



**BOARD OF WATER & LIGHT BOARD OF COMMISSIONERS
REGULAR BOARD MEETING AGENDA
November 14, 2023 - 5:30 p.m.
1201 S. Washington Ave., Lansing, Michigan
REO Town Depot**

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

1. Roll Call

2. Pledge of Allegiance

3. Approval of Minutes

- a. Regular Board Meeting Minutes of September 26, 2023

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 MAN Energy Solutions USA Inc. re: RFP Bid
- b. Electronic mail from Dusty Horwitt re: Recognition of BWL Board Service
- c. Electronic mail from Liza Murphy re: Utility Charges
- d. Electronic mail from Duane Beswick re: Overhead Street Lights
- e. Electronic mail from Debra Outwater re: Storm Outage Costs and Commissioner Representation
- f. Electronic mail from Randy Dykhuis re: Water Rates and Legislation
- g. Electronic mail from Dawn Fleming re: Water Rates Affordability
- h. Electronic mail from Dawn Fleming re: Water Shutoffs
- i. Electronic mail from Randy Dykhuis re: Neighborhood Meeting to be held on November 9 Regarding Groundwater Contamination Concerns

6. Committee Reports

- a. Human Resources Committee Meeting (October 3, 2023) – Tony Mullen, Chairperson
- b. Human Resources Committee Meeting (November 7, 2023) – Tony Mullen, Chairperson
- c. Committee of the Whole Meeting (November 7, 2023) – David Price, Chairperson
- d. Finance Committee Meeting (November 7, 2023) – Sandra Zerkle, Chairperson
- e. Pension Fund Trustees Meeting (November 14, 2023) – Semone James, Chairperson

7. Manager's Recommendations

8. Unfinished Business

9. New Business

10. Resolutions/Action Items

- a. 2023 PA 152 Healthcare Premium Sharing Resolution
- b. Regular Board Meeting Schedule 2024 Resolution
- c. FY2023 Audited Financial Statements of the Enterprise Fund and Pension Fiduciary Funds Resolution
- d. Third Supplemental Utility System Revenue Bond Resolution
- e. Acknowledgement of the Acceptance of FY 2023 Audited Financial Statements Resolution

11. Manager's Remarks

12. Commissioners' Remarks

13. Motion of Excused Absence

14. Public Comment

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

15. Adjournment

Agenda posted on web site/building 11-09-22

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



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

September 26, 2023

The Board of Commissioners met at the Lansing Board of Water and Light (BWL) Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:30 p.m. on Tuesday, September 26, 2023.

Chairperson Semone James called the meeting to order at 5:30 p.m. and asked the Corporate Secretary, LaVella J. Todd, to call the roll. The following members were present: Commissioners Semone James, Beth Graham, DeShon Leek, Tony Mullen, David Price, Dale Schrader, Tracy Thomas and Sandra Zerkle. Non-Voting Commissioners present: J. R. Beauboeuf (East Lansing), Brian Pillar (Meridian Township) and Robert Worthy (Delta Township)

Absent: None.

Corporate Secretary Todd declared a quorum.

Commissioner David Price led the Pledge of Allegiance.

APPROVAL OF MINUTES

Motion by Commissioner Tracy Thomas, **Seconded** by Commissioner Beth Graham, to approve the Regular Board Meeting minutes of July 18, 2023.

Action: Motion Carried.

PUBLIC COMMENTS ON AGENDA ITEMS

Randy Dykhuis, Lansing, MI spoke about the resolution for Clean Energy Projects and expressed concern of the provision for reciprocating internal combustion engine (RICE) and whether a RICE engine is a clean energy project.

COMMUNICATIONS

Electronic mail received from Ethan Schmitt regarding Summer Art Celebration - *Referred to Management. Received and Placed on File.*

Electronic mail from Maggie Fenger regarding Storm Power Outage - *Referred to Management. Received and Placed on File.*

Electronic mail received from Ethan Schmitt regarding Utility Payment Assistance - *Referred to Management. Received and Placed on File.*

COMMITTEE REPORTS

Human Resources Committee Chairperson, Tony Mullen presented the Human Resources Committee Report:

HUMAN RESOURCES COMMITTEE Meeting Minutes August 15, 2023

Human Resources (HR) Committee: Tony Mullen, Committee Chairperson; Commissioners Semone James, DeShon Leek and Tracy Thomas; Alternates: Commissioners Beth Graham, Sandra Zerkle; Non-Voting Members: Commissioners J. R. Beauboeuf, Brian Pillar, Robert Worthy

The HR Committee of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:30 p.m. on Tuesday, August 15, 2023.

HR Committee Chairperson Tony Mullen called the meeting to order at 5:30 p.m. and asked the Corporate Secretary to call the roll. The following members were present: Chairperson Tony Mullen; Commissioners Semone James, DeShon Leek and Tracy Thomas. Also present: Commissioners Sandra Zerkle (Alternate) and David Price; and Non-Voting Commissioner J.R. Beauboeuf (East Lansing).

Absent: None.

The Corporate Secretary declared a quorum.

Human Resources Committee Chairperson Tony Mullen welcomed new Commissioner J. R. Beauboeuf representing East Lansing.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner DeShon Leek, Seconded by Commissioner Semone James, to approve the HR Committee meeting minutes of June 13, 2023.

Action: Motion Carried.

Remote Work Agreement for All Contracted Employees Resolution

HR Committee Chairperson Tony Mullen led the discussion on the Remote Work Agreement for All Contracted Employees Resolution. Whether the resolution should be edited by removing that the Board employees need to sign a form to work remotely was discussed. It was decided that since all other BWL employees are required to sign the remote work agreement, it is best to keep in accordance with the current procedure of the formal agreement. Commissioners discussed

requesting Board-Appointee(s) provide a generic schedule for remote workday(s) to ensure the full Board is kept informed.

Motion by Commissioner Semone James, **Seconded** by Commissioner DeShon Leek to forward as presented the Resolution for the Remote Work Agreement for All Contracted Employees Resolution to the full Board for consideration.

Action: Motion Carried.

Discussion of Possible Candidates for Director of Internal Auditor Position

HR Chairperson Tony Mullen started the discussion by introducing Human Resources Executive Director Michael Flowers and asked for recommendations on the candidates for the position of Internal Auditor. Mr. Flowers introduced Lisa Benson, Senior HR Generalist, Dan Barnes, Interim Supervisor of Talent and Acquisition, and Tracy Strudwick, HR Manager, who worked on the recruiting process. Mr. Flowers provided the candidates recommended and the qualifications of the candidates were reviewed. Chairperson Tony Mullen and Commissioners Tracy Thomas, DeShon Leek, Sandra Zerkle, Semone James and David Price discussed candidates recommended. The next step in the hiring process will be interviewing the candidates.

Mr. Flowers will send the interview questions to the Commissioners by end of day on August 17, 2023, and additional questions that Commissioners want asked during the interview will be sent to Mr. Flowers by Thursday, August 24, 2023.

Other

There was no other business.

Adjourn

Meeting adjourned at 6:47 p.m.

Respectfully Submitted,
Tony Mullen, Chairperson
Human Resources Committee

Vice Chairperson David Price presented the Committee of the Whole Report:

**COMMITTEE OF THE WHOLE
Meeting Minutes
September 12, 2023**

The Committee of the Whole of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, on Tuesday, September 12, 2023.

Committee of the Whole Chairperson David Price called the meeting to order at 5:30 p.m. and asked the Corporate Secretary to call the roll. The following members were present: Commissioners David Price, Beth Graham, Semone James (attending via phone), DeShon Leek,

Tony Mullen, Dale Schrader, Tracy Thomas and Sandra Zerkle; Non-Voting Commissioners J.R. Beauboeuf (East Lansing), Brian Pillar (Meridian Township), Robert Worthy (Delta Township)
Absent: None.

The Corporate Secretary declared a quorum.

Chairperson Price welcomed Commissioner Dale Schrader, At Large Commissioner and Commissioner Robert Worthy, representing Delta Township.

Public Comments

Michelle McKnight, Lansing, MI, spoke regarding the utility rate increase and service fee coverage that is affecting her business.

Elaine Fischhoff, Lansing, MI, Lansing Mayor's Advisory Commission on Sustainability spoke on the permit process for solar. She also spoke against BWL adding another gas plant and asked that there be consideration in that 90 credits are received from MISO for a gas plant and only 10 credits for renewables.

Approval of Minutes

Motion by Commissioner Tracy Thomas, **Seconded** by Commissioner Beth Graham, to approve the Committee of the Whole Meeting minutes of July 11, 2023.

Action: Motion carried. The minutes were approved.

