I not checked my service would have been disconnected. Please correct this error. Maxine Shepard

Submitted on Tue, 03/15/2022 - 3:20 PM

Select a Commissioner:

All Commissioners

Name

Victor Diaz

Street Address

Lansing, Michigan

Message

This is an invitation to the Board to participate in a celebration of Earth Day by assisting Lansing's citizens in finishing a sustainable butterfly environment in Moores Park. This environment is partially completed through the generosity of many, including Lansing Parks. We would love to have your attendance as well as your assistance. We need \$2,500 for additional plants for the garden as well as dogwood, red and tulip poplar trees to plant throughout the park to provide an enlarged habitat for the butterflies. We invite you to come down, see our work and rub elbows with the people of Lansing determined to make a better world.

SPECIAL COMMITTEE OF THE WHOLE

Meeting Minutes

February 15, 2022

The Committee of the Whole of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, on Tuesday, February 15, 2022.

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

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

Absent: Commissioner Brian Ross (DeWitt Township)

The Interim Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

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

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

GM Peffley also updated the meeting attendees on the groundwater contamination at the Erickson station. Elevated levels of boron were found in the water at six private wells in the area. Boron levels aren't currently regulated as it is a naturally occurring element, but some of the current levels are considered unsafe for children. BWL provided the owners of the private wells with bottled water and Culligan machines, and will provide a permanent water filter solution or a paid hookup to the city system in the near future. Wells were drilled at the Erickson station and in the aquifer upstream from the gradient to determine the baseline boron level in the area and BWL's effect on the boron level. Sample testing will continue for the 60 homes on the well water in the area.

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

Chairperson Zerkle asked whether moving up the closing date of the Erickson plant and the coal pile affected the amount of contamination. GM Peffley responded that cleaning the coal ash containment

pond was separate from the boron levels. GM Peffley added that policy on moving the company forward with new generating assets would be provided in COW meetings.

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

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

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

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

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

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

Commissioner Mullen requested a call of the question.

Roll Call Vote for the call of the question:

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

Nays: None.

Roll Call Vote for the Motion:

Yeas: Commissioner Semone James

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

Action: Motion Failed.

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

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

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

Other

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

Action: Motion Carried

Adjourn

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

Respectfully Submitted
Sandra Zerkle, Chairperson
Committee of the Whole

FINANCE COMMITTEE Meeting Minutes February 22, 2022

The Finance Committee of the Board of Water and Light (BWL) met at the BWL Headquarters – REO Town Depot, located at 1201 S. Washington Ave., Lansing, MI on Tuesday, February 22, 2022.

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

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

Absent: None

The Interim Corporate Secretary declared a quorum.

Public Comments

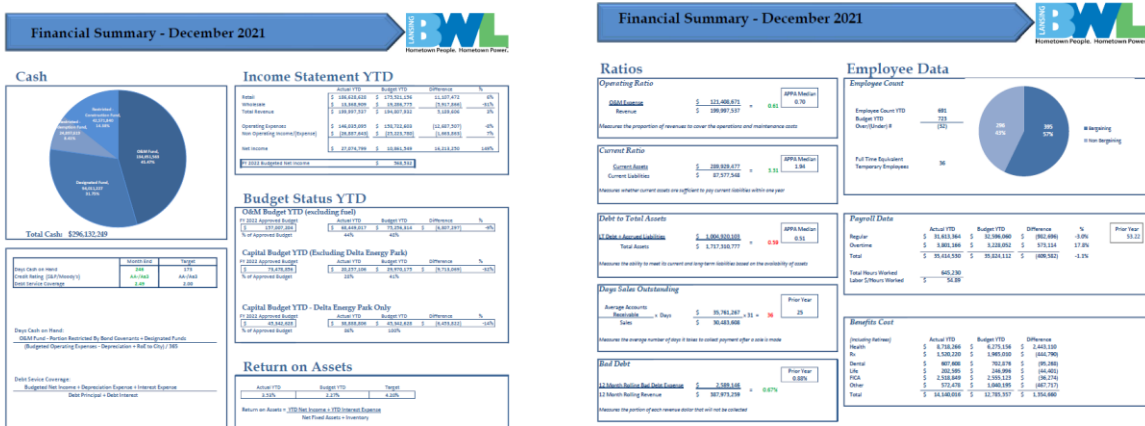
There were no public comments.

Approval of Minutes

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

Action: Motion Carried.

December YTD Financial Summary



CFO Heather Shawa gave a review of the December 2022 Year-to-date Financial Summary. CFO Shawa reported that Total Cash decreased from the prior month due to the semi-annual Return

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

Commissioner Zerkle commended the decrease in bad debt ratio and asked if the employee benefit costs increased due to overtime and filling in for COVID absences. CFO Shawa responded that at the beginning of the pandemic non-emergency medical treatments were deferred and BWL's health care consultant advised that the benefits costs would increase when the non-emergency medical treatments were allowed. CFO Shawa added that the costs weren't expected to decrease for about a year. GM Peffley added that there would be two more pandemic relief fairs held, on March 9th at Grier Community Center and March 15th at Letts Community Center, that would bring in additional funding to decrease the costs.

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

Capital Project Summary

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

Report as of December 31, 2021											
Projects Sorted by the Current Projection (Highest to lowest costs)											
Project Name	Current Phase	FY 22		Total Project				Project Period			
		Budget	Projected	Designed Budget Amount	Current Projection	\$ Variance	% Variance	Total Cost Incurred To-Date	% Total Cost Incurred To-Date	Start Date	Projected Completion Date
Top Ten Planned Projects											
Advanced Metering Infrastructure	Phase 4 - Construction	\$ 873,373	\$ 1,399,322	\$ 37,187,288	\$ 37,716,593	\$ 529,305	1.42%	\$ 37,011,834	98.13%	6/6/2014	6/30/2022
Stanley Substation	Phase 1 - Feasibility	\$ 804,904	\$ 357,113	TBD	\$ 34,920,108	\$ -	0.00%	\$ 74,399	0.21%	3/15/2021	12/9/2027
Wise Substation - Rebuild	Phase 3 - Design	\$ 8,554,408	\$ 2,510,951	TBD	\$ 25,781,235	\$ -	0.00%	\$ 1,028,437	3.99%	2/1/2020	6/30/2024
Rundle Substation	Phase 2 - Funding Readiness	\$ 500,000	\$ 735,417	TBD	\$ 24,429,851	\$ -	0.00%	\$ 142,518	0.58%	3/15/2021	10/25/2025
South Reinforcement - Transmission Line	Phase 3 - Design	\$ 2,980,991	\$ 2,318,539	TBD	\$ 20,921,628	\$ -	0.00%	\$ 3,168,088	15.14%	9/20/2017	11/29/2024
LGR Substation	Phase 1 - Feasibility	\$ 49,438	\$ 403,657	TBD	\$ 17,987,179	\$ -	0.00%	\$ 102,032	0.57%	3/15/2021	6/9/2026
Customer Information System	Phase 4 - Construction	\$ 1,550,764	\$ 3,479,838	\$ 17,425,255	\$ 16,069,659	\$ (1,355,596)	-7.78%	\$ 13,570,568	84.45%	4/30/2019	6/30/2022
Dye Dry Chemical Handling	Phase 3 - Design	\$ 714,061	\$ 1,199,816	TBD	\$ 13,707,307	\$ -	0.00%	\$ 581,991	4.25%	8/17/2020	8/31/2026
REO GM Hot Water Service	Phase 1 - Feasibility	\$ -	\$ 155,375	TBD	\$ 9,702,660	\$ -	0.00%	\$ 2,137	0.02%	11/15/2021	2/28/2025
ESRI Implementation	Phase 4 - Construction	\$ 300,000	\$ 555,492	\$ 6,520,417	\$ 6,875,503	\$ 355,086	5.45%	\$ 6,524,003	94.89%	7/1/2015	6/30/2022
Total Top Ten Planned Projects		\$ 16,327,839	\$ 13,115,521		\$ 208,111,722			\$ 62,206,007			
Project Watch List - Projects \$100k and 10% over the Designed Budget Amount (Outside of Top Ten Planned Projects)											
Total Project Watch List		\$ -	\$ -		\$ -			\$ -			
Remaining Planned											
Electric		\$ 19,695,033	\$ 12,848,394								
Water		\$ 2,317,000	\$ 1,974,072								
Steam		\$ -	\$ 482,671								
Chilled Water		\$ -	\$ -								
Common		\$ 3,098,404	\$ 3,460,263								
Total Remaining Planned		\$ 25,110,437	\$ 18,765,401								
Annual											
Electric		\$ 15,692,000	\$ 16,394,377			\$ 702,377	4.48%				
Water		\$ 9,234,050	\$ 8,457,262			\$ (776,788)	-8.41%				
Steam		\$ 1,746,132	\$ 1,437,696			\$ (308,436)	-17.67%				
Chilled Water		\$ 50,000	\$ 50,000			\$ -	0.00%				
Common		\$ 5,318,298	\$ 5,635,404			\$ 317,106	5.77%				
Total Annual		\$ 32,040,480	\$ 31,964,649								
Grand Total		\$ 73,478,856	\$ 63,845,570								

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

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

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

Retirement Plan Committee (RPC) Updates

CFO Heather Shawa presented the Retirement Plan Committee (RPC) investment and administrative activity updates. Quarterly meetings were held with advisor ACG for the DB and VEBA plans and the quarterly performance reports as of December 31, 2021 were reviewed.

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

Drinking Water State Revolving Fund (DWSRF)

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

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

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

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

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

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

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

Internal Auditor Status Report

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

Proposed (Revised) FY 2022 Audit Plan

1. Planned Audits

- Time Recording, Payroll Processing, Payment of Overtime and Review Access to Employee Master File (Human Resources: Last Audit - October 2017)
- Manage Mobile Devices (Information Technology: Last Audit - October 2017)

2. Alternate Audits

- Enterprise Information Management/Records Retention Management (Legal: Last Audit - March 2014)
- Outage Management System (Operations: Last Audit - April 2015 [Prior OMS System])

**Please note – Alternate audits may only be implemented if there is ample time left in the fiscal year to commence or if circumstances prevent IA from commencing a planned audit.*



IA Status Report 02/22/2022

3

Proposed (Revised) FY 2022 Audit Progress Report

Audit Engagements and Activities in Audit Plan Completed, Active, Scheduled to Start, or Changed.

1. Payroll Audit – Audit Status: Active, commenced preliminary work back on 08/23/2021
2. Mobile Devices Audit – Audit Status: Scheduled to start after receiving approval of the proposed (revised) FY22 Audit Plan

**Please note: A FY22 Audit Plan has NOT been approved, however, IA was given permission to engage in audit work related to the FY22 Payroll Audit.*



IA Status Report 02/22/2022

4

Other Items Internal Audit's Addressing

1. **FY22 IIA Required Peer Review**
 - Required to be completed every five years to maintain compliance with IIA standards. The last Peer Review was completed in FY2017
2. **Working on completing FY22 Goals**
 - Established to improve the efficiency and efficacy of Internal Audit
3. **Composing an Audit Universe for Board of Commissioners**
 - Will provide the Commissioner's with a comprehensive list of previous audits and breadth of the universe



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

Commissioner Jester inquired whether the outage management system audit would include looking at the capacity of the system during a large outage. Mr. Schimke responded that he would review the audit that was completed during the ice storm and conduct an audit with those issues and measures in mind. He added that a third party may be required to conduct a simulation.

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

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

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

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

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

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

Action: Motion Carried.

Other

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

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

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

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

Adjourn

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

Respectfully submitted
Tony Mullen, Chairperson
Finance Committee

EXECUTIVE COMMITTEE
Meeting Minutes
March 3, 2022

The Executive Committee of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, on Thursday, March 3, 2022.

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

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

Absent: None

The Interim Corporate Secretary declared a quorum.

Public Comments

None.

Approval of Minutes

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

Action: Motion Carried.

Review Proposed Changes to Governance Policy and Rules of Procedure

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

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

Other

There was no other business.

Excused Absence

None.

Adjourn

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

Respectfully submitted,
David Price, Chairperson
Executive Committee

COMMITTEE OF THE WHOLE

Meeting Minutes

March 8, 2022

The Committee of the Whole of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, on Tuesday, March 8, 2022.

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

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

Absent: Commissioner Dusty Horwitt

The Interim Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

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

Action: Motion carried. The minutes were approved.

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

Action: Motion carried. The minutes were approved.

Approval of Amendments to Governance Policy and Rules of Procedure

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

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

Action: Motion carried.

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

Action: Motion Carried.

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

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

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

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

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

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

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

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

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

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

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

Action: Motion Carried.

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

Action: Motion Carried.

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

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

Commissioner Price withdrew his motion.

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

Motion by Commissioner Price, **Seconded** by Commissioner Leek, to strike in Rules of Procedure 1.6.2, no, and to insert, a; to strike, any, and to insert, a; to insert, unless; to strike the deletion of shall, and to strike the insertion of may; to strike, which the non-voting member or the municipality(s) the represent has; to insert, the closed meeting poses a conflict of interest to the non-voting member or the municipality the non-voting member represents; to strike the insertion of, or a financial interest other than as a citizen of the municipality; to strike, conflict of interest; to strike determined and insert resolved; to insert vote; and to strike, before the main question shall be voted on, and if the non-voting member is recused, they shall be prohibited from voting on or participating in the closed session.

Action: Motion Carried.

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

Action: Motion Carried.

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

Action: Motion Carried.

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

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

Action: Motion Carried.

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

Action: Motion Carried.

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

Action: Motion Carried.

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

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

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

Commissioner Price made an amendment to the motion on the floor to strike only the insertion of Paragraphs I and III and to insert Paragraph II in Rules of Procedure 6. 1) A Commissioner can hold the position of Board Chairperson or Board Vice Chairperson for not more than two (2) years, in a five-year period of time. A Commissioner can serve as Board Chairperson or Board Vice Chairperson multiple

times while serving as a Member of the Board of Commissioners as long as it is not more than two (2) consecutive years or two (2) years within a five-year period of time; III) The Chairperson shall not appoint the Nominating Committee Chairperson. The Nominating Committee Chairperson position and committee will be determined solely by those formally sharing interest and finally be consensus or vote in the Committee of the Whole Meeting leading up to the election process; II) A Commissioner who serves as Chairperson or Vice Chairperson of the Board cannot serve as the Chairperson of a Standing Committee other than the Executive and Board Pension Fund Trustees Committees.

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

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

Action: Motion Carried.

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

Action: Motion Carried.

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

Action: Motion Carried.

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

Action: Motion Carried.

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

Action: Motion Carried.

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

Action: Motion Carried.

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

Action: Motion Carried.

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

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

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

Action: Motion Carried.

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

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

Action: Motion Carried.

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

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

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

Motion by Commissioner James, **Seconded** by Commissioner Thomas, to insert in Rules of Procedure 13.1 Attendance, the Corporate Secretary shall submit official documented attendance in a report to

each Commissioner annually and to the Mayor and City Council before the reappointment of a Commissioner.

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

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

Action: Motion Carried.

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

Action: Motion Carried.

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

Action: Motion Carried.

Return on Equity (ROE)

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

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

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

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

Cyber Security Update

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

Other

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

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

Action: Motion Carried

Adjourn

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

Respectfully Submitted
Sandra Zerkle, Chairperson
Committee of the Whole

HUMAN RESOURCES COMMITTEE

Meeting Minutes

March 17, 2022

The Human Resources Committee of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:00 p.m. on Thursday, March 17, 2022.

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

Absent: none

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

Action: Motion Carried

Public Comments

There were no public comments.

Approval of Minutes

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

Action: Motion Carried

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

Action: Motion Carried

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

Action: Motion Carried

Status of Search Process for Director Internal Auditor

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

Commissioner's comments:

Sandra Zerkle asked about our pay scale compared to others that are posting for same position. William Brewer stated that if there are concerns regarding pay, he would reach out to the committee.

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

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

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

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

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

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

Tracy Thomas asked about poaching someone from another company.

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

Status of Search Process for Corporate Secretary

In full transparency candidate number 2 was a student of Tracy Thomas 25 years ago.

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

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

Semone James would like to know that once the committee reviews the scores/assessments, if a candidate does not have a certain score, do they move on or not? Tracy Thomas would like the committee to have a discussion around each candidate as well as to look at scores.

David Price wants to know if there is a limit of how many candidates can move forward for a face-to-face interview. Tracy Thomas stated that there should not be a limit and that the committee can move forward with face-to-face interviews with as many as needed.

William Brewer also have the committee a brief overview of the video interviewing process.

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

Candidate 1 was unprepared and did not look the part during the video interview. Tracy Thomas gave this candidate a 1-star rating. David Price and DeShon Leek agree with Tracy Thomas's assessment. David Price makes a motion to eliminate from the next round. Seconded by DL. Motion passes.

Candidate 2 was vague and did not answer questions well. Not much information gathered with the answers given. Sandra Zerkle agrees with this assessment. David Price was more impressed with resume than the video. David Price makes a motion to move Candidate 2 forward in the process. Seconded by Tracy Thomas. Motion declined.

Candidate 3 she was one of the only one that had detailed answers to the interview questions. Semone James found this candidate very professional, hardworking and interested in the job. Only concern is that can she work for 11 commissioners. This candidate spoke of current issues, flexibility, and work processes. David Price makes a motion to move candidate 3 forward in the process. Seconded by DeShon Leek. Motion passes.

Candidate 4 had a lot of energy. Did a lot of research on the BWL and is a member of this community. David Price agreed with Tracy Thomas's assessment of candidate. Semone James felt that this candidate had the most experience of the candidates but concerned that candidate does not understand this position works for the Commissioners. DeShon Leek liked her energy and professionalism. DeShon Leek Makes a motion to move candidate 4 forward in the process. Seconded by David Price. Motion passes.

Candidate 5 was highly qualified with experiences. Nervous that we will not be able to keep this person though based on past positions. Tracy Thomas has the same thoughts regarding nervousness, but we can't decide based on that fear. Not sure if this person knows that this position is not a public relations position. DL stated that this candidate thought this person was too good to be true. David Price makes a motion to move candidate 5 forward in the process. Seconded by DeShon Leek. Motion passes.

Candidate 6 has a great resume, qualified and is very thorough. David Price, Sandra Zerkle both agree with that assessment. Tracy Thomas stated this candidate would be great at tasks. David Price makes a motion to move candidate 6 forward in the process. Seconded by DeShon Leek. Motion passes.

Next Steps

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

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

Other

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

Will there be a special board meeting to introduce the new candidate to the Board of Commissioners? HR committee stated that this is a crucial meeting and should be offered.

William Brewer wanted to review the timeline with the Commissioners.

David Price makes a motion to excuse Commissioner Howitt. Seconded by DeShon Leek. Motion passes.

Adjourn

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

Respectfully Submitted,
Tracy Thomas, Chairperson
Human Resources Committee

Proposed Resolution
Internal Audit Plan for FY 2022

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

RESOLUTION 2019-01-01**Amend^{ED} Board of Commissioners Governance Policy**

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, per the Lansing City Charter, the Board has appointed three individuals, Director (also known as the General Manager), Internal Auditor (also known as the Director of Internal Audit), and Secretary (also known as the Corporate Secretary), who report directly to the Board and serve at the Board’s pleasure. The General Manager is also responsible to the Board for carrying out the duties assigned by the Board, which includes but is not limited to the operation and management of the BWL.

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 rate payers, exercising reasonable care, loyalty and good faith in actions and decisions, meeting legal and regulatory requirements, and assuring the General Manager, Director of Internal Audit, and Corporate Secretary are effective with adequate support and resources.

WHEREAS, while the Administrative Rules of Procedure as approved by Lansing City Council in accordance with Section 5-105 identifies how the Board will conduct business and is organized for fulfilling its policymaking responsibilities necessary for the operation of the BWL, it desires to better define the understanding between individual Board members on day to day dealings.

WHEREAS, the Board recognizes the need for a self-evaluation but deems that an evaluation conducted every year is unnecessary and that conducting an evaluation every two years is sufficient in determining the ways in which efficiency and effectiveness can be improved.

RESOLVED, the Board amends the Governance policy relating to the period of time that the Board will conduct a self-evaluation from a year to every two years; with the next evaluation to be conducted in 2020.

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

Motion by Commissioner McCloud, Seconded by Commissioner Graham, to amend the Board of Commissioners Governance Policy from conducting a self-evaluation each year to every two years.

Action: Motion Carried.

COMMISSIONER GOVERNANCE POLICY

- 1) The Board’s objectives and goals for its effective governance of the BWL include the following:
 - a. Develop and adopt corporate policies for the governance of the BWL that are sufficient for the effective administrative and executive management of the BWL;
 - b. Review, **REQUIRE MODIFICATIONS IF NECESSARY**, and approve the corporate strategic plan that sets forth the mission, goals and broadly stated objectives and performance measures;
 - c. Review, **REQUIRE MODIFICATIONS IF NECESSARY**, and approve major project plans and programs, capital and operating budgets proposed by the General Manager, or other policy matters as requested by the Board;
 - d. Monitor organizational performance;
 - e. Support the General Manager by engaging in collaborative performance planning and evaluation.

- 2) The Board commits itself and its individual members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate professional and personal behavior. More specifically:
 - a. Commissioners must, in capacity as a board member, represent the interests of the **BWL CITY OF LANSING** and their respective constituents.
 - b. Commissioners may not **ATTEMPT TO** exercise individual authority over the BWL, except as explicitly set forth in Board policies.

C. AS A GENERAL RULE, COMMISSIONERS SHALL REFER MEDIA QUESTIONS ABOUT BWL OPERATIONS TO THE GENERAL MANAGER. IF AN INDIVIDUAL COMMISSIONER IS CONTACTED BY THE MEDIA, THE COMMISSIONER SHALL PROMPTLY INFORM THE OTHER COMMISSIONERS REGARDING THE QUESTIONS FROM THE MEDIA AND THE COMMISSIONER’S ENSUING RESPONSE. THE BOARD RECOGNIZES THAT WE RETAIN OUR OVERSIGHT AUTHORITY.

d. Commissioners' interactions with the General Manager, management and staff **must SHOULD** clearly reflect that there is no authority vested in individual Commissioners, except when explicitly authorized by action of the Board.

ii. ——— Commissioners’ interactions with the General Manager, management and staff must clearly reflect that there is no authority vested in individual Commissioners, except when explicitly authorized by action of the Board.

iii. ——— Commissioners will refrain from making individual public comments about the BWL unless such comments are supported by relevant, timely, accurate and objectively reported information.