Storm Report

General Manager (GM) Dick Peffley spoke about the August 2023 storm outages, the service territory impacts, restoration labor, restoration cost, restoration response, and estimating restoration during the outage. Close to 43,000 customers were affected, 45 tree crews and 57 line crews were utilized, the total restoration cost was \$8.7 million, and restoration for more than half of the customers was completed in two days and for most of the remaining customers in six days. The outage map accurately portrayed the service requests throughout the storm response period and restoration was completed in the order that would restore the most customers' service at a time.

Commissioner Thomas thanked the leadership at BWL for the service during the storm outage.

Commissioner Mullen asked whether the extra weather forecasting service for which BWL is paying is worth it as there was no forecast for the type of storm that occurred. GM Peffley responded that the service is worth it. BWL was given a weather forecast about the storm but at two levels below what occurred and that did not include a tornado. BWL was able to increase their response actions and the request for additional crews. Commissioner Mullen added that he received notification from his cable company regarding cable outage during the storm and asked if BWL could provide that service for utility outages. GM Peffley responded that BWL would check for technology options that are available.

Commissioner Zerkle commented that the preparation for the outage was better than in 2013 and the response and restoration were quicker even though the August storm was worse.

Rate Increase Article in the Lansing State Journal

GM Peffley spoke about the Rate Increase Article in the Lansing State Journal. BWL's first rate strategy was based on BWL providing service as a utility, without subsidization as is required. The first step was to set rates of return; the next step was to evaluate appropriate costs for rate classes; next, the rate strategy for three phases of customers was set. Leadership at BWL is checking into which customers aren't using the amount of energy being charged and a rate transition credit for larger customers.

Chairperson Price requested the timeline for implementing the rate transition credit. Chief Financial Officer (CFO) Shawa responded that after receiving all the data within the next two weeks, the rate transition credit is expected to be completed in 30 days.

Commissioner Mullen asked if there would be retroactive credits. GM Peffley responded that retroactive credits will be checked into.

In response to Commissioner Zerkle inquiring if there are 5,000 customers in phase three, CFO Shawa responded that there are approximately 2,300 customers reclassified from the single phase in the old phase three rate to the midsize phase. Based on the data, the short term solution is to extend the rate transition credit to about a third of those customers.

Commissioner Schrader asked whether it was costly to convert from three phase power in a building to single phase power. GM Peffley responded that it is part of the service for BWL but may cost \$5,000 for the business owner.

Resolution Honoring Dusty Horwitt

Chairperson Price presented the Resolution Honoring Dusty Horwitt and requested the resolution be forwarded to the full Board for consideration.

Motion by Commissioner Tony Mullen, **Seconded** by Commissioner Beth Graham, to forward the Resolution Honoring Dusty Horwitt as presented to the full Board for consideration.

Action: Motion Carried.

Outgoing Commissioner Parting Gifts

Chairperson Price requested input from GM Peffley regarding the requirements for outgoing Commissioners parting gifts. GM Peffley introduced BWL General Counsel, Mark Matus, who stated that there is a city ethics ordinance stating that there is a \$50 maximum and gifts are to be non-monetary.

Commissioner Thomas commented on the same gifts being provided to Commissioners although there were different lengths of service times. Chairperson Price responded that the city ethics ordinance states what can and can't be done no matter the length of service.

Commissioner Mullen asked whether the \$50 maximum applied to individual attendees at a celebratory dinner or to the whole group. Mr. Matus responded that the individual meals would be under the threshold.

Annual IT Report-Out

Vern Myers, BWL Chief Information Officer (CIO) presented the annual IT Report Out. Mr. Myers provided the cyber, infrastructure, and optimization accomplishments from FY2023; and the IT project management office, technical infrastructure, cost optimization, customer satisfaction and employee engagement initiatives for FY2024.

Commissioner Zerkle asked if there is a program in place to safeguard the system following a hacking incident. Mr. Myers responded that there are several cyber security systems in place.

Commissioner Safety Training on September 26, 2023

Ryan Cressman, Health, Safety and Security Manager, summarized the Commissioner Safety Training that will be presented after the September 26, 2023 Board Meeting.

Other

Commissioner Price asked GM Peffley to provide information on the BWL watermain break and boil water advisory. GM Peffley reported that if the pressure drops in the 800 miles pipeline, the seals can allow groundwater to leak in which results in a boil water alert. There was a failure in the pipeline by the Grand River in Delta Township and nearly 20 feet of the pipeline were repaired resulting in the lowering of pressure further down the line.

Commissioner Price announced that the BWL Board of Commissioners will meet with the City of Lansing City Council Committee of the Whole on Thursday, October 19, 2023 at 5:30p.m. at the REO Depot building.

Commissioner Mullen announced that a Human Resources Committee meeting will be scheduled for the first or second week in October to interview the Internal Auditor candidates.

Excused Absence

Motion by Commissioner Tracy Thomas, **Seconded** by Commissioner Sandra Zerkle for an excused absence for Commissioner Semone James.

Action: Motion Carried.

Adjourn

Chairperson Price adjourned the meeting at 6:45 p.m.

Respectfully Submitted
David Price, Chairperson
Committee of the Whole

Finance Committee Chairperson, Sandra Zerkle presented the Finance Committee Report:

FINANCE COMMITTEE Meeting Minutes September 12, 2023

Finance Committee: Sandra Zerkle, Committee Chairperson; Commissioners Beth Graham; David Price; and Dale Schrader; Alternates: Commissioners Semone James, Tracy Thomas; Non-Voting: Commissioners J.R. Beauboeuf, Brian Pillar, Robert Worthy.

The Finance Committee of the Board of Water and Light (BWL) met at BWL Headquarters, REO Town Depot, located at 1201 S. Washington Ave., Lansing, MI on Tuesday, September 12, 2023.

Finance Committee Chairperson Sandra Zerkle called the meeting to order at 6:58 p.m. and asked the Corporate Secretary to call the roll. The following members were present: Commissioners Sandra Zerkle, David Price, and Dale Schrader, Alternate: Commissioners Semone James (attending via phone) and Tracy Thomas; also present: Non-Voting Commissioner Brian Pillar (Meridian Township)

Absent: Commissioner Beth Graham.

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner David Price, **Seconded** by Commissioner Dale Schrader, to approve the Finance Committee Meeting minutes of July 11, 2023.

Action: Motion Carried.

July YTD Financial Summary

Chief Financial Officer (CFO) Heather Shawa presented the July YTD Financial Summary. Revenues were slightly under budget by \$1.5 million with the budget at \$37.6 million; operating expenses were slightly over at \$1.5 million which brought net income to \$2 million over budget compared to net income budget of \$4 million. Three O& M expenses contributed to the variance. The August 2023 storm cost will be discussed at the November Board meeting.

Commissioner Thomas commended the Finance Department on the financial response during the August storm.

Commissioner Zerkle asked if the state would provide a storm rebate. CFO Shawa responded that an application was submitted to the City of Lansing for federal funding through FEMA. If no federal funding is received, filing will be made in districts with emergency declarations. GM Peffley added that nothing has been received in the past but a request has always been made.

Clean Energy Projects Bond Resolution

CFO Shawa presented the Clean Energy Projects Bond Resolution and requested the resolution of the notice of intent to issue revenue bonds be forwarded to the full Board for approval. The clean energy projects will take place over the next 7 to 10 years and the estimated cost will be \$750 million of capital outlay. The bond issuance request is for up to \$325 million par value for the clean energy projects consisting of the RICE engine units, battery storage, and the solar projects primarily at the Delta Energy Plant through June 2026. Clean energy project related

expenses will be reimbursed from the bond proceeds. If approved at the September 26th Board Meeting, the Notice of Intent will be published in the Lansing State Journal. At the November meeting, a resolution authorizing the CFO to issue the bonds will be presented.

Commissioner Zerkle commented that the bond issuance request presented is part of the approved \$750 million bond issuance. GM Peffley added that \$750 million bond issuance is being divided into parts.

Motion by Commissioner David Price, **Seconded** by Commissioner Sandra Zerkle, to forward the Resolution for the Notice of Intent to Issue Revenue Bonds for Clean Energy Projects to the full Board for consideration.

Action: Motion Carried.

Retirement Plan Committee (RPC) Update

CFO Shawa presented the RPC update. Investment activity for the DB and VEBA plans are within the target range for real assets and the RPC will continue with rebalancing until the target value of 15% is reached. The policy index for both Plans will be updated and the asset allocation will be revised for the VEBA Plan. There was no significant investment activity for the 401(a) & 457(b) Plans. Under administrative activity for the DB and VEBA Plans, investment returns and funded status were sufficient to provide reimbursement of \$2,365,067 for the quarter and to reimburse the full amount in benefits paid by the employer through the 4th quarter of the fiscal year. A transfer of funds from DB to BWL was approved by the RPC for the reimbursement of state payroll taxes paid by the BWL on behalf of the DB Plan. Northern Trust was selected as the provider for the DB & VEBA Plans custodial services. The service agreement is under review and transition is expected to occur during the 3rd quarter. The RPC will be working with the service providers for the 401(a) & 457(b) Plans to evaluate and prepare for the new provisions in the Secure Act 2.0 passed on December 29, 2022.

DB Plan Investment Policy Statement Revision and Resolution

Motion by Commissioner David Price, **Seconded** by Commissioner Dale Schrader, to approve and forward the Resolution for the DB Plan Investment Policy Statement Revision to the full Board for consideration.

Action: Motion Carried.

VEBA Plan Investment Policy Statement Revision and Resolution

Motion by Commissioner David Price, **Seconded** by Commissioner Dale Schrader, to approve and forward the Resolution for the VEBA Plan Investment Policy Statement Revision to the full Board for consideration.

Action: Motion Carried.

Rate Update

CFO Shawa and GM Peffley provided the rate update. Rates are being affected by a fixed cost increase for business owners regarding the three phase and single phase rates; variable costs in Power Supply Cost Recovery (PSCR) which include recouping for emissions, natural gas cost fluctuations, and the decommissioning of coal plants; the November rate increase; and the PA95 opt in.

Chairperson Zerkle commented that GM Peffley started a community resource fair program at which area service providers offer assistance to customers. The next event is being held at Gier Community Center on September 26, from 2:00 p.m. to 7:00 p.m.

Revised Purchasing Card (P-Card) Procedure

CFO Shawa spoke on the revised purchasing card procedure. A resolution was passed at the July, 2023 Board meeting specific to the appointed employees purchasing cards and the purchasing card procedure was updated accordingly.

Other

Commissioner Pillar asked if there was any damage to BWL's current clean energy infrastructure during the August Storm. GM Peffley responded that no damage was incurred and that power was only lost to the corporate building and the water plant on Cedar Street.

Excused Absence

Motion by Commissioner David Price, **Seconded** by Commissioner Dale Schrader, for an excused absence for Commissioner Semone James.

Action: Motion Carried.

Adjourn

Chairperson Sandra Zerkle adjourned the meeting at 7:45 p.m.

Respectfully submitted,
Sandra Zerkle, Chairperson
Finance Committee

MANAGER'S RECOMMENDATIONS

There were no Manager's Recommendations.

UNFINISHED BUSINESS

Chairperson James tabled the Executive Committee Membership discussion to another time.

NEW BUSINESS

There was no new business.

RESOLUTIONS

RESOLUTION 2023-09-01

Board Appointees Remote Work Authorization

WHEREAS, the Board of Commissioners of the Lansing Board of Water & Light (BWL) desires to provide for the authorization of remote work for each of its Board Appointees.

NOW, THEREFORE, BE IT RESOLVED, Board Appointees may work remotely in accordance with the requirements of the BWL's Remote Work Policy and the Chairperson of the Board is authorized to effectuate such agreements by signing the BWL's Remote Work Agreement with the Appointee.

Motion by Commissioner David Price, **Seconded** by Commissioner Tony Mullen, to approve the Resolution for Board Appointees Remote Work Authorization at a Board Meeting held on September 26, 2023.

Action: Motion Carried.

RESOLUTION 2023-09-02

Lansing Board of Water & Light Resolution Honoring Dusty Horwitt

WHEREAS, it is a pleasure to extend this expression of our thanks and best wishes to Dusty Horwitt for his service as a Commissioner of the Board of Water & Light; and

WHEREAS, Dusty Horwitt was appointed as an At-Large Commissioner of the Board of Water & Light on October 11, 2021, to represent the City of Lansing; and

WHEREAS, He last served as a Voting member of the Committee of the Whole and Human Resources Committee, and Finance Committee Chairperson; and

WHEREAS, Dusty has worked for more than 15 years for environmental nonprofit organizations where he has focused on protecting people from pollution including greenhouse gas emissions and toxic substances associated with oil and gas drilling; and is a member of the Lansing Environmental Action Team and has testified about environmental issues multiple times before government panels including the U.S. House of Representatives Committee on Natural Resources, the U.S. Senate Committee on Energy and Natural Resources, and the New York City Council; and has written a chapter about hydraulic fracturing chemical disclosure for a scientific textbook published by Elsevier and has been quoted and cited about environmental issues in multiple news outlets including the New York Times, Wall Street Journal, and Marketplace (NPR); and

WHEREAS, Dusty also has experience as an attorney, reporter, and deputy press secretary on Capitol Hill in Washington, DC, and is a certified Energy Master after completing a course in home energy efficiency; has contributed to City Pulse as a freelance writer and has worked to illuminate the history of school integration in his hometown of Arlington, Virginia.; and

WHEREAS, on behalf of his colleagues, employees of the Board of Water & Light and the citizens of Lansing, we offer our sincere gratitude for the time, energy, and talent he devoted as a Commissioner of the Board of Water & Light.

NOW THEREFORE BE IT RESOLVED, That the members of the Board of Commissioners, hereby honor and commend Dusty Horwitt for his years of distinguished service in Regular Board

Meeting this 26th day of September, 2023. We sincerely wish Dusty continued success in all his future endeavors and achieving that which is in the best interest of our community.

Semone James, Chairperson	David Price, Vice-President	
J.R.Beauboeuf	Beth Graham	DeShon Leek
Tony Mullen	Brian Pillar	Dale Schrader
Tracy Thomas	Robert Worthy	Sandra Zerkle

Motion by Commissioner Semone James, **Seconded** by Commissioner David Price, to approve the resolution of tribute for the outgoing Commissioner Dusty Horwitt at a Board meeting held on September 26, 2023.

Action: Motion Carried.

RESOLUTION 2023-09-03

Lansing Board of Water and Light

RESOLUTION AUTHORIZING NOTICE OF INTENT TO ISSUE REVENUE BONDS FOR CLEAN ENERGY PROJECTS AND RELATED SYSTEM IMPROVEMENTS

- Notice of Intent to Issue Revenue Bonds in an amount not-to-exceed \$325,000,000 to finance clean energy projects and other System improvements.
- Declaration of intent to reimburse expenditures from Revenue Bond proceeds.

WHEREAS, the City of Lansing (the “City”) provides in its City Charter that the Lansing Board of Water and Light (the “Board”) has general management over water, heat, steam and electric services and certain additional utility services of the City, and the Board operates facilities for the supply and distribution of water and the generation and distribution of electricity, steam, chilled water, and heat, including all plants, works, instrumentalities and properties used or useful in connection with the supply and distribution of water and the generation and distribution of electricity, steam, chilled water, and heat (the “System”); and

WHEREAS, the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended (“Act 94”) permits the Board to issue revenue bonds payable solely from the net revenues derived from the operation of the System (the “Revenue Bonds”) in order to finance plants, works, instrumentalities, and properties used or useful in connection with utility systems such as the System; and

WHEREAS, the Board has determined that it is necessary for the public health, safety and welfare of the City and the users of the System to acquire and construct System improvements including, but not limited to, clean energy projects including a natural gas reciprocating engine, battery storage, solar and wind energy improvements, energy waste reduction improvements and enhancements to improve demand response for customers, as well as construction, improvement and renovation of transmission and distribution lines and related System facilities,

including all equipment and any appurtenances and attachments thereto and any related site acquisition or improvements (collectively, the “Project”); and

WHEREAS, issuance of revenue bonds as permitted by Act 94 in an amount not-to-exceed Three Hundred Twenty-Five Million Dollars (\$325,000,000) (the “Revenue Bonds”) represents the most practical means to finance the Project and the funding of any required bond reserve funds, capitalized interest and costs of issuance of the Revenue Bonds; and

WHEREAS, a notice of intent to issue revenue bonds must be published before the issuance of the Revenue Bonds in order to comply with the requirements of Section 33 of Act 94; and

WHEREAS, the Internal Revenue Service has issued Treasury Regulation § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended, governing proceeds of debt used for reimbursement, pursuant to which the Board must declare official intent to reimburse expenditures with proceeds of such debt before making the expenditures.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Publication of Notice of Intent. The Board shall publish a notice of intent to issue the Revenue Bonds once as a display advertisement at least one-quarter (1/4) page in size in substantially the following form:

NOTICE TO ELECTORS OF THE CITY OF LANSING OF INTENT TO ISSUE REVENUE BONDS FOR
CLEAN ENERGY PROJECTS AND RELATED SYSTEM IMPROVEMENTS
AND RIGHT TO PETITION FOR REFERENDUM

PLEASE TAKE NOTICE that the Lansing Board of Water and Light intends to authorize the issuance and sale of bonds (the “Revenue Bonds”) pursuant to Act 94, Public Acts of Michigan, 1933, as amended, payable solely from revenues received by the Board from the operations of the Water Supply, Steam, Chilled Water and Electric Utility System (the “System”). The Revenue Bonds would be authorized in the maximum aggregate principal amount of not-to-exceed Three Hundred Twenty-Five Million Dollars (\$325,000,000) for the purpose of paying costs to acquire and construct System improvements including, but not limited to, clean energy projects including a natural gas reciprocating engine, battery storage, solar and wind energy improvements, energy waste reduction improvements and enhancements to improve demand response for customers, as well as construction, improvement and renovation of transmission and distribution lines and related System facilities, including all equipment and any appurtenances and attachments thereto and any related site acquisition or improvements. Costs financed with proceeds of the Revenue Bonds may include funding of required bond reserve funds, capitalized interest and costs of issuance of the Revenue Bonds.