E. COMMISSIONERS MAY SHARE WITH THE PUBLIC INFORMATION MADE PUBLIC BY MANAGEMENT.

F. CONSISTENT WITH THIS POLICY AND THE RULES OF PROCEDURE, COMMISSIONERS IN THEIR INDIVIDUAL CAPACITIES CAN MAKE PUBLIC COMMENTS ABOUT THE BWL AND SHOULD EXERCISE CARE TO ENSURE THAT SUCH COMMENTS ARE SUPPORTED BY RELEVANT, TIMELY, ACCURATE AND OBJECTIVELY REPORTED INFORMATION

iv- g. Commissioners will respect the confidentiality appropriate to personnel issues and information of a sensitive nature.

- 3) The Board adopts and establishes that the General Manager's principal role, with the support of management and staff employees, is to:
 - a. Carry out the administrative and management duties assigned by the Board of Commissioners FOR the ~~FULL AND EXCLUSIVE~~ management of the utility services provided by the **BWL BOARD OF COMMISSIONERS**;
 - b. Support the Board in its development of policies;
 - c. Carry out the Board policies;
 - d. Keep the Board informed about the outcomes of its policies, including achievement of results and the use of resources;
 - e. Prepare and present, for Board approval **AND MODIFICATION IF NECESSARY**, and consistent with Board policies, a strategic plan, major project plans and programs and capital and operating budgets;
 - f. Manage and operate the BWL, accepting accountability for the performance of the organization in relation to the Board's policies, as well as its approved strategic and business plans, major project plans and programs, and capital and operating budgets.
 - g. Establish administrative and operational directives, standards, guidelines and procedures that support Board approved corporate policies, strategies, projects and budgets.
- 4) The Board shall provide direction to the General Manager, Director of Internal Audit, and Corporate Secretary collectively as a **Board** through resolution or motion as adopted by the Board; which includes the understanding that:
 - a. The General Manager, Director of Internal Audit, and Corporate Secretary are the only persons directly accountable to the Board for the operational conduct that directly impact their respective areas of responsibility. Additionally, the General Manager, Director of Internal Audit and Corporate Secretary are individually accountable only to the Board.

The authority and accountability of respective management and staff is inseparable from the authority and accountability of the General Manager, Director of Internal Audit, and Corporate Secretary. To that end:

- i. The Board shall not give orders, directly or implied, to anyone other than the General Manager, Director of Internal Audit, or Corporate Secretary based on the areas of respective authority and accountability.
 - ii. To the extent that the Board's written policies do not give specific direction, and the General Manager, Director of Internal Audit, or Corporate Secretary deem it necessary to act, the General Manager, Director of Internal Audit, or Corporate Secretary will respectively use a reasonable interpretation of its current policies, to make all decisions, develop all processes and procedures, take all actions and establish all practices necessary and will report to the Board actions taken and any recommendations for additional **ACTIONS**, or amendments to existing Board written policies.
 - b. Unless the Board has specifically authorized an individual Commissioner or Board committee to do so, an individual Commissioner **OR COMMITTEE** cannot make decisions or recommendations, nor issue directives that are binding on the General Manager, Director of Internal Audit, and Corporate Secretary.
 - c. When individual Commissioners request information or assistance from management without formal Board authorization, the General Manager, Director of Internal Audit, and Corporate Secretary can either respond to the request accordingly or refer the request to the Board.
 - i. **Respond as requested.** The General Manager, Director of Internal Audit, and Corporate Secretary at his or her discretion may notify all other Commissioners of the request and the response provided.
 - ii. **Refer the request.** The General Manager, Director of Internal Audit, and Corporate Secretary at his or her discretion may refer the request to the Board for consideration and direction before taking any action. This is especially appropriate where the General Manager, Director of Internal Audit, and Corporate Secretary believe responding to the request for information or assistance would be disruptive or require a material amount of staff time or funds that were not previously budgeted or scheduled for that purpose.
- 5) Every two years the Board will conduct a self-evaluation, soliciting the views of Board Members and other stakeholders as to the ways in which efficiency and effectiveness can be improved.
- 6) This Commissioner Governance policy is not intended to and shall not be construed as supplanting the Administrative Rules of Procedures as approved by the Lansing City Council in accordance with the Lansing City Charter Section 5-105 in whole or part. This Governance Policy is an understanding amongst the Board of Commissioners of how it will effectuate its executive and policymaking responsibilities with the utilization of its three appointees:

General Manager, Director of Internal Audit, and Corporate Secretary.

To the extent certain organizational resources are needed and permitted by the Administrative Rules of Procedure, which includes but is not limited to the use of consultants or legal counsel, this policy shall not prohibit or hinder such use, so long as the Administrative Rules of Procedure are followed.

RESOLUTION 2019-01-01**Amended Board of Commissioners Governance Policy**

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, per the Lansing City Charter, the Board has appointed three individuals, Director (also known as the General Manager), Internal Auditor (also known as the Director of Internal Audit) and Secretary (also known as the Corporate Secretary), who report directly to the Board and serve at the Board’s pleasure. The General Manager is also responsible to the Board for carrying out the duties assigned by the Board, which includes but is not limited to the operation and management of the BWL.

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 rate payers, exercising reasonable care, loyalty and good faith in actions and decisions, meeting legal and regulatory requirements, and assuring the General Manager, Director of Internal Audit and Corporate Secretary are effective with adequate support and resources.

WHEREAS, while the Administrative Rules of Procedure as approved by Lansing City Council in accordance with Section 5-105 identifies how the Board will conduct business and is organized for fulfilling its policymaking responsibilities necessary for the operation of the BWL, it desires to better define the understanding between individual Board members on day to day dealings.

WHEREAS, the Board recognizes the need for a self-evaluation but deems that an evaluation conducted every year is unnecessary and that conducting an evaluation every two years is sufficient in determining the ways in which efficiency and effectiveness can be improved.

RESOLVED, the Board amends the Governance policy relating to the period of time that the Board will conduct a self-evaluation from a year to every two years; with the next evaluation to be conducted in 2020.

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

Motion by Commissioner McCloud, Seconded by Commissioner Graham, to amend the Board of Commissioners Governance Policy from conducting a self-evaluation each year to every two years.

Action: Motion Carried.

COMMISSIONER GOVERNANCE POLICY

- 1) The Board's objectives and goals for its effective governance of the BWL include the following:
 - a. Develop and adopt corporate policies for the governance of the BWL that are sufficient for the effective administrative and executive management of the BWL;
 - b. Review and approve the corporate strategic plan that sets forth the mission, goals and broadly stated objectives and performance measures;
 - c. Review and approve major project plans and programs, capital and operating budgets proposed by the General Manager, or other policy matters as requested by the Board;
 - d. Monitor organizational performance;
 - e. Support the General Manager by engaging in collaborative performance planning and evaluation.

- 2) The Board commits itself and its individual members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate professional and personal behavior. More specifically:
 - a. Commissioners must, in capacity as a board member, represent the interests of the BWL and their respective constituents.
 - b. Commissioners may not attempt to exercise individual authority over the BWL, except as explicitly set forth in Board policies.
 - i. Commissioners' interactions with the General Manager, management and staff must clearly reflect that there is no authority vested in individual Commissioners, except when explicitly authorized by action of the Board.
 - ii. Only the Chair or other Designee of the Board may speak on behalf of the Board. To that end, no individual Commissioner (other than the Chair) may speak for the Board except to repeat explicitly stated Board decisions.
 - iii. Commissioners will refrain from making individual public comments about the BWL unless such comments are supported by relevant, timely, accurate and objectively reported information.
 - iv. Commissioners will respect the confidentiality appropriate to personnel issues and information of a sensitive nature.

- 3) The Board adopts and establishes that the General Manager's principal role, with the support of management and staff employees, is to:
 - a. Carry out the administrative and management duties assigned for the full and exclusive management of the utility services provided by the BWL;
 - b. Support the Board in its development of policies;
 - c. Carry out the Board policies;
 - d. Keep the Board informed about the outcomes of its policies, including achievement of

results and the use of resources;

- e. Prepare and present, for Board approval and consistent with Board policies, a strategic plan, major project plans and programs and capital and operating budgets;
 - f. Manage and operate the BWL, accepting accountability for the performance of the organization in relation to the Board's policies, as well as its approved strategic and business plans, major project plans and programs, and capital and operating budgets.
 - g. Establish administrative and operational directives, standards, guidelines and procedures that support Board approved corporate policies, strategies, projects and budgets.
- 4) The Board shall provide direction to the General Manager, Director of Internal Audit and Corporate Secretary collectively as a Board through resolution or motion as adopted by the Board; which includes the understanding that:
- a. The General Manager, Director of Internal Audit and Corporate Secretary are the only persons directly accountable to the Board for the operational conduct that directly impact their respective areas of responsibility. Additionally, the General Manager, Director of Internal Audit and Corporate Secretary are individually accountable only to the Board.

The authority and accountability of respective management and staff is inseparable from the authority and accountability of the General Manager, Director of Internal Audit and Corporate Secretary. To that end:

- i. The Board shall not give orders, direct or implied, to anyone other than the General Manager, Director of Internal Audit or Corporate Secretary based on the areas of respective authority and accountability.
 - ii. To the extent that the Board's written policies do not give specific direction, and the General Manager, Director of Internal Audit or Corporate Secretary deem it necessary to act, the General Manager, Director of Internal Audit or Corporate Secretary will respectively use a reasonable interpretation of its current policies, to make all decisions, develop all processes and procedures, take all actions and establish all practices necessary and will report to the Board actions taken and any recommendations for additional actions, or amendments to existing Board written policies.
- b. Unless the Board has specifically authorized an individual Commissioner or Board committee to do so, an individual Commissioner or committee cannot make decisions or recommendations, nor issue directives that are binding on the General Manager, Director of Internal Audit and Corporate Secretary
 - c. When individual Commissioners request information or assistance from management without formal Board authorization, the General Manager, Director of Internal Audit and Corporate Secretary can either respond to the request accordingly or refer the request to the Board.

- i. **Respond as requested.** The General Manager, Director of Internal Audit and Corporate Secretary at his or her discretion may notify all other Commissioners of the request and the response provided.
 - ii. **Refer the request.** The General Manager, Director of Internal Audit and Corporate Secretary at his or her discretion may refer the request to the Board for consideration and direction before taking any action. This is especially appropriate where the General Manager, Director of Internal Audit and Corporate Secretary believe responding to the request for information or assistance would be disruptive or require a material amount of staff time or funds that were not previously budgeted or scheduled for that purpose.
- 5) Every two years the Board will conduct a self-evaluation, soliciting the views of Board Members and other stakeholders as to the ways in which efficiency and effectiveness can be improved.
- 6) This Commissioner Governance policy is not intended to and shall not be construed as supplanting the Administrative Rules of Procedures as approved by the Lansing City Council in accordance with the Lansing City Charter Section 5-105 in whole or part. This Governance Policy is an understanding amongst the Board of Commissioners of how it will effectuate its executive and policymaking responsibilities with the utilization of its three appointees: General Manager, Director of Internal Audit and Corporate Secretary.

To the extent certain organizational resources are needed and permitted by the Administrative Rules of Procedure, which includes but is not limited to the use of consultants or legal counsel, this policy shall not prohibit or hinder such use, so long as the Administrative Rules of Procedure are followed.