SOURCE OF PAYMENT OF REVENUE BONDS

THE PRINCIPAL OF AND INTEREST ON THE REVENUE BONDS SHALL BE PAYABLE solely

from the net revenues received by the Board from the operations of the System. The revenues will consist of rates, fees and charges billed to the users of the System, a schedule of which is presently on file at www.lbwl.com. The rates, fees and charges may from time to time be revised to provide sufficient net revenues to provide for the expenses of operating and maintaining the System, to pay the principal of and interest on the Revenue Bonds and any other bonds of the System, and to pay other obligations of the System. **The Revenue Bonds will not pledge the full faith and credit of the City. The Revenue Bonds will not be a general obligation of the City.**

The Revenue Bonds may be issued in one or more series and may be combined with bonds issued for other purposes, and each series will mature in not to exceed thirty (30) annual installments with interest at such interest rate or rates to be determined at public or negotiated sale but in no event to exceed such rates as may be permitted by law.

RIGHT OF REFERENDUM

THE REVENUE BONDS WILL BE ISSUED WITHOUT VOTE OF THE ELECTORS UNLESS A VALID PETITION REQUESTING AN ELECTION ON THE QUESTION OF ISSUING THE REVENUE BONDS, SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS OF THE CITY, IS FILED WITH THE CITY CLERK OF THE CITY OF LANSING WITHIN FORTY-FIVE (45) DAYS AFTER THE DATE OF PUBLICATION OF THIS NOTICE. If a valid petition is filed, the Revenue Bonds cannot be issued unless approved by a majority vote of the electors of the City voting on the question of their issuance. This notice is given pursuant to the requirements of Section 33 of Act 94, Public Acts of Michigan, 1933, as amended.

ADDITIONAL INFORMATION may be obtained at the administrative offices of the Lansing Board of Water and Light, 1201 S. Washington Ave., Lansing, Michigan 48910.

LaVella J. Todd, Corporate Secretary
Lansing Board of Water and Light

2. Sufficiency of Notice. The Corporate Secretary is hereby directed to publish the notice of intent in *The Lansing State Journal*, a newspaper of general circulation in the City qualified under State law to publish legal notices, which is hereby determined to be the newspaper that will reach the largest number of persons to whom the notice is directed. The Board hereby determines that the notice of intent and the manner of publication directed is the method best calculated to give notice to the electors of the City and the users of the System of the Board's intent to issue the Revenue Bonds, the purposes of the Revenue Bonds, the source of payment of the Revenue Bonds, and the right of referendum relating thereto.

3. Statement of Intent under Treas. Reg. § 1.150-2. The Board hereby makes the following declaration of intent for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

(1) The Board reasonably expects to reimburse itself for the expenditures described in (2) below with proceeds of debt to be incurred by the Board.

(2) The expenditures described in this paragraph (2) are to pay certain costs associated with the Project which were or will be paid subsequent to sixty (60) days prior to the date hereof or which will be paid prior to the issuance of the debt from the funds of the System.

(3) As of the date hereof, the maximum principal amount of debt expected to be issued for reimbursement purposes, including reimbursement of debt issuance costs, is \$325,000,000, which debt may be issued in one or more series and/or together with debt for other purposes.

(4) A reimbursement allocation of the expenditures described in paragraph (2) above with the proceeds of the borrowing described herein will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the Board's use of the proceeds of the debt to be issued for the Project to reimburse the Board for a capital expenditure made pursuant to this Resolution.

(5) The expenditures for the Project are "capital expenditures" as defined in Treas. Reg. § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of "placed in service" under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).

(6) No proceeds of the borrowing paid to the Board in reimbursement pursuant to this Resolution will be used in a manner described in Treas. Reg. § 1.150-2(h) with respect to abusive uses of such proceeds, including, but not limited to, using funds corresponding to the proceeds of the borrowing in a manner that results in the creation of replacement proceeds (within Treas. Reg. § 1.148-1) within one year of the reimbursement allocation described in paragraph (4) above.

4. Financial Advisor. The Board hereby requests that Public Financial Management, LLC continue to serve the Board as Financial Advisor for the Revenue Bonds, including any bond anticipation notes which the Board might authorize in a future resolution.

5. Bond Counsel. The Board hereby requests that Miller, Canfield, Paddock and Stone, P.L.C., Lansing, Michigan, continue to serve the Board as bond counsel for the Revenue Bonds, including any bond anticipation notes which the Board might authorize in a future resolution. The Board acknowledges that Miller, Canfield, Paddock and Stone, P.L.C. has represented from time to time, and currently represents various underwriters, financial institutions, and other potential participants in the bond financing process, in matters not related to the issuance and sale of the Revenue Bonds.

6. Conflicting Resolutions. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the Board of Commissioners of the Lansing Board of Water and Light, at a Regular meeting held on Tuesday, September 26, 2023, at 5:30 p.m., Eastern Time, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act 267.

I further certify that the following Members were present at said meeting: Semone James, Beth Graham, DeShon Leek, Tony Mullen, David Price, Dale Schrader, Tracy Thomas, and Sandra Zerkle and that the following Members were absent: None.

I further certify that Member David Price moved for adoption of said resolution and that Member Sandra Zerkle supported said motion.

I further certify that the following Members voted for adoption of said resolution: Semone James, Beth Graham, DeShon Leek, Tony Mullen, David Price, Dale Schrader, Tracy Thomas, and Sandra Zerkle and that the following Members voted against adoption of said resolution: None.

Corporate Secretary, LaVella J. Todd

RESOLUTION 2023-09-04
Revised Defined Benefit Plan Investment Policy Statement

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

WHEREAS, the Retirement Plan Committee periodically reviews the investment policy statement, formally known as the Statement of Investment Policies, Procedures and Objectives, for the Defined Benefit Plan and, as the result of a recent change in US Large Cap Equity fund managers, recommends a revision to the language within the Defined Benefit Plan’s investment policy statement; and

WHEREAS, the Retirement Plan Committee recommends the Sponsor adopt the revision which reflects this recommendation in the attached Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees’ Pensions Statement of Investment Policies, Procedures and Objectives; and

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

THEREFORE, it is:

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

Motion by Commissioner Semone James, **Seconded** by Commissioner Sandra Zerkle, to adopt and approve the Resolution for the Revised Defined Benefit Plan Investment Policy Statement at a Board meeting held on September 26, 2023.

Action: Motion Carried.

RESOLUTION 2023-09-05

Revised VEBA Investment Policy Statement

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

WHEREAS, the Retirement Plan Committee, established by the Sponsor and delegated certain duties by the Trustees related to the investment of VEBA assets, periodically reviews the target asset allocation for each plan and, as the result of its most recent review, recommends the target asset allocation for US Large Cap Equity be reduced from 30% to 25% and the target asset allocation for US SMID Cap Equity be increased from 10% to 15%; and

WHEREAS, the Retirement Plan Committee also periodically reviews the investment policy statement, formally known as the Statement of Investment Policies, Procedures and Objectives, for the VEBA and, as the result of a recent change in the US Large Cap Equity fund managers, recommends a revision to language within the VEBA's investment policy statement; and

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

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

THEREFORE, it is:

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

Motion by Commissioner David Price, **Seconded** by Commissioner Tony Mullen, to adopt and approve the Resolution for the Revised VEBA Investment Policy Statement at a Board meeting held on September 26, 2023.

Action: Motion Carried.

MANAGER'S REMARKS

General Manager, Dick Peffley shared the following remarks:

1. A public relations plan has been created that will communicate to customers the changes on their bills which will include the rate increase, the transition to time of use rate and opting into PA95.
2. Information about PA95 was included in the September edition of Connections with the recent utility bills, is on the September On-Bill Message, and a BWL webpage has been created to explain how PA95 works.
3. The 8th Community Resource Fair is being held today and 170 people had attended within the first three hours of the event.
4. The next GM Roundtable will be held on Wednesday, October 18th at the REO Depot and will be a recap of the storm outage.
5. GM Peffley welcomed the four new Commissioners to BWL.

COMMISSIONERS' REMARKS

Chairperson James welcomed the four new Commissioners, Brian Pillar, Robert Worthy, J. R. Beauboeuf, and Dale Schrader. Chairperson James also thanked GM Peffley for the work effort during the August storm. Chairperson James thanked the Corporate Secretary and Health, Safety and Security Manager, Ryan Cressman, for the upcoming Safety Training for the Commissioners.

Commissioner Thomas also welcomed the new Commissioners and commended GM Peffley and his team for the excellent response, work effort and public relations during the August storm outage. Commissioner Thomas also thanked HR Executive Director Michael Flowers and Security staff for the upcoming safety training.

PUBLIC COMMENTS

Lisa Stow, DeWitt, MI requested information about maximum demand and the increased utility bill for her business. Ms. Stow asked how the rate numbers were determined for the estimate on her bill and about the criteria for being transitioned to a mid-size commercial business. Chairperson James requested the General Manager to follow up with Ms. Stow to address her questions.

ADJOURNMENT

Being no other business Chairperson James adjourned the meeting at 5:51 p.m.

LaVella J. Todd, Corporate Secretary
Preliminary Minutes filed (electronically) with Lansing City Clerk 09-28-23
Approved by the Board of Commissioners: 11-__-23
Official Minutes filed (electronically) with Lansing City Clerk: __-__-23

Submitted on Wed, 09/27/2023 - 3:50 PM

Submitted by: Anonymous

Submitted values are:

Select a Commissioner:

All Commissioners

Name

MAN Energy Solutions USA Inc.

Street Address

1758 Twinwood Parkway

Brookshire, Texas. 77423

Email Address

thorsten.dradrach@man-es.com

Message

In reference to RFP L-2022, we are one of the bidders applying for the award of project with reciprocating internal combustion engines. As requested by the owners engineer Sargent & Lundy we have submitted our best and final offer in compliance with the conditions of the RFP on August 18, 2023. Final clarifications were submitted on September 7th, which was the official deadline. We haven't received any feedback since. We therefore kindly request feedback from the commission on the current status of the process. Thank you very much

From: Dusty Horwitt <dustyhorwittat_largelbwl@yahoo.com>

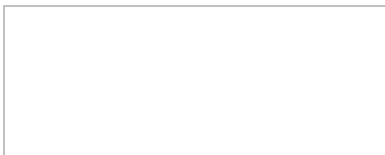
Sent: Friday, September 29, 2023 2:08 PM

Subject: Re: Recognition of BWL Board Service -

Dear Commissioners:

I appreciate the resolution you passed earlier this week in recognition of my service on the Board and your kind offers of appreciation. I wish all of you the best in your work on behalf of our community and look forward to staying in touch.

Best wishes,
Dusty



Submitted on Mon, 10/02/2023 - 3:47 PM

Submitted by: Anonymous

Select a Commissioner:

All Commissioners

Name

Liza Murphy

Street Address

Lansing , Michigan

Message

I am reaching to find out why we have 2 inflow/infiltration charges commodity charges on our bill, and we use to have only 1. We also now have 2 industrial pretreatment charges on our bill as opposed to 1 under sewer charges.

I want to thank you in advance for returning my email.

Thankyou

Liza Murphy

Submitted on Mon, 10/02/2023 - 4:07 AM

Select a Commissioner:

All Commissioners

Name

Duane k Beswick

Street Address

lansing, Michigan

Message

There are a number of overhead lights that are not working/working incorrectly early in the morning, on the south side of the street on Saginaw Highway, between Canal street and Creyts street...4 street lights are across from Frank's Press Box Bar that are not working, and one that is blinking like a strobe light outside Champion auto sales. This is a heavily traveled section at night, especially for people visiting our fair town and staying at the hotels on Canal on the weekend. There is potential for someone/myself walking in the dark due to no lights to get injured, perhaps rolling their ankle, and a potential lawsuit.

Please have someone look into this, if you need more information call me at 2314871010.

Thank You,

Duane Beswick

Submitted on Wed, 10/04/2023 - 8:13 AM

Select a Commissioner:

All Commissioners

Name

Debra Outwater

Street Address

Lansing, Michigan

Message

I am a resident of Delta Township, so it appears that I don't have adequate representation on the Board of Commissioners. I was one of the over 30,000 BWL customers who lost power due to the storm on 8/24/23. There were no downed trees or lines in or near our neighborhood - yet there were at least 7 homes on Durango that lost power. We were without power for 5 days. People who live in extreme rural areas had their power restored before we did. We were lucky - we had a generator that we were able to connect our sump pump, fridge and freezer to. We spent in excess of \$300 in gas to keep that generator running however. I am extremely upset to find out that the LBWL is not regulated by the MPSC which ordered in March 2023 that utility companies are to automatically reimburse their customers an initial amount of \$35 and an additional \$35 per day for each day the power is out (MPSC #U-20629). I emailed a complaint to LBWL on 9/25/23 and have yet to receive a response. Then, to my horror today, I discover that residents of Delta Township don't have a voting voice on your Board of Commissioners. I cannot understand how a public utility such as the LBWL can be allowed to operate with no real oversight or true representation of ALL of its customers. Moreover, now I see that you are charging me an extra amount each month to fund a program that I never have and likely never will benefit from. I work hard for my money, and I choose which charities get my money. Who do you think you are to mandate that I contribute to your pocket? I am a VERY upset customer who is feeling like I am being ripped off!

Submitted on Thu, 10/12/2023 - 7:47 PM

Select a Commissioner:

All Commissioners

Name

Randy Dykhuis

Street Address

Lansing, Michigan

Message

Residential water rates are rapidly becoming unaffordable for many Michigan residents. Since 1980, average water costs, adjusted for inflation, have increased by 188 percent. It was worse during the pandemic when almost 320,000 Michigan residents were behind on their water bills. Some programs were put in place to help those who fell behind but it was a patchwork quilt of local help. We need a strategic, statewide approach to ensure that everyone in Michigan can afford access to water.

That is why I am urging the BWL Board of Commissioners to adopt a resolution of support for the package of bills that has recently been introduced in the state senate. These bills address affordability and shut-off protections, among other benefits. Below is a brief description of each of the bills in the package.

--- Affordability program: Senate Bill 549 creates a low-income water residential affordability program within the Department of Health and Human Services to ensure that water bills for low-income households do not exceed 3% of that household's income, with tiers developed for lower thresholds based on percentage of the federal poverty limit.

--- Affordability fund: Senate Bill 550 creates a statewide Low-Income Water Affordability Fund.

--- Shut-off protections: Senate Bill 551 provides protection from water shutoffs for Michiganders whose health conditions require access to water.

--- Tenant accounts: Senate Bill 554 allows a tenant to request their water bill be transferred to their own name.

--- Decriminalizing water reconnection: Senate Bills 552 and 553 decriminalize water reconnections after shutoff due to financial hardship, changing this act from a five-year felony to a civil infraction.

More details about the proposed legislation can be found at <https://senatedems.com/chang/2023/10/02/transformative-water-affordability/>.

These bills would afford some measure of protection to those who, through no fault of their own, struggle to stay ahead of steeply rising water rates. I urge you to proactively support this legislation.

Submitted on Fri, 10/13/2023 - 9:56 AM

Select a Commissioner:

All Commissioners

Name

Dawn Fleming

Street Address

Lansing , Michigan

Message

Dear BWL Board of Commissioners,

I urge you to support water affordability laws in Michigan. If it is a war crime for Israel to shut off water to the Palestinians, surely it is a crime to shut off water to our own citizens. I could not word my plea better than it was expressed by Randy Dykhuis of 517Cafe:

Residential water rates are rapidly becoming unaffordable for many Michigan residents. Since 1980, average water costs, adjusted for inflation, have increased by 188 percent. It was worse during the pandemic when almost 320,000 Michigan residents were behind on their water bills. Some programs were put in place to help those who fell behind but it was a patchwork quilt of local help. We need a strategic, statewide approach to ensure that everyone in Michigan can afford access to water.

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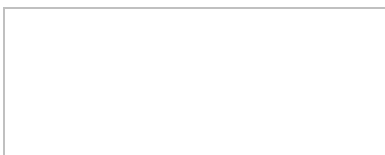
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These bills would afford some measure of protection to those who, through no fault of their own, struggle to stay ahead of steeply rising water rates. I urge you to proactively support this legislation.

Sincerely,
Dawn Fleming



From: Dawn Fleming <flemingd@cooley.edu>

Sent: Wednesday, October 18, 2023 7:39 AM

Subject: Re: Your Submission to BWL

Dear BWL Board of Commissioners;

Thank you for taking the time to reply. I hope you will sincerely consider the struggle human beings have when they do not have running water.

Try it yourself: I challenge you to go 3 days without running water to drink, bathe, flush the toilet, and clean. Especially if you don't have money to buy bottled water or gallon jugs. Maybe a kind neighbor will let you fill your gallon jugs at their house? Still, the quantities are very limited that you can haul, and it is a burden to haul heavy gallons of jugs.