Proposed Resolution
Commissioner Governance Policy Amendment

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

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

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

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

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

BOARD OF WATER AND LIGHT
OF THE CITY OF LANSING, MICHIGAN

RULES OF PROCEDURE
APPROVED BY BWL COMMISSION: MAY 26, 2015 CITY
COUNCIL EFFECTIVE: JUNE 8, 2015
SUGGESTED AMENDMENTS

1. MEETINGS

1.1 Regular Meetings

1.1.1 The **LANSING** Board of Water and Light (BWL) **BOARD OF** Commissioners shall hold regular bi-monthly meetings on the fourth Tuesday of the month **in at** the REO Depot, 1201 S. Washington Ave., Lansing, Michigan 48910 or at such other place, as the Board shall determine, unless a regular meeting is rescheduled as provided herein.

1.1.2 A schedule of dates, places and times for each regular bi-monthly meeting to be held in the **NEXT** calendar year shall be adopted by the Board **during IN** November of the preceding year.

1.2 Special Meetings

1.2.1 Special Meetings of the Board shall be called by the General Manager or **CORPORATE** Secretary **ON-THE UPON** request of the Chair **PERSON** of the Board or **ON-THE UPON** request of any **(2FOUR (4))** Voting Members.

1.2.2 Members of the Board shall have at least **EIGHTEEN (18)** hours written notice of a Special Meeting designating the time and purpose of such meeting. The notice shall be **delivered personally PROVIDED** to each Member of the Board **OR LEFT AT HIS OR HER USUAL PLACE OF RESIDENCE OR BUSINESS** by the **CORPORATE** Secretary or someone designated by the **CORPORATE** Secretary. **ACKNOWLEDGEMENT OF NOTICE IS REQUIRED FROM EACH MEMBER OF THE BOARD, AND MAY BE IN THE FORM OF AN ELECTRONIC COMMUNICATION (I.E., EMAIL).**

1.3 Rescheduled Meetings

1.3.1 The Chair **PERSON** may reschedule any regular Meeting.

1.3.2 Notice of any rescheduled meeting shall be given **AS REQUIRED** pursuant to Section 1.2.2, and Section 2.2.

1.4 Conflicting Times

The schedule of regular Board **AND SPECIAL** meetings shall not conflict with regular meetings of the Lansing City Council.

1.5 Committee of the Whole Meetings

1.5.1 The Board may convene as a Committee of the Whole upon call by the Vice Chairperson or any **(2 FOUR (4))** Voting Members of the Board.

1.5.2 Notice shall be provided in accordance with **the provisions for Special Meetings SECTION 1.2** and State law.

1.5.3 The Committee of the Whole shall report its recommendations, if any, for consideration by the Board at a regular or Special Meeting.

1.6 Closed Meetings

1.6.1 Meetings that are closed to the public may be closed to the public only for those purposes permitted under the Michigan Open Meetings Act, as amended.

1.6.2 ~~No~~ **A** Non-voting Member **SHALL MAY** participate in **ANY A** closed **SESSION** meeting **unless** the subject of ~~WHICH THE NON-VOTING MEMBER OR THE MUNICIPALITY(S) THEY REPRESENT HAS~~ **THE CLOSED MEETING POSES** a conflict of interest **TO THE NON-VOTING MEMBER OR THE MUNICIPALITY THE NON-VOTING MEMBER REPRESENTS OR A FINANCIAL INTEREST OTHER THAN AS A CITIZEN OF THE MUNICIPALITY**. If a **CONFLICT-OF-INTEREST** question is raised under this section at any Board meeting, prior to going into closed session, such question shall be **DETERMINED RESOLVED** by a majority **VOTE** of those Voting Members present and qualified to vote. ~~BEFORE THE MAIN QUESTION SHALL BE VOTED ON. IF THE NON-VOTING MEMBER IS RECUSED, THEY SHALL BE PROHIBITED FROM VOTING ON OR PARTICIPATING IN THE CLOSED SESSION.~~

2. NOTICE OF MEETINGS

2.1 Publication of Dates

A notice listing the dates of the regular **BOARD** meetings shall be published annually in a newspaper of general circulation in Ingham County, **MICHIGAN** at least three **(3)** days prior to the time of the regularly scheduled meeting in January. ~~AT THE REGULARLY SCHEDULED MEETINGS IN NOVEMBER OF EACH YEAR, THE BOARD SHALL NAME THE NEWSPAPER IN WHICH THE NOTICE SHALL BE PUBLISHED.~~

2.2 Posting Notice

Notice of all meetings of the Board shall be posted in accordance with state law.

2.3 Designated Person

The **CORPORATE** Secretary shall be responsible for posting notices.

III. 3. QUORUM FOR A REGULAR OR SPECIAL MEETING

3.1 Number Required

The presence of five **(5)** Voting Members of the Board **OR THE MAJORITY OF APPOINTED VOTING MEMBERS OF THE BOARD** shall ~~be~~ constitute a quorum for the transaction of business at all regular and Special Meetings.

3.2 Lack of Quorum

In the absence of a quorum, those present may adjourn any meeting or hearing to a later date or **CHOOSE TO** hold the meeting **FOR THE PURPOSE OF CONSIDERING SUCH TO DISCUSS** matters ~~as are~~ on the agenda. **HOWEVER,** No action taken in the absence of a quorum shall be valid or effective unless and until ratified and confirmed at a subsequent regular or Special Meeting at which a quorum is present and at which five **(5)** affirmative votes **OR THE MAJORITY OF APPOINTED VOTING MEMBERS OF THE BOARD** are given for ratification.

IV. 4. OFFICIAL ACTION AT REGULAR OR SPECIAL MEETINGS

4.1 OFFICIAL ACTION

The concurring vote of the majority of all Voting Members of the Board **SERVING APPOINTING** shall be necessary for **ALL** official action and such vote may only take place at regular or Special Meetings of the Board on the following items:

- ~~4.1.1~~ a. Adopting the annual fiscal year budget and any amendments thereto.
- ~~4.1.2~~ b. Adopting rates for furnishing electric, water, and steam service.
- ~~4.1.3~~ c. Appointment or removal of the Director, Internal Auditor, and **CORPORATE** Secretary.
- ~~4.1.4~~ d. Purchase and sale of real property.
- ~~4.1.5~~ e. Sale or exchange of facilities as set forth in 5-207 of Lansing's City Charter.
- ~~4.1.6~~ f. Providing compensation, benefits, conditions of

employment, and retirement plans.

- 4.1.7 g. Removal of a Member from service as an officer, except at the expiration of the officer's term.

4.2 Except as may be required by law or by section 10.1-4.3, all other matters considered by the Board shall require the affirmative vote of a majority of Voting Members present at a regular or Special Meeting.

4.2 RESOLUTIONS

- 4.3 The Board speaks through resolutions. A Member of the Board may only speak on the Board's behalf in accordance with its resolutions. See 19.2.3.

V. 5. VOTING

5.1 Roll Call Vote

5.1.1 A roll call vote shall be required for holding a closed meeting as specified by the Open Meetings Act or upon request of any Voting Member.

5.1.2 All Voting Members and Non-voting Members shall be required to participate in a vote to go into closed session as required by the Open Meetings Act.

5.2 Unanimous Consent

If there is no objection to the proposed action, the action may be taken by unanimous consent, except actions required by roll call vote pursuant to these rules. RULES OF PROCEDURE, CITY OF LANSING CITY CHARTER, THE CHARTER OF THE CITY OF LANSING, or the laws of the State of Michigan.

5.3 Conflict of Interest

If a Board Member has a conflict of interest on an issue before the Board, he or she shall reveal the conflict, ~~NOT PARTICIPATE IN DISCUSSION OR ANY DECISION REGARDING THE ISSUE, AND SHALL RECUSE THEMSELVES FROM ALL DISCUSSIONS, DELIBERATIONS AND DECISIONS RELATED TO THE ISSUE WITH ANY OTHER BOARD MEMBER OR BWL STAFF.~~

VI. 6. ANNUAL ORGANIZATION

THE BOARD SHALL ORGANIZE AT ITS FIRST REGULAR MEETING FOLLOWING JULY 1ST, OR AS SOON THEREAFTER AS IS REASONABLY CONVENIENT, BY SELECTING ONE OF ITS VOTING MEMBERS AS CHAIRPERSON AND, ONE OF ITS VOTING MEMBERS AS VICE CHAIRPERSON, EACH OF WHOM SHALL SERVE

UNTIL THE FIRST REGULAR MEETING IN THE FOLLOWING JULY OR UNTIL A SUCCESSOR HAS BEEN SELECTED.

A COMMISSIONER CAN HOLD THE POSITION OF BOARD CHAIRPERSON OR BOARD VICE CHAIRPERSON FOR NOT MORE THAN TWO (2) YEARS, IN A FIVE-YEAR PERIOD OF TIME. A COMMISSIONER CAN SERVE AS BOARD CHAIRPERSON OR BOARD VICE CHAIRPERSON MULTIPLE TIMES WHILE SERVING AS A MEMBER OF THE BOARD OF COMMISSIONERS AS LONG AS IT IS NOT MORE THAN TWO (2) CONSECUTIVE YEARS OR TWO (2) YEARS, WITHIN A FIVE-YEAR PERIOD OF TIME.

A COMMISSIONER WHO SERVES AS CHAIRPERSON OR VICE CHAIRPERSON OF THE BOARD "CANNOT" SERVE AS THE CHAIRPERSON OF A STANDING COMMITTEE OTHER THAN THE EXECUTIVE AND BOARD PENSION FUND TRUSTEES COMMITTEES.

THE CHAIRPERSON SHALL NOT APPOINT THE NOMINATING COMMITTEE CHAIRPERSON. THE NOMINATING COMMITTEE CHAIRPERSON POSITION AND COMMITTEE WILL BE DETERMINED BY THOSE FORMALLY SHARING INTEREST AND FINALLY BY CONSENSUS OR VOTE IN THE COMMITTEE OF WHOLE MEETING LEADING UP TO THE ELECTION PROCESS.

¶. 7. DUTIES OF OFFICERS

7.1 ChairPERSON

The ChairPERSON shall preside at all regular or Special Meetings of the Board AND AS WELL AS public hearings conducted by the Board. THE CHAIRPERSON SHALL see that all orders and regulations are executed and complied with, see that all legal contracts with the BWL for or in the name of the City are performed, and shall perform such other duties as may be from time to time lawfully required of the ChairPERSON. The ChairPERSON shall also be an ex officio member of all committees of the Board, unless the ChairPERSON is an official member of a Committee. If the ChairPERSON is an official member of a Committee, she or he shall possess all voting privileges. It shall not be necessary for the ChairPERSON to relinquish the Chairperson POSITION for the purpose of participating in debate or for the making of routine motions and resolutions.

7.2 Vice ChairPERSON

In the absence of the Chairperson, the Vice Chairperson shall perform all the duties and have all the powers of the Chairperson. The Vice ChairPERSON shall also preside over meetings of the Committee of the Whole.

7.3 Past ChairPERSON

The most IMMEDIATE RECENT past ChairPERSON of the Board who is not currently serving as ChairPERSON or Vice ChairPERSON of the Board shall be designated "Past ChairPERSON." If no Past ChairPERSON is serving on the Board, the Voting Members of the Board shall select a Voting Member to

assume the duties of the Past Chair **PERSON** as set forth in these Rules of Administrative Procedure. The Past Chair **PERSON** shall assume the duties of the Chair **PERSON** when neither the Chair **PERSON** nor the Vice Chair **PERSON** is present.