Water is a basic human right. We literally cannot live without it. You could have a great positive influence if the BWL Board of Commissioners—individually or as a whole—would support these bills and contact legislators to support these bills.

Thank you for caring about Lansing's most challenged citizens.

Sincerely,

Dawn Fleming

Find passion, purpose, and presence every day of your life.

Submitted on Fri, 11/03/2023 - 2:28 PM

Select a Commissioner:

Robert Worthy (Non-Voting)

Name

Randy Dykhuis

Street Address

Lansing, Michigan

Message

Hello. I am writing to you on behalf of the residents of the Millett Highway neighborhood in Delta Township and Capital Area Friends of the Environment. This neighborhood is close to the Erickson Station power plant, which until December 2022 burned coal to produce electricity. In early 2022, residents became aware of possible contamination of their well water from leakage at the coal ash impoundment at the Erickson Station site. Through its decades of operation, the plant produced much waste from the coal it burned. Coal ash is known to contain a number of harmful chemicals, including arsenic, lead, mercury, cadmium, chromium, and selenium. A small group of neighbors have been trying to get answers from BWL about the extent of the contamination but have had only limited success. Many unanswered questions remain.

To help everyone in the neighborhood understand the extent of the problem, there will be a neighborhood meeting on Thursday November 9 at the Woldumar Nature Center, 5739 Old Lansing Rd, beginning at 7:00pm. Residents will hear from several experts in groundwater contamination, including a representative from Michigan Department of Energy, Great Lakes and Environment. We are inviting you to attend as well to hear about the concerns the residents have and what we know now about the extent of the contamination.

I hope you are able to attend this important meeting. Thank you.

Sincerely,

Randy Dykhuis, President

Capital Area Friends of the Environment

HUMAN RESOURCES COMMITTEE

Meeting Minutes

October 3, 2023

Human Resources Committee: Tony Mullen, Committee Chairperson; Commissioners Tracy Thomas, DeShon Leek, Semone James; Alternates: Commissioners Beth Graham, Sandra Zerkle

The Human Resources Committee of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:30 p.m. on Tuesday, October 3, 2023.

Human Resources (HR) Committee Chairperson Tony Mullen called the meeting to order at 5:33 p.m. and asked the Corporate Secretary to call the roll. The following members were present: Commissioners Tony Mullen, Tracy Thomas, DeShon Leek, and Semone James; Voting Alternate Commissioners Beth Graham and Sandra Zerkle. Also present: Commissioner David Price, Executive Director of Human Resources, Michael Flowers, Senior Human Resources Generalist, Lisa Benson, and Senior Human Resources Generalist, Dan Barnes. There was a quorum for the October 3, 2023, HR Committee meeting.

Absent: None.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Semone James, **Seconded** by Commissioner Tracy Thomas, to approve the minutes from the August 15, 2023 HR Committee Meeting.

Action: Motion carried.

Interview Candidates for the Charter Appointed Position of Internal Auditor

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

Chairperson Mullen and HR Executive Director Michael Flowers discussed with the Commissioners the process for interviewing the three candidates.

The HR Committee members presented the three candidates with hypothetical situational questions as well as questions about previous experiences in particular work areas. Upon conclusion of each interview the HR Committee completed the rating of each candidate and deliberated on each candidate. Chairperson Mullen recessed the HR Committee between each interview. The meeting reconvened at the arrival of the next interviewing candidate.

Once the interviews were completed, a motion was offered upon conclusion of deliberations to recommend Ms. Elisha Franco to the full board to review and approve as Internal Auditor for the remainder of the fiscal year 2023-2024.

Motion made by Commissioner Semone James, **Seconded** by Commissioner DeShon Leek to recommend Ms. Elisha Franco for the Charter appointed position of Internal Auditor by Resolution and forward to the full Board for consideration.

Roll Call Vote:

Yeas: Commissioners Tracy Thomas, DeShon Leek, Semone James

Nays: Commissioner Mullen

Action: Motion carried.

A special Board meeting will be called on October 19, 2023 to be held at 5:00 p.m. prior to the Joint City of Lansing Board of Water & Light Committee of the Whole meeting to approve the appointment of the Charter position of Internal Auditor.

The Commissioners discussed that the candidate will be given an offer of employment.

Other

There was no other business.

Adjourn

The meeting was adjourned at 9:32 p.m.

Respectfully Submitted,
Tony Mullen, Chairperson
Human Resources Committee

HUMAN RESOURCES COMMITTEE
Meeting Minutes
November 7, 2023

Human Resources (HR) Committee: Tony Mullen, Committee Chairperson; Commissioners Semone James, DeShon Leek and Tracy Thomas; Alternates: Commissioners Beth Graham, Sandra Zerkle; Non-Voting Members: Commissioners J. R. Beauboeuf, Brian Pillar, Robert Worthy

The HR Committee of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:00 p.m. on Tuesday, November 7, 2023.

HR Committee Chairperson Tony Mullen called the meeting to order at 5:00 p.m. and asked the Corporate Secretary to call the roll. The following members were present: Chairperson Tony Mullen; Commissioners Semone James, DeShon Leek and Tracy Thomas. Also present: Commissioners Beth Graham (Alternate) and Sandra Zerkle (Alternate); and Non-Voting Commissioners Brian Pillar (Meridian Township) and Robert Worthy (Delta Township).

Absent: None.

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Semone James, **Seconded** by Commissioner Tracy Thomas, to approve the HR Committee meeting minutes of October 3, 2023.

Action: Motion Carried. The minutes were approved.

2023 PA 152 Healthcare Premium Sharing

Executive Director of Human Resources Michael Flowers introduced Human Resources Manager Tracy Strudwick who presented the 2023 PA 152 Healthcare Premium Sharing information and requested approval of the Resolution.

Motion by Commissioner Tracy Thomas, **Seconded** by Commissioner DeShon Leek to forward the 2023 PA 152 Healthcare Premium Sharing Resolution to the full Board for consideration.

Action: Motion Carried.

Other

There was no other business.

Adjourn

Meeting adjourned at 5:10 p.m.

Respectfully Submitted,
Tony Mullen, Chairperson
Human Resources Committee

COMMITTEE OF THE WHOLE
Meeting Minutes
November 7, 2023

The Committee of the Whole of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, on Tuesday, November 7, 2023.

Committee of the Whole Chairperson David Price called the meeting to order at 5:30 p.m. and asked the Corporate Secretary to call the roll.

Present: Chairperson David Price; Commissioners Beth Graham, Semone James, DeShon Leek, Tony Mullen, Dale Schrader, Tracy Thomas and Sandra Zerkle; Non-Voting Commissioners J.R. Beauboeuf (East Lansing), Brian Pillar (Meridian Township), and Robert Worthy (Delta Township)
Absent: None.

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Sandra Zerkle, **Seconded** by Commissioner Tracy Thomas, to approve the Committee of the Whole Meeting minutes of September 12, 2023.

Action: Motion carried. The minutes were approved.

Energy Waste Reduction (EWR) Programs

Patrick Walters, Energy Program Manager, presented on the energy waste reduction programs. Mr. Walters summarized the program goals and results, the residential and business programs and carbon neutrality programs.

Commissioner Price asked for the cost of a separate meter and a new hardwire charger at the first level for electric vehicle programs. Kellee Christensen, Director of Strategic Planning & Development, responded that the separate meter was developed to reduce the cost of rewiring a house with a larger panel. The price could run between \$500 and \$1500 depending on the state and where the home is. Customers can charge during off peak hours and measure the usage.

Commissioner Leek asked whether BWL or a third party installed the separate meter. Ms. Christensen responded that a licensed electrician would acquire a permit and the meter would be installed after inspection.

Commissioner Graham commented that when selling a house it would be helpful to point out the energy efficiencies available and provide the information to new buyers. Mr. Walters responded

that BWL works through community members such as realtors, churches, contractors and trade allies to provide the information.

Commissioner Mullen asked what was being measured with the energy waste reduction program goal budget and final results. Mr. Walters responded that expenses and incentives for the programs are measured and GM Peffley added that the final results indicated that BWL was under budget. Commissioner Mullen also asked whether information on energy savings is provided to the City Council. GM Peffley responded that the information is not sent to the City Council separately.

Commissioner Zerkle commented that the information is provided in the packet and is also posted on the BWL website. Commissioner Zerkle asked if energy efficiency information can be gathered for and provided to the customers. GM Peffley responded that the Communications Department would put together a response and provide next week.

Regular Board Meeting Schedule 2024

Motion by Commissioner Tracy Thomas, **Seconded** by Commissioner Sandra Zerkle, to forward the Resolution for the Regular Board Meeting Schedule 2024 to the full Board for consideration.

Action: Motion Carried.