VIII. 8. CHARTER POSITIONS

8.1 Director, **CORPORATE** Secretary and Internal Auditor

The Voting Members of the Board shall, at its first regular meeting following July 1st of each year, or as soon as practicable thereafter, appoint a Director, an Internal Auditor and a Secretary. The Director shall also be known as the General Manager, and shall be the highest executive officer of the **BOARD OF WATER AND LIGHT BWL**. The Internal Auditor shall also be known as the Director of Internal Audit. **THE SECRETARY SHALL BE KNOWN AS THE CORPORATE SECRETARY AND THE DIRECTOR OF CORPORATE GOVERNANCE.** These positions shall be contract positions, shall report directly to the Board of Commissioners, and shall serve at the pleasure of the Board of Commissioners.

8.2 **CONTRACT REVIEWS**

Unless otherwise determined by the Board of Commissioners, contract reviews for the Charter Position employees shall commence no later than sixty (60) days prior to the end of the fiscal year and be completed no later than the start of the next fiscal year.

EXIT INTERVIEWS

UNLESS OTHERWISE DETERMINED BY THE BOARD OF COMMISSIONERS, AN EXIT INTERVIEW SHALL BE CONDUCTED TWO WEEKS PRIOR TO THE KNOW/ANTICIPATED DEPARTURE OR RETIREMENT OF A CHARTER POSITION.

IX. 9. **STANDING**-COMMITTEES

9.1 Committees

9.1.1 In order to carry out its policymaking obligations, the Board of Water and Light Commissioners shall meet as often as needed, as one or more standing committees or ad hoc committees, in the REO Depot, 1201 S. Washington Ave., Lansing, Michigan 48910 or at such other place, as the Board shall determine. Notice of these meetings shall be provided in accordance with the Lansing City Charter and state law.

9.1.2 COMMITTEES SHALL HAVE NO AUTHORITY TO EXERCISE THE COLLECTIVE POWERS AND DUTIES OF THE BOARD OF WATER AND LIGHT COMMISSIONERS EXCEPT AS EXPRESSLY AUTHORIZED BY AN ADOPTED RESOLUTION OF THE BOARD OF WATER AND LIGHT COMMISSIONERS.

9.2 ~~STANDING COMMITTEES~~ **STANDING COMMITTEES**

9.2.1 The following standing committees shall be appointed by the Chairperson based upon the request of the appointed Commissioner as provided in 9.4: Finance, Human Resources, Nominating, Executive, **AND ENVIRONMENTAL.**

9.2.2 **9.2.1** The Finance Committee shall have **OVERSIGHT** responsibility for **RECOMMENDATIONS TO THE BOARD OF COMMISSIONERS RELATED TO** financial performance measures and audits, capital expenditures and returns, bond indebtedness and credit rating, annual Operations & Maintenance budget, rate review, and the investment policies of the retirement plans.

~~9.2.3 **9.2.2** The Nominating Committee shall at its first regular meeting following July 1st of each year, nominate a slate of officers at THE BOARD OF COMMISSIONER'S annual organizational meeting and shall endeavor to rotate officers of the Board annually.~~

9.2.4 The Human Resources Committee shall have **OVERSIGHT** responsibility for **RECOMMENDATIONS TO THE BOARD OF COMMISSIONERS RELATED TO** non-bargaining salary adjustments, employee survey results, labor relations, performance appraisal review for Board-appointed positions, Board staff appointments, salary, wages, and employee benefits.

9.2.5 9.2.3 The Nominating Committee shall, at its first regular meeting following July 1st of each year, nominate a slate of officers ~~at its annual organizational meeting~~ and shall **ENDEAVOR TO** rotate officers of the Board annually, **PURSUANT TO SECTION 6. ANNUAL ORGANIZATION.**

9.2.6 **9.2.4** The Executive Committee shall, during the intervals between the Board of Commissioners' meetings, assist in the development of the BWL's position on major issues **AND SUBMIT** and recommend the position to the Board for consideration and action. The Executive Committee shall consider and act upon such other activities as directed or referred to it by the Board or as otherwise specified in these Rules **OF PROCEDURE.**

9.2.7 9.2.5 THE ENVIRONMENTAL COMMITTEE SHALL HAVE OVERSIGHT RESPONSIBILITY FOR PROVIDING ADVICE AND RECOMMENDATIONS TO THE BOARD ON ENVIRONMENTAL ISSUES AND WORK TO IDENTIFY COMMUNITY ENVIRONMENTAL NEEDS, ASSIST IN THE DEVELOPMENT OF GOALS, PROGRAMS AND POLICIES THAT INTEGRATE ENVIRONMENTAL SUSTAINABILITY, WITH THE INTENTION OF

TRANSFORMING THE LANSING REGION INTO A SUCCESSFUL ENVIRONMENTAL MODEL, AND ACT AS A RESOURCE FOR THE PUBLIC.

9.3 Ad Hoc Committees

Ad hoc committees shall convene whenever the need arises to address an issue or topic that would not appropriately fall within any of the other standing committees and would not require the attention of the Committee of the Whole.

9.4 Appointment of Standing and Ad Hoc Committees

The Chair **PERSON** shall appoint Members to the standing committees and such other ad hoc committees as the Board may **FROM TIME TO TIME** establish. The first Voting Member named on each committee shall be the Chair **PERSON** of the committee.

Standing Committees: All standing committees, except the Executive Committee, shall have four (4) regular Voting Members and two (2) alternate Voting Members who shall serve in the absence of regular Voting Member(s). The Executive Committee shall have four (4) Voting Members, including the Chair **PERSON**, Vice Chair **PERSON** and Past Chair **PERSON** and one (1) Member elected by the Voting Members, whose term shall be concurrent with the terms of the Officers. The Chair **PERSON** may appoint additional Non-Voting Members to any committee.

The Nominating Committee shall not consist of any Members who intend **s** to run for an officer position.

Ad Hoc Committees: The Chairperson shall appoint Members of any ad hoc committee. An ad hoc committee may have any number of Members.

9.5 Sub-Committees Authorized

The Executive Committee shall establish **such** sub-committees as deemed necessary.

9.6 Quorum for Committee Meetings

A quorum for a **s**Standing or **a**Ad **h**Hoc committee shall be three (3) Voting Members of the Committee.

9.7 Committee Meetings

~~MEETINGS OF s~~Standing or ~~a~~Ad ~~h~~Hoc committees ~~s~~ MEETINGS may be called by the General Manager or **CORPORATE** Secretary on the request of the Chair **PERSON** of the Board, Chair **PERSON** of a committee or any two **(2)** Voting Members on the committee.

9.8 Committee Reports

Each ~~standing~~ or ~~ad hoc~~ committee shall report its recommendation, if any, for consideration by the Board at a regular or Special Meeting.

Upon adoption of a motion to accept (or approve) a committee report, the recommendation of the committee becomes the action of the Board; provided, however, if any resolutions are necessary to carry out the report, they shall be enacted separately pursuant to section 19.5.

9.9 Committee Resolutions

Committee reports recommending action by the Board shall ~~HAVE INCORPORATED IN THE REPORT~~ **CONTAIN** the necessary resolutions or motions to accomplish the action.

9.10 Discharge of Consideration

A committee shall be discharged of any matter referred to it by an affirmative vote of ~~TWO-THIRDS~~ **THE MAJORITY** of the Voting Members of the Board.

✕. 10. AGENDA FOR REGULAR MEETINGS

10.1 Order of Business

10.1.1 The order of business at any regular meeting of the Board shall be as follows:

1. Roll Call
2. Approval of Minutes
3. Public Comments on agenda items. ~~shall be~~ **(Limited** to three (3) minutes unless waived at the discretion of the Chair **PERSON)**
4. Communications
5. Committee Reports
6. General Manager's Recommendations
7. Unfinished Business
8. New Business

9. Resolutions
10. Manager's Remarks
11. Remarks by Members of the Board.
12. Motion of Excused Absence
13. Public Comments on BWL-related matters ~~shall be~~ **(Limited)** to three (3) minutes unless waived at the discretion of the Chair **PERSON**
14. Adjournment

10.1.2 In the absence of any objection, the presiding officer shall have the discretion to vary the order of business.

10.1.3 10.2 Preparation of Agenda

An agenda shall be prepared by **THE BOARD CHAIR WITH THE ASSISTANCE OF THE GENERAL MANAGER AND CORPORATE SECRETARY IN CONSULTATION WITH THE BOARD CHAIRPERSON, COMMITTEE CHAIRPERSON, AND THE GENERAL MANAGER** and made available for distribution ~~THREE DAYS PRECEDING~~ **WITHIN EIGHTEEN (18) HOURS PRIOR TO** a regular or Special Meeting for informational purposes only. **HOWEVER, THE AGENDA IS SUBJECT TO UNILATERAL CHANGE BY THE GENERAL MANAGER BEFORE THE MEETING.**

10.1.4 10.3 Changes to the Agenda

In the absence of any objection, the General Manager or any Voting Member of the Board may add or subtract an agenda item at a meeting. In the event of **AN** objection, an affirmative vote of the majority of the Voting Members of the Board shall be required to add or subtract an agenda item.

10.1.5 10.4 Public Comments

The time limits of Section **S** 10.1.1.3 **AND 10.1.1.13** apply to all Public Comments. Immediately following Approval of Minutes, the Chair **PERSON** will announce that members of the public are invited to address the Board regarding any item on the agenda. Anyone wishing to comment on any matter not on the agenda may do so immediately prior to adjournment. The Chair **PERSON** may exercise its discretion in prescribing how members of the public will seek recognition, or extending time limits for comments under the circumstances, or in limiting remarks to the

subject matter under discussion as provided in **SECTIONS 10.1.1.3 AND 10.1.1.13**.

10.1.6 **10.5 Reports and Recommendations of DIRECTOR AND General Manager**

The **DIRECTOR AND** General Manager shall advise the Board **BY—MAIL** of Reports and Recommendations to be considered at each regular meeting.

XI. 11. AGENDA FOR COMMITTEE MEETINGS

11.1 **Order of Business**

11.1.1 The order of business at any committee meeting of the Board shall be as follows:

1. Roll Call
2. Public comment on agenda items shall be limited to three (3) minutes unless waived at the discretion of the **ChairPERSON**
3. Agenda Topics
4. Other
5. Adjourn

11.1.2 A concurring vote of a majority of Voting Members on the committee present shall be necessary to move a recommendation to the Board.

XII. 12. PUBLIC HEARINGS

12.1 DATE

The Board shall hold a public hearing at least thirty **(30)** days before the effective date of any changes in rate structure. The Board shall comply with the requirements of Charter Section 5-205.2 for public hearings regarding changes in the rate structure. The Board may also choose to hold **A** public hearing on other topics as necessary or appropriate.

12.2 LOCATION

Although the Board will generally hold its public hearings in the REO Depot, 1201 S. Washington Ave., Lansing, Michigan 48910, the Board may conduct public hearings at such places that it determines will best serve the public interest.

12.3 NOTICE

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

12.4 QUORUM

A quorum of the Board shall be necessary to conduct a public hearing.

12.5 EX PARTE COMMUNICATIONS

No Member shall engage in ex parte conversations about the topics of the public hearing, either before or after the hearing, until the full Board takes action on the topic.

12.6 OPEN MEETINGS

Public hearings shall be open to the public, in accordance with the Open Meetings Act.

12.7 PUBLIC COMMENT

Individuals and organizations are invited to comment on the topic of the public hearing, either orally or in writing. Written comments should be addressed to the Corporate Secretary and should be presented on or before the date of the hearing. Oral comments shall be presented at the public hearing. The Chairperson may set reasonable limits on the length of oral presentations. Comments or conduct that disrupt the orderly conduct of meetings or hearings shall not be permitted.