PA 95 – How Does It Work for Our Customers

General Manager Dick Peffley presented information on PA-95, assistance programs to help customers with bill paying, 211 reconnection fees, and time of use rates. The goal of PA-95 is to have enough funding to suspend shut-offs and BWL will monitor to ensure the funding is returned to help in the BWL service territory.

In response to Commissioner Thomas asking the length of time of the opt in, GM Peffley responded one year.

Commissioner Leek asked how long after the LIEAF funds are collected would it be evident that the community is being helped and Commissioner Zerkle asked how the assistance program information was tracked. GM Peffley responded that bill payment assistance and accounting records would indicate whether the community is being helped.

Commissioner Leek asked what qualifies a customer for assistance. Deanna Sparks, Customer Operations Manager, responded that the state sets the requirements and the agencies that provide the assistance would qualify the customer based on the requirements.

In response to Commissioner Schrader asking about the deposit required for utility service, GM Peffley responded that the deposit can be waived for a first-time late payment and deposits will be returned after one year of on time payments.

Commissioner James asked whether a customer can be notified of assistance programs prior to falling behind in payment and whether BWL could change the requirement of a deposit and

reconnection fee for those with limited income or a lower credit rating. GM Peffley responded that payment plans can be arranged before a disconnection is made and the agencies that assist can help with the deposit and reconnection fees. GM Peffley added that deposits are based on energy consumption. Ms. Sparks responded that whether a deposit is requested is based on the results of a credit check and the energy usage of the last twelve months.

In response to Commissioner Mullen asking how he could determine whether the off-peak savers rate would save him money, GM Peffley responded that the BWL's Energy Department could assist him with that information.

Commissioner Thomas commented that each Board Member could send the rate information to 100 people they know and to use utilities during off-peak hours.

Commissioner Schrader commented that 211 has a 24-hour operator that can assist with preventing shutoffs and asked what was the amount in payments that the 7,000 customers in April 2023 were behind. GM Peffley responded about \$1 million and that the information in uncollected debt can be highlighted in the financial reports and sent to the Commissioners.

In response to Commissioner Pillar asking if PA 95 offered eligible customer support for electric and water service and when the decision would be made to continue to opt in or to opt out, GM Peffley responded electric only and in July 2024.

In response to Commissioner James asking about re-opting in, GM Peffley responded that BWL had planned on a two-year pilot unless there was a disadvantage.

Commissioners' Handbook for Roles and Responsibilities

Commissioner James led the discussion on the Commissioners' Handbook for Roles and Responsibilities which is being created for the roles, responsibilities, and requirements of the governing body. Supporting governing documents will be added to the handbook, including the Rules of Procedure and Governance Policy.

Commissioner Price suggested creating a narrated Commissioners' Roles and Responsibilities PowerPoint presentation and signing off on receipt of the Commissioners' Roles and Responsibilities.

Other

A discussion was held on reviewing the Board of Commissioners' Self-Evaluation document. HR Executive Director, Michael. Flowers will provide the APPA Board of Commissioners' Self-Evaluation form and the Executive Committee will review the self-evaluation.

Commissioner Thomas asked if the self-evaluation form would be sent to the Committee of the Whole after being reviewed by the Executive Committee. It was affirmed that the self-evaluation would go to the Committee of the Whole after being reviewed by the Executive Committee.

Adjourn

Chairperson Price adjourned the meeting at 6:53 p.m.

Respectfully Submitted
David Price, Chairperson
Committee of the Whole

FINANCE COMMITTEE
Meeting Minutes
November 7, 2023

Finance Committee: Sandra Zerkle, Committee Chairperson; Beth Graham; David Price; and Dale Schrader; Alternates: Semone James, Tracy Thomas; Non-Voting: Commissioners J.R. Beauboeuf, Brian Pillar, Robert Worthy.

The Finance Committee of the Board of Water and Light (BWL) met at BWL Headquarters, REO Town Depot, located at 1201 S. Washington Ave., Lansing, MI on Tuesday, November 7, 2023.

Finance Committee Chairperson Sandra Zerkle called the meeting to order at 6:59 p.m. and asked the Corporate Secretary to call the roll.

Present: Chairperson Sandra Zerkle; Commissioners Beth Graham, David Price, and Dale Schrader, Alternate: Commissioner Semone James; also present: Non-Voting Commissioner Robert Worthy (Delta Township)

Absent: None.

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner David Price, **Seconded** by Commissioner Beth Graham, to approve the Finance Committee Meeting minutes of September 12, 2023.

Action: Motion Carried. The minutes were approved.

Baker Tilly External Audit Report and Resolution

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

Commissioner Bob Worthy asked how many utilities Baker Tilly audits and Mr. Worthman responded that he completes 20 audits a year and the group completes about 100.

Motion by Commissioner David Price, **Seconded** by Commissioner Beth Graham, to forward the Resolution for the FY2023 Audited Financial Statements to the full Board for consideration.

Action: Motion Carried.

September YTD Financial Summary

Chief Financial Officer (CFO) Heather Shawa gave a review of the September 2023 Year-To-Date Financial Summary. CFO Shawa reported the following: the Days Cash on Hand is low due to the storm restoration in August which was not budgeted and is expected to be low for the remainder of the fiscal year. CFO Shawa added the Days Cash on Hand was also affected by payouts for the Clean Energy Program which will be reimbursed in January with bond proceeds. BWL policy states that if Days Cash on Hand goes below the target value, a budget is prepared for recommendation that states the budget is back on target.

Commissioner Price asked if any recovery is available for the storm costs and CFO Shawa responded that a request for just under \$7 million has been submitted to FEMA and the recovery process time is usually two years.

Commissioner James asked if Representative Slotkin was looking into reimbursement for the storm. GM Peffley responded that the state has funding available and it is a work in progress.

CFO Shawa reported that retail income was above budget but wholesale income was under due to low market pricing. Operating expenses were over budget due to the storm. There is not a recommendation to adjust the fiscal year net income yet but a net income has not been missed yet. The Debt to Total Assets is low due to debt for Delta Energy Plant but BWL has a bond resolution for the clean energy program to be approved at the November Regular Board Meeting. Days Sales Outstanding is a comparison to sales at this time last year. Bad Debt is a reserve for uncollectable debt and is a comparison to this time last year.

Commissioner James asked where BWL is on the Return on Equity to the City. CFO Shawa responded that BWL is in the positive and has paid the city more than what was expected.

Capital Project Report

CFO Shawa reported on the Capital Projects which are factored into the Days Cash on Hand forecast. Variances are affected by material and labor cost increases.

Third Supplemental Utility System Revenue Bond Resolution Executive Summary

Scott Taylor, Accounting, Finance and Planning Director and Jeff Aronoff, Principal and Managing Director at Miller Canfield presented the third supplemental utility system revenue bond executive summary. Mr. Taylor requested approval of the bond resolution.

Commissioner Schrader asked if the value of a bond decreases as the interest rate increases. Mr. Aronoff replied that the tender is a mechanism that allows the purchaser to become a new buyer of the bonds.

Motion by Commissioner David Price, **Seconded** by Commissioner Beth Graham, to forward the Resolution for the Third Supplemental Utility System Revenue Bond to the full Board for consideration.

Action: Motion Carried.

Retirement Plan Committee (RPC) Update

CFO Shawa presented the RPC update. Investment activity included the DB and VEBA International Equity Fund Manager change, VEBA portfolio rebalancing, and a DB asset allocation change to reduce overall portfolio risk. Administrative activity included approval by the RPC to review DB and VEBA plan operational compliance, documentation and governance by March 2024; and transitioning custodial services to Northern Trust by February 1, 2024.

Other

Finance Committee Chairperson Sandra Zerkle reported that the Corporate Secretary and Board of Commissioners monthly and quarterly expense reports were reviewed and approved.

Adjourn

Chairperson Sandra Zerkle adjourned the meeting at 7:55 p.m.

Respectfully submitted
Sandra Zerkle, Chairperson
Finance Committee

Pension Fund Trustees Meeting (November 14, 2023)

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

RESOLUTION 2023-XX-XX
PA 152 Health Care Premium Sharing

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

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

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

WHEREAS, the three options are as follows:

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

WHEREAS, the Board of Commissioners desires to maintain premium sharing at 20% for all active employees for medical benefits effective January 1, 2024 through December 31,2024;

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

NOW, THEREFORE, BE IT RESOLVED the Board of Commissioners of the Lansing Board of Water & Light elects to comply with the requirements of 2011 Public Act 152, the Publicly Funded Health Insurance Contribution Act, by adopting the 80%/20% option for the medical benefit plan coverage year January 1, 2024 through December 31,2024.

Motion by Commissioner _____, **Seconded** by Commissioner _____, to approve the PA 152 Health Care Premium Sharing Resolution at a Board meeting held on November 14, 2023.