12.8 TRANSCRIPT

A transcript or recording of the hearing shall be made and kept for no less than three (3) years.

12.9 PUBLIC HEARING ON RATES

In the case of a rate hearing, the Board may hold a separate meeting or meetings after the rate hearing to discuss the proposed changes to the rate structure and vote on the proposed changes. If the Board's discussions after the rate hearing indicate that it intends to raise any customer's rate higher than proposed during the public hearing, the Board shall hold an additional public hearing on the proposed

higher rate in accordance with this section before voting on the rates. The Board is not required to hold any additional hearings in order to approve a rate lower than the rate proposed at the public hearing.

12.10 RESOLUTION ACTION

If the Board acts on the topic discussed at the public hearing, it shall do so at a public meeting and shall approve a written resolution describing its action.

~~XIII.~~ 13. MEMBERS OF THE BOARD

13.1 Attendance

Each Member of the Board shall attend all meetings of the Board in person unless otherwise excused. Each Member must attend at least fifty (50) percent of regular or Special Meetings of the Board and fifty (50) percent of assigned committee meetings during any fiscal year. Failure to do so may be grounds for removal by the City from the office as a Member of the Board.

THE CORPORATE SECRETARY SHALL SUBMIT OFFICIAL DOCUMENTED ATTENDANCE IN A REPORT TO EACH COMMISSIONER ANNUALLY AND TO THE MAYOR AND CITY COUNCIL BEFORE THE REAPPOINTMENT OF A COMMISSIONER.

13.2 Disqualification to Vote

Any Voting Member of the Board having a direct or indirect financial interest in any matter before the Board, or who may stand to gain or lose financially or otherwise due to action of the Board on any matter, shall indicate such interest to the Board and may be disqualified from voting on such matter as set forth in the Lansing City Charter.

13.3 Ethics

All Board Members are subject to Article 5, Chapter 5 of the Lansing City Charter (Ethics) and the **CITY OF** Lansing Ethics **o**Ordinance.

~~XIV.~~ 14. RECONSIDERATION OF ACTION

Any Voting Member may move to reconsider a previous action of the Board. Such motion to reconsider shall be made no later than the next regular Board meeting.

~~XV.~~ 15. MINUTES

15.1 Preparation and Filing

The **CORPORATE** Secretary shall keep minutes of regular and Special

Meetings of the Board and committees and shall file a copy of the Board minutes in the office of the City Clerk as a public record. No official action taken by the Board shall be valid or effective until a copy of the minutes of the meeting at which such action was taken is filed with the City Clerk.

15.2 Corrections

Corrections in the regular or Special Meeting or committee minutes shall be made not later than the next meeting after the meeting to which the minutes refer. The corrected minutes shall show both the original entry and the correction.

15.3 Delivery to Members

The **CORPORATE** Secretary shall provide each Member of the Board with a copy of the regular or Special Meeting minutes as soon as they are filed with the City Clerk. Corrected minutes shall be available no later than the next subsequent meeting after correction.

15.4 Public Inspection

Proposed minutes will be available for public inspection not more than eight (8) business days after the meeting to which the minutes refer. Approved minutes will be available for public inspection not later than five (5) business days after the meeting at which the minutes are approved. Copies of the minutes will be made available to the public at a reasonable estimated cost for printing or copying. (1976 Public Act 267).

~~XVI.~~ 16. CONFIDENTIALITY

16.1 Communications

Members of the Board shall treat all information marked “confidential” or “privileged” accordingly and shall not release such information to unauthorized individuals, unless disclosure is required by law. All such information shall be returned to the **CORPORATE** Secretary.

16.2 Closed Session

All written and verbal information obtained and/or discussed in Closed Session shall be confidential and never discussed or shared outside of Closed Session, unless otherwise specified by law.

~~XVII.~~ 17. CONTRACT LIMITATIONS

The Board shall not have the power to make any contract with or give any official

position to any person who is known to be in default to the City.

XVIII. 18. AMENDMENTS

Any Voting Member of the Board may initiate amendments to the Rules of ADMINISTRATIVE Procedure by presenting them in writing at any regular meeting. All Members of the Board must be notified of such amendments. The amendments must be MAILED submitted at least four (4) days before the amendment is to be voted upon. An affirmative VOTE FROM a majority of THE Voting Members serving shall be required to amend the Rules of Procedure, after which the proposed revisions shall be forwarded to the City in compliance with the Lansing City Charter, Section 5- 105.8.

XIX. 19. MISCELLANEOUS

19.1 Parliamentary Procedure

All questions of procedure not covered by these Rules OF PROCEDURE or the City Charter of the City of Lansing shall be governed by the provisions in "*Robert's Rules of Order.*"

19.2 News Media Regulations

19.2.1 Members of the news media shall be provided with a table in the Board Room for their use. They shall have made available to them, upon request, a copy of the General Manager's Recommendations and any data accompanying the recommendations not marked "*Confidential*" AT-BY 10:00 a.m. one (1) working day prior to the date of the meeting.

19.2.2 Following the adjournment of a Board meeting, members of the news media may request interviews of Members of the Board.

19.2.3 All policy statements shall be made on behalf of the Board by the Chairperson. See 4.3.

19.3 Vacancy, Resignation, Absence of Elected Officers

19.3.1 In the event the office of Chair PERSON shall become vacant by death, resignation or otherwise, the Vice Chair PERSON shall assume the office of Chair PERSON, and the most immediate Past Chair PERSON shall assume the office of Vice Chair PERSON.

19.3.2 In the absence of the Chair PERSON, Vice Chair PERSON and Past Chair PERSON, a Temporary Chair PERSON shall

be elected, who would hold office during the session, until the return or election of the ChairPERSON, Vice ChairPERSON or Past ChairPERSON.

19.4 Freedom of Information ACT

It shall be the policy of this Board to follow the provisions of Public Act 442, OF 1976, as it may be amended by legislative enactment or judicial decision.

19.5 Resolutions

Any Voting Member of the Board may sponsor a resolution. Any resolution may be co-sponsored by other Voting Members of the Board. A resolution must be submitted for placement on the Agenda as specified under Article X10 – Agenda FOR REGULAR MEETINGS. The sponsor of a resolution may withdraw the resolution at any time prior to enactment. Consent TO WITHDRAW FROM of the co-sponsors TO WITHDRAWAL is not required.

19.6 Hiring Consultants

The Board of Commissioners may hire external consultants, such as accountants, but not outside legal counsel. The full Board will meet before a consultant is hired to determine the scope of the issues to be addressed by the consultant, the consultant's budget, and the scope of contact with the Board. One Board Member may be authorized as the primary contact with the consultant. If time constraints preclude a meeting of the full Board to discuss hiring the consultant, the Executive Committee may meet to approve the initial contact with the consultant, but may not authorize an expenditure of more than ONE THOUSAND DOLLARS (\$1,000) to a consultant without the approval of the full Board. The consultant's work product shall be written and shall be immediately transmitted to all Board Members upon completion of the requested work. All payments to consultants hired by the Board shall be deducted from the Board's budget. Board funds may not be expended to address an issue only applicable to one Member.

IN GENERAL, all outside legal counsel must be hired by in-house counsel and in accordance with the LANSING CITY Charter. HOWEVER, IF A MAJORITY OF VOTING MEMBERS OF THE BOARD PRESENT AT A REGULAR OR SPECIAL BOARD MEETING AS EXPRESSED BY A VOTE OF THE MEMBERS BELIEVE THAT THERE COULD BE A CONFLICT OF INTEREST BETWEEN THE BOARD AND MANAGEMENT OF THE BWL, THE IN-HOUSE COUNSEL SHALL BE RECUSED. THE BOARD SHALL THEN DIRECT THE LANSING CITY ATTORNEY AND/OR THE CITY ATTORNEY'S DEPUTIES, NOT INCLUDING THE BWL'S IN-HOUSE COUNSEL, TO HIRE OUTSIDE LEGAL COUNSEL.

19.7 Reimbursement of Board Member Expenses

19.7.1 Board Member Travel Expenses: The Board recognizes the value of membership and attendance at conferences, workshops, and **MEETINGS** seminars at **the** state, regional, and national levels that are appropriate and **necessary** **USEFUL** to **CARRY OUT BOARD OF WATER AND LIGHT BUSINESS** **FULLFILL THE BOARD'S ROLE**. ~~As such, t~~he Board **THEREFORE** encourages:

- a. The attendance of its Members in at least one out-of-state and one in-state conference, **WORKSHOP, OR** seminar per year.
- b. Each newly appointed Member of the Board is encouraged to attend a formal workshop on governance as offered by the American Public Power Association.

Additional travel must be pre-approved by the **EXECUTIVE COMMITTEE CHAIRPERSON OF THE BOARD**. Travel expenses shall be reimbursed in accordance with the **BOARD'S BWL'S TRAVEL EXPENSE & REIMBURSEMENT** Policy.

~~19.7.2~~ Board Member Miscellaneous Expenses: Members of the Board may incur additional business expenses while representing the ~~Board of Water and Light~~ **BWL** in the community. Business expenses such as cell phone, business luncheons, and parking are such examples of legitimate business expenses. Upon filing a claim in the prescribed form, each Member of the Board shall be reimbursed for reasonable and necessary expenses incurred in the discharge of the Board Member's official duties, in accordance with the **BOARD'S BWL'S EXPENSE TRAVEL & REIMBURSEMENT POLICY AND PETTY CASH FUND GUIDELINES**.

The Executive Committee shall review Member expenses on a quarterly basis.

~~b.~~ 19.8 Definitions

As used herein, the following terms mean:

Member: Any member of the Board, including Voting Members and Non-voting Members.

Voting Member: Any Member of the Board appointed pursuant to Lansing City Charter Section 5-103.2

Non-voting Member: Any Member of the Board appointed pursuant to Lansing City Charter Section 5-103.12.

Adopted by the Board 5/8/79, and amended 8/14/79, 11/14/79, 3/11/80, 11/11/80, 7/14/81, 8/11/81, 7/13/82, 7/26/83, 6/26/84, 3/5/85, 12/18/90, 1/5/91, 3/3/08, and 5/26/15.

Attachment B

**BOARD OF WATER & LIGHT
OF THE CITY OF LANSING, MICHIGAN
RULES OF PROCEDURE
APPROVED BY BWL COMMISSION: MARCH 22, 2022
CITY COUNCIL EFFECTIVE: , 2022**

Deleted: MAY 26, 2015

Deleted: JUNE 8, 2015

1. MEETINGS

1.1 Regular Meetings

1.1.1 The Lansing Board of Water & Light (BWL) Board of Commissioners shall hold regular bi-monthly meetings on the fourth Tuesday of the month at the REO Depot, 1201 S. Washington Ave., Lansing, Michigan 48910 or at such other place, as the Board shall determine, unless a regular meeting is rescheduled as provided herein.

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1.1.2 A schedule of dates, places and times for each regular bi-monthly meeting to be held in the next calendar year shall be adopted by the Board in November of the preceding year.

1.2 Special Meetings

1.2.1 Special Meetings of the Board shall be called by the General Manager or Corporate Secretary upon request of the Chairperson of the Board or upon request of any four (4) Voting Members.

1.2.2 Members of the Board shall have at least eighteen (18) hours written notice of a Special Meeting designating the time and purpose of such meeting. The notice shall be provided to each Member of the Board by the Corporate Secretary or someone designated by the Corporate Secretary. Acknowledgement of notice is required from each member of the Board and may be in the form of an electronic communication (i.e., email).

1.3 Rescheduled Meetings

1.3.1 The Chairperson may reschedule any regular or Special Meeting.

1.3.2 Notice of any rescheduled meeting shall be given pursuant to Section 1.2.2 and Section 2.2.

1.4 Conflicting Times

The schedule of regular Board and Special Meetings shall not conflict with regular meetings of the Lansing City Council.

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1.5 Committee of the Whole Meetings

1.5.1 The Board may convene as a Committee of the Whole upon call by the Vice Chairperson or any four (4) Voting Members of the Board.

1.5.2 Notice shall be provided in accordance with Section 1.2 and State law.

1.5.3 The Committee of the Whole shall report its recommendations, if any, for consideration by the Board at a regular or Special Meeting.

1.6 Closed Meetings

1.6.1 Meetings that are closed to the public may be closed to the public only for those purposes permitted under the Michigan Open Meetings Act, as amended.

A Non-voting Member shall participate in a closed session meeting unless the subject of the closed meeting poses a conflict of interest to the Non-voting Member or the municipality the Non-voting Member represents. If a question is raised under this section at any Board meeting prior to going into closed session, such question shall be resolved by a majority vote of those Voting Members present and qualified to vote.

2. NOTICE OF MEETINGS

2.1 Publication of Dates

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

2.2 Posting Notice

Notice of all meetings of the Board shall be posted in accordance with state law.

2.3 Designated Person

The Corporate Secretary shall be responsible for posting notices.

3. QUORUM FOR A REGULAR OR SPECIAL MEETING

3.1 Number Required

The presence of five (5) Voting Members of the Board or the majority of

Voting Members of the Board serving shall constitute a quorum for the transaction of business at all regular and Special Meetings;

Commented [MM1]: Moved “serving” to be consistent with 4.1 and 18.

Deleted: serving

3.2 Lack of Quorum

In the absence of a quorum, those present may adjourn any meeting or hearing to a later date or choose to hold the meeting to discuss matters on the agenda. However, no action taken in the absence of a quorum shall be valid or effective unless and until ratified and confirmed at a subsequent regular or Special Meeting at which a quorum is present and at which five (5) affirmative votes or the majority of Voting Members of the Board serving are given for ratification.

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4. OFFICIAL ACTION AT REGULAR OR SPECIAL MEETINGS

4.1 Official Action

The concurring vote of the majority of all Voting Members of the Board serving shall be necessary for all official action and such vote may only take place at regular or Special Meetings of the Board on the following items:

- 4.1.1 Adopting the annual fiscal year budget and any amendments thereto.
- 4.1.2 Adopting rates for furnishing electric, water, and steam service.
- 4.1.3 Appointment or removal of the Director, Internal Auditor, and Corporate Secretary.
- 4.1.4 Purchase and sale of real property.
- 4.1.5 Sale or exchange of facilities as set forth in 5-207 of the Lansing City Charter.
- 4.1.6 Providing compensation, benefits, conditions of employment, and retirement plans.
- 4.1.7 Removal of a Member from service as an officer, except at the expiration of the officer’s term.

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Except as may be required by law or by section 10.3, all other matters considered by the Board shall require the affirmative vote of a majority of Voting Members present at a regular or Special Meeting.

4.2 Resolutions

The Board speaks through resolutions. A Member of the Board may only speak on the Board’s behalf in accordance with its resolutions. *See 19.2.3.*

5. VOTING

5.1 Roll Call Vote

5.1.1 A 2/3 roll call vote shall be required for holding a closed session as specified by the Open Meetings Act.

5.1.2 All Voting Members shall be required to participate in a vote to go into closed session as required by the Open Meetings Act.

5.2 Unanimous Consent

If there is no objection to the proposed action, the action may be taken by unanimous consent, except actions required by roll call vote pursuant to these Rules of Procedure, Lansing City Charter, or the laws of the State of Michigan.

5.3 Conflict of Interest

If a Board Member has a conflict of interest on an issue before the Board, he or she shall reveal the conflict, and shall recuse themselves from all discussions, deliberations and decisions related to the issue with any other Board Member or BWL staff. In no event will a Member of the Board vote on any issue upon which that Member has a conflict of interest or a financial interest other than as a citizen. If a conflict of interest is raised at any Board meeting, such issue shall be determined by a majority vote of the Voting Members present before the main issue shall be voted on, but the Member of the Board affected shall not vote on such determination.

Commented [MM2]: This addition expressly states the statutory requirement for a 2/3 majority to go into closed session (MCL 15.267)

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Deleted: or upon request of any Voting Member

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Commented [MM4]: This added language is intended to address recusal in a manner similar to the Lansing City Charter as suggested by the City Attorney, but without changing the first sentence of 5.3.

Section 3-205.2 of City Charter states: "Each member of the Council shall vote on each question before the Council for a determination, unless excused there from by the affirmative vote of two-thirds of the members serving, except that no member shall vote on any question upon which that member has a conflict of interest or a financial interest other than as a citizen of the City. If a conflict of interest question is raised under this section at any Council meeting, such question shall be determined by a majority of those Council members present and qualified to vote before the main question shall be voted on, but the Council member affected shall not vote on such determination"

6. ANNUAL ORGANIZATION

The Board shall organize at its first regular meeting following July 1, or as soon thereafter as is reasonably convenient, by selecting one of its Voting Members as Chairperson and one of its Voting Members as Vice Chairperson, each of whom shall serve until the first regular meeting the following July or until a successor has been selected.

A Commissioner who serves as Chairperson or Vice Chairperson of the Board cannot serve as the Chairperson of a Standing Committee other than the Executive and Board Pension Fund Trustees Committees.

7. DUTIES OF OFFICERS

7.1 Chairperson

The Chairperson shall preside at all regular or Special Meetings of the Board as well as public hearings conducted by the Board. The Chairperson shall see that all orders and regulations are executed and complied with, see that all legal contracts with the BWL for or in the name of the City are performed, and shall perform such other duties as may be from time to time lawfully

required of the Chairperson. The Chairperson shall also be an ex officio member of all committees of the Board, unless the Chairperson is an official member of a Committee. If the Chairperson is an official member of a Committee, she or he shall possess all voting privileges. It shall not be necessary for the Chairperson to relinquish the Chairperson position for the purpose of participating in debate or for the making of routine motions and resolutions.

7.2 Vice Chairperson

In the absence of the Chairperson, the Vice Chairperson shall perform all the duties and have all the powers of the Chairperson. The Vice Chairperson shall also preside over meetings of the Committee of the Whole.

7.3 Past Chairperson

The most recent past Chairperson of the Board who is not currently serving as Chairperson or Vice Chairperson of the Board shall be designated "Past Chairperson." If no Past Chairperson is serving on the Board, the Voting Members of the Board shall select a Voting Member to assume the duties of the Past Chairperson as set forth in these Rules of Procedure. The Past Chairperson shall assume the duties of the Chairperson when neither the Chairperson nor the Vice Chairperson are present.

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8. CHARTER POSITIONS

8.1 Director, Corporate Secretary and Internal Auditor

The Voting Members of the Board shall, at its first regular meeting following July 1 of each year, or as soon as practicable thereafter, appoint a Director, an Internal Auditor and a Corporate Secretary. The Director shall also be known as the General Manager and shall be the highest executive officer of the BWL. The Internal Auditor shall also be known as the Director of Internal Audit. These positions shall be contract positions, shall report directly to the Board of Commissioners, and shall serve at the pleasure of the Board of Commissioners.

8.2 Contract Reviews

Unless otherwise determined by the Board of Commissioners, contract reviews for the Charter Position employees shall commence no later than sixty (60) days prior to the end of the fiscal year and be completed no later than the start of the next fiscal year.

8.3 Exit Interviews

Unless otherwise determined by the Board of Commissioners, an exit interview shall be offered by the Chairperson of the Human Resources Committee in accordance with the Board of Water & Light exit

interview procedure two weeks prior to the departure or retirement of a Charter position.

9. COMMITTEES

9.1 Committees

9.1.1 In order to carry out its policymaking obligations, the Board of Commissioners shall meet as often as needed, as one or more standing committees or Ad Hoc committees, in the REO Depot, 1201 S. Washington Ave., Lansing, Michigan 48910 or at such other place, as the Board shall determine. Notice of these meetings shall be provided in accordance with the Lansing City Charter and state law.

Deleted: Water and Light

9.1.2 Committees shall have no authority to exercise the collective powers and duties of the Board of Commissioners except as expressly authorized by an adopted resolution of the Board of Commissioners.

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9.2 Standing Committees

The following standing committees shall be appointed by the Chairperson based upon the request of the appointed Commissioner as provided in 9.4: Finance, Human Resources, Nominating, Executive.

9.2.1 The Finance Committee shall have responsibility for financial performance measures and audits, capital expenditures and returns, bond indebtedness and credit rating, annual Operations & Maintenance budget, rate review, and the investment policies of the retirement plans.

9.2.2 The Human Resources Committee shall have responsibility for non-bargaining salary adjustments, employee survey results, labor relations, performance appraisal review for Board-appointed positions, Board staff appointments, salary, wages, and employee benefits.

9.2.3 The Nominating Committee shall, at its first regular meeting following July 1 of each year, nominate a slate of officers and shall endeavor to rotate officers of the Board annually, pursuant to Section 6. Annual Organization.

9.2.4 The Executive Committee shall, during the intervals between the Board of Commissioners' meetings, assist in the development of the BWL's position on major issues and recommend the position to the Board for consideration and action. The Executive Committee shall consider and act upon such other activities as directed or referred to it by the Board or as otherwise specified in these Rules of Procedure.

9.3 Ad Hoc Committees

Ad Hoc committees shall convene whenever the need arises to address an issue or topic that would not appropriately fall within any of the other standing committees and would not require the attention of the Committee of the Whole.

9.4 Appointment of Standing and Ad Hoc Committees

The Chairperson shall appoint Members to the standing committees and such other Ad Hoc committees as the Board may establish. The first Voting Member named on each committee shall be the Chairperson of the committee.

Standing Committees: All standing committees, except the Executive Committee, shall have four (4) regular Voting Members and two (2) alternate Voting Members who shall serve in the absence of regular Voting Member(s). The Executive Committee shall have four (4) Voting Members, including the Chairperson, Vice Chairperson and Past Chairperson and one (1) Member elected by the Voting Members, whose term shall be concurrent with the terms of the Officers. The Chairperson may appoint additional Non-voting Members to any committee.

The Nominating Committee shall not consist of any Member who intends to run for an officer position.

Ad Hoc Committees: The Chairperson shall appoint Members of any Ad Hoc committee. An Ad Hoc committee may have any number of Members.

9.5 Sub-Committees Authorized

The Executive Committee shall establish sub-committees as deemed necessary.

9.6 Quorum for Committee Meetings

A quorum for a Standing or Ad Hoc committee shall be three (3) Voting Members of the Committee.

9.7 Committee Meetings

Standing or Ad Hoc committee meetings may be called by the General Manager or Corporate Secretary on the request of the Chairperson of the Board, Chairperson of a committee or any two (2) Voting Members on the committee.

9.8 Committee Reports

Each Standing or Ad Hoc committee shall report its recommendation, if any, for consideration by the Board at a regular or Special Meeting.

Upon adoption of a motion to accept (or approve) a committee report, the recommendation of the committee becomes the action of the Board; provided, however, if any resolutions are necessary to carry out the report, they shall be enacted separately pursuant to section 19.5.

9.9 Committee Resolutions

Committee reports recommending action by the Board shall contain the necessary resolutions or motions to accomplish the action.

10. AGENDA FOR REGULAR MEETINGS

10.1 Order of Business

10.1.1 The order of business at any regular meeting of the Board shall be as follows:

1. Roll Call
2. Approval of Minutes
3. Public Comments on agenda items (limited to three (3) minutes unless waived at the discretion of the Chairperson)
4. Communications
5. Committee Reports
6. General Manager's Recommendations
7. Unfinished Business
8. New Business
9. Resolutions
10. Manager's Remarks
11. Remarks by Members of the Board.
12. Motion of Excused Absence
13. Public Comments on BWL-related matters (limited to three (3) minutes unless waived at the discretion of the Chairperson)
14. Adjournment

10.1.2 In the absence of any objection, the presiding officer shall have the

discretion to vary the order of business.

10.2 Preparation of Agenda

An agenda shall be prepared by the Board Chairperson with the assistance of the Corporate Secretary, in consultation with the Committee Chairperson and the General Manager and made available for distribution within eighteen (18) hours prior to a regular or Special Meeting.

10.3 Changes to the Agenda

In the absence of any objection, the General Manager or any Voting Member of the Board may add or subtract an agenda item at a meeting. In the event of an objection, an affirmative vote of the majority of the Voting Members of the Board shall be required to add or subtract an agenda item.

10.4 Public Comments

The time limits of Sections 10.1.1.3 and 10.1.1.13 apply to all Public Comments. Immediately following Approval of Minutes, the Chairperson will announce that members of the public are invited to address the Board regarding any item on the agenda. Anyone wishing to comment on any matter not on the agenda may do so immediately prior to adjournment. The Chairperson may exercise its discretion in prescribing how members of the public will seek recognition, or extending time limits for comments under the circumstances, or in limiting remarks to the subject matter under discussion as provided in Sections 10.1.1.3 and 10.1.1.13.

10.5 Reports and Recommendations of General Manager

The General Manager shall advise the Board of Reports and Recommendations to be considered at each regular meeting.

11. AGENDA FOR COMMITTEE MEETINGS

11.1 Order of Business

11.1.1 The order of business at any committee meeting of the Board shall be as follows:

1. Roll Call
2. Public comment on agenda items, (limited to three (3) minutes unless waived at the discretion of the Chairperson)
3. Agenda Topics
4. Other
5. Adjourn

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11.1.2 A concurring vote of a majority of Voting Members on the committee present shall be necessary to move a recommendation to the Board.

12. PUBLIC HEARINGS

12.1 Date

The Board shall hold a public hearing at least thirty (30) days before the effective date of any changes in rate structure. The Board shall comply with the requirements of [Lansing City Charter](#), Section 5-205.2 for public hearings regarding changes in the rate structure. The Board may also choose to hold a public hearing on other topics as necessary or appropriate.

12.2 Location

Although the Board will generally hold its public hearings in the REO Depot, 1201 S. Washington Ave., Lansing, Michigan 48910, the Board may conduct public hearings at such places that it determines will best serve the public interest.

12.3 Notice

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

12.4 Quorum

A quorum of the Board shall be necessary to conduct a public hearing.

12.5 Ex Parte Communications

No Member shall engage in ex parte conversations about the topics of the public hearing, either before or after the hearing, until the full Board takes action on the topic.

12.6 Open Meetings

Public hearings shall be open to the public, in accordance with the Open Meetings Act.

12.7 Public Comment

Individuals and organizations are invited to comment on the topic of the public hearing, either orally or in writing. Written comments should be

Commented [MM5]: Commissioner Jester questioned the purpose of this section at the March 8 COW Meeting and I agree to look into it. I did not, however, find anything that shed more light on its meaning or intent. If it is intended to prevent Board Members from discussing a pending issue with other Members or staff until there has been a vote, that prohibition is unclear. Also, such a prohibition is not required by law as long as there is no violation of the Open Meeting Act.

addressed to the Corporate Secretary and should be presented on or before the date of the hearing. Oral comments shall be presented at the public hearing. The Chairperson may set reasonable limits on the length of oral presentations. Comments or conduct that disrupt the orderly conduct of meetings or hearings shall not be permitted.

12.8 Transcript

A transcript or recording of the hearing shall be permanently maintained unless otherwise set forth in the BWL's approved Record Retention and Disposal Schedule.

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12.9 Public Hearing on Rates

In the case of a rate hearing, the Board may hold a separate meeting or meetings after the rate hearing to discuss the proposed changes to the rate structure and vote on the proposed changes. If the Board's discussions after the rate hearing indicate that it intends to raise any customer's rate higher than proposed during the public hearing, the Board shall hold an additional public hearing on the proposed higher rate in accordance with this section before voting on the rates. The Board is not required to hold any additional hearings in order to approve a rate lower than the rate proposed at the public hearing.

12.10 Resolution Action

If the Board acts on the topic discussed at the public hearing, it shall do so at a public meeting and shall approve a written resolution describing its action.

13. MEMBERS OF THE BOARD

13.1 Attendance

Each Member of the Board shall attend all meetings of the Board in person unless otherwise excused. Each Member must attend at least fifty (50) percent of regular or Special Meetings of the Board and fifty (50) percent of assigned committee meetings during any fiscal year. Failure to do so may be grounds for removal by the City from the office as a Member of the Board.

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15.1 Preparation and Filing

The Corporate Secretary shall keep minutes of regular and Special Meetings of the Board and committees and shall file a copy of the Board minutes in the office of the City Clerk as a public record. No official action taken by the Board shall be valid or effective until a copy of the minutes of the meeting at which such action was taken is filed with the City Clerk.

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16.1 Communications

Members of the Board shall treat all information marked “confidential” or “privileged” accordingly and shall not release such information to unauthorized individuals, unless disclosure is required by law. All such information shall be returned to the Corporate Secretary.

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The Board shall not have the power to make any contract with or give any official position to any person who is known to be in default to the City.

18. AMENDMENTS

Any Voting Member of the Board may initiate amendments to the Rules of Procedure by presenting them in writing at any regular meeting. All Members of the Board must be notified of such amendments. The amendments must be submitted at least four (4) days before the amendment is to be voted upon. An affirmative vote from a majority of the Voting Members serving shall be required to amend the Rules of Procedure, after which the proposed revisions shall be forwarded to the City in compliance with Lansing City Charter, Section 5-105.8.

19. MISCELLANEOUS

19.1 Parliamentary Procedure

All questions of procedure not covered by these Rules of Procedure or the Lansing City Charter shall be governed by the provisions in "*Robert's Rules of Order*."

Deleted: of the City of Lansing

19.2 News Media Regulations

19.2.1 Members of the news media shall be provided with a table in the Board Room for their use. They shall have made available to them, upon request, a copy of the General Manager's Recommendations and any data accompanying the recommendations not marked "*Confidential*" by 10:00 a.m. one (1) working day prior to the date of the meeting.

19.2.2 Following the adjournment of a Board meeting, members of the news media may request interviews of Members of the Board.

19.2.3 All policy statements shall be made on behalf of the Board by the Chairperson. *See 4.3.*

19.3 Vacancy, Resignation, Absence of Elected Officers

19.3.1 In the event the office of Chairperson shall become vacant by death, resignation or otherwise, the Vice Chairperson

shall assume the office of Chairperson, and the most immediate Past Chairperson shall assume the office of Vice Chairperson.

19.3.2 In the absence of the Chairperson, Vice Chairperson and Past Chairperson, a Temporary Chairperson shall be elected, who would hold office during the session, until the return or election of the Chairperson, Vice Chairperson or Past Chairperson.

19.4 Freedom of Information Act

It shall be the policy of this Board to follow the provisions of Public Act 442 of 1976, as it may be amended by legislative enactment or judicial decision.

19.5 Resolutions

Any Voting Member of the Board may sponsor a resolution. Any resolution may be co-sponsored by other Voting Members of the Board. A resolution must be submitted for placement on the Agenda as specified under [Section 10](#) – Agenda For Regular Meetings. The sponsor of a resolution may withdraw the resolution at any time prior to enactment. Consent to withdraw from the co-sponsors is not required.

Deleted: Article

19.6 Hiring Consultants

The Board of Commissioners may hire external consultants, such as accountants, but not outside legal counsel. The full Board will meet before a consultant is hired to determine the scope of the issues to be addressed by the consultant, the consultant's budget, and the scope of contact with the Board. One Board Member may be authorized as the primary contact with the consultant. If time constraints preclude a meeting of the full Board to discuss hiring the consultant, the Executive Committee may meet to approve the initial contact with the consultant, but may not authorize an expenditure of more than one thousand dollars (\$1,000) to a consultant without the approval of the full Board. The consultant's work product shall be written and shall be immediately transmitted to all Board Members upon completion of the requested work. All payments to consultants hired by the Board shall be deducted from the Board's budget. Board funds may not be expended to address an issue only applicable to one Member.

In general, all outside legal counsel must be hired by in-house counsel and in accordance with the Lansing City Charter. However, if a majority of Voting Members of the Board present at a regular or special Board meeting, as expressed by a vote of the Members, believe that there could be a conflict of interest between the Board and Management of the BWL, the in-house counsel shall be recused. The Board shall then request the

Lansing City Attorney and/or the City Attorney's Deputies, not including the BWL's in-house counsel, to hire outside legal counsel.

19.7 Reimbursement of Board Member Expenses

19.7.1 Board Member Travel Expenses: The Board recognizes the value of membership and attendance at conferences, workshops, and seminars at state, regional, and national levels that are appropriate and useful to fulfill the Board's role. The Board therefore encourages:

1. The attendance of its Members in at least one out-of-state and one in-state conference, workshop, or seminar per year.
2. Each newly appointed Member of the Board is encouraged to attend a formal workshop on governance as offered by the American Public Power Association.

Additional travel must be pre-approved by the Board.

Travel expenses shall be reimbursed in accordance with the BWL's Travel & Reimbursement Policy.

19.7.2 Board Member Miscellaneous Expenses: Members of the Board may incur additional business expenses while representing the BWL in the community. Business expenses such as cell phone, business luncheons, and parking are such examples of legitimate business expenses. Upon filing a claim in the prescribed form, each Member of the Board shall be reimbursed for reasonable and necessary expenses incurred in the discharge of the Board Member's official duties, in accordance with the BWL's Travel & Reimbursement Policy and petty cash fund guidelines.

The Executive Committee shall review Member expenses on a quarterly basis.

19.8 Definitions

As used herein, the following terms mean:

Member: Any member of the Board, including Voting Members and Non-voting Members.

Voting Member: Any Member of the Board appointed pursuant to Lansing City Charter, Section 5-103.2

Non-voting Member: Any Member of the Board appointed pursuant to Lansing City Charter, Section 5-103.12.

Adopted by the Board 5/8/79, and amended 8/14/79, 11/14/79, 3/11/80, 11/11/80, 7/14/81, 8/11/81, 7/13/82, 7/26/83, 6/26/84, 3/5/85, 12/18/90, 1/5/91, 3/3/08, 5/26/15, and 3/____/22.

Proposed Resolution
Rules of Procedure Amendment

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

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

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

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