Action: Motion

RESOLUTION 2023-11-XX
Regular Board Meeting Schedule 2024

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

RESOLVED, that regular meetings of the Lansing Board of Water & Light’s Board of Commissioners are hereby set for calendar year 2024 as follows, unless otherwise notified or as a result of date conflicts with rescheduled City Council meetings:

2024
Lansing Board of Water & Light Board of Commissioners
Regular Board Meeting Schedule

Tuesday	January 23
Tuesday	March 26
Tuesday	May 28
Tuesday	July 23
Tuesday	September 24
Tuesday	November 19

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

RESOLVED FURTHER, that a notice of the meeting schedule shall be published in a newspaper of general circulation in Ingham County the week of January 1, 2024.

Motion by Commissioner _____, **Seconded** by Commissioner _____, to approve the 2024 Regular Board Meeting Schedule at a Board meeting held on November 14, 2023.

Action:

RESOLUTION 2023-XX-XX

**Fiscal Year 2023 Audited Financial Statements
of the Enterprise Fund and Pension Fiduciary Funds**

RESOLVED, that the fiscal year 2023 Audited Financial Statements of the Board of Water and Light have been reviewed and are hereby accepted as presented.

FURTHER RESOLVED, that the Corporate Secretary is hereby directed to file a copy of the fiscal year 2023 Audited Financial Statements of the Board of Water and Light with the City of Lansing no later than November 2023.

Motion by Commissioner _____, **Seconded** by Commissioner _____, to approve the Resolution for the acceptance of the Fiscal Year 2023 Audited Financial Statements of the Enterprise Fund and Pension Fiduciary Funds at a Board meeting held on November 14, 2023.

Action: Motion

RESOLUTION #2023-__-__**Lansing Board of Water and Light****THIRD SUPPLEMENTAL UTILITY SYSTEM REVENUE BOND RESOLUTION**

A RESOLUTION TO AUTHORIZE:

- Utility System Revenue Bonds to finance clean energy projects and related electric system improvements;
- Utility System Revenue Refunding Bonds to produce net present value savings by refunding some or all of the Prior Bonds;
- The solicitation of tender offers and the repurchase of the Series 2019B Bonds;
- Chief Financial Officer to sell Utility System Revenue Bonds and Utility System Revenue Refunding Bonds without further resolution;
- Other matters relative to issuance, sale and delivery of the Utility System Revenue Bonds and Utility System Revenue Refunding Bonds.

WHEREAS, the City of Lansing (the “City”) provides in its City Charter that the Lansing Board of Water and Light (the “Board”) has general management over water, heat, steam and electric services and certain additional utility services of the City; and

WHEREAS, the Board operates facilities for the supply and distribution of water and the generation and distribution of electricity, steam, chilled water, and heat, including all plants, works, instrumentalities and properties used or useful in connection with the supply and distribution of water and the generation and distribution of electricity, steam, chilled water, and heat (the “System”); and

WHEREAS, the Board issues bonds payable from revenues of the System under the provisions of Act 94, Public Acts of Michigan, 1933, as amended (“Act 94”), and an Amended and Restated Utility System Revenue Bond Resolution adopted by the Board on March 27, 2018, as amended and supplemented from time to time (as amended and supplemented, the “Bond Resolution”), and all terms not defined herein shall have the meanings set forth in the Bond Resolution; and

WHEREAS, the Board has determined that it is necessary for the public health, safety and welfare of the City and the users of the System to acquire and construct System improvements including, but not limited to, clean energy projects including a natural gas reciprocating engine, battery storage, solar and wind energy improvements, energy waste reduction improvements and enhancements to improve demand response for customers, as well as construction, improvement and renovation of transmission and distribution lines and related System facilities, including all equipment and any appurtenances and attachments thereto and any related site acquisition or improvements (collectively, the “Clean Energy Project”); and

WHEREAS, issuance of revenue bonds as permitted by Act 94 in one or more series in an amount not-to-exceed Three Hundred Twenty-Five Million Dollars (\$325,000,000) (the “Clean Energy Bonds”) represents the most practical means to finance the Clean Energy Project

and the funding of any required bond reserve funds, capitalized interest and costs of issuance of the Clean Energy Bonds; and

WHEREAS, on Tuesday, October 3, 2023, the Board published a “Notice to Electors of the City of Lansing of Intent to Issue Revenue Bonds for Clean Energy Projects and related System Improvements and Right to Petition for Referendum” in the *Lansing State Journal*; and

WHEREAS, PFM Financial Advisors, LLC (the “Municipal Advisor”), has advised the Board that it may be able to accomplish a net savings of debt service costs by refunding (including by repurchase, as applicable) all or a portion of the Board’s outstanding Utility System Revenue Refunding Bonds, Series 2013A, dated April 17, 2013 (the “Series 2013A Bonds”) and Utility System Revenue Refunding Bonds, Series 2019B dated December 19, 2019 (the “Series 2019B Bonds”, together with the Series 2013A Bonds, the “Prior Bonds”) through the issuance of one or more series of refunding bonds in an aggregate principal amount of not-to-exceed \$258,700,000 (the “Refunding Bonds” and, together with the Clean Energy Bonds, the “Series 2024 Bonds”); and

WHEREAS, the Municipal Advisor has advised the Board determines that it is in the best interest of the Board to authorize: (i) the extension of an invitation to the holders of all or a portion of the Series 2019B Bonds to tender such Series 2019B Bonds to the Board (the “Invitation”) for repurchase, cancellation or private purchase (such Series 2019B Bonds actually repurchased and cancelled by the Board pursuant to a tender or private purchase, collectively, the “Repurchased Bonds”), (ii) the repurchase and cancellation by the Board of the Repurchased Bonds, and (iii) the issuance of the Refunding Bonds to provide funds to pay all or a portion of the costs of repurchasing and cancelling the Repurchased Bonds; and

WHEREAS, Section 24(a) of the Bond Resolution authorizes the issuance of Additional Bonds of equal standing and priority of lien with the Outstanding Bonds if the actual or augmented Net Revenues of the System for the fiscal year of the System ending not more than 15 months prior to the sale of Additional Bonds shall be equal to at least 125% of the maximum Aggregate Debt Service Requirement in any current or future fiscal year on the Outstanding Bonds and on the Additional Bonds then being issued; and

WHEREAS, in order to take advantage of the most favorable market for sale of the Series 2024 Bonds, the Board wishes to authorize the Chief Financial Officer to sell the Series 2024 Bonds at negotiated sale without further resolution of the Board.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. Definitions. All terms not defined herein shall have the meanings set forth in the Bond Resolution, and whenever used in this Third Supplemental Resolution, except when otherwise indicated by the context, the following terms shall have the following meanings:

- (a) “Additional Bonds” means any Additional Bonds of equal standing with the outstanding Senior Lien Bonds issued pursuant to Section 24 of the Bond Resolution adopted on March 27, 2018.

- (b) “Bond Resolution” means the Amended and Restated Utility System Revenue Bond Resolution adopted by the Board on March 27, 2018, as amended on March 26, 2019 and November 17, 2020, and supplemented on November 19, 2019 and July 20, 2023 and by this Third Supplemental Resolution, and any other resolution which amends or supplements the Bond Resolution.
- (c) “Bonds” or “Senior Lien Bonds” means the outstanding portion of the Board’s Utility System Revenue Refunding Bonds, Series 2013A, the Utility System Revenue Refunding Bonds, Series 2017A, the Utility System Revenue Bonds, Series 2019A, the Utility System Revenue Refunding Bonds, Series 2019B, Utility System Revenue Bonds, Series 2021A, the Utility System Revenue Bonds, Series 2021B, the Series 2024 Bonds, and any Additional Bonds of equal standing hereafter issued.
- (d) “Chief Financial Officer” means the Board’s Chief Financial Officer.
- (e) “Clean Energy Bonds” means all or any series of the Bonds issued pursuant to this Third Supplemental Resolution to finance the Clean Energy Project.
- (f) “Clean Energy Project” means the System improvements including, but not limited to, clean energy projects including a natural gas reciprocating engine, battery storage, solar and wind energy improvements, energy waste reduction improvements and enhancements to improve demand response for customers, as well as construction, improvement and renovation of transmission and distribution lines and related System facilities, including all equipment and any appurtenances and attachments thereto and any related site acquisition or improvements.
- (g) “Escrow Agreement” means, for purposes of this Third Supplemental Resolution, one or more escrow agreements described in this Third Supplemental Resolution to provide for payment of principal of and interest on the Prior Bonds being refunded.
- (h) “Escrow Fund” means, for purposes of this Third Supplemental Resolution, one or more escrow funds established pursuant to the Escrow Agreement to hold the cash and investments necessary provide for payment of principal of and interest on the Prior Bonds being refunded.
- (i) “Prior Bonds” means, for purposes of this Third Supplemental Resolution, the Utility System Revenue Refunding Bonds, Series 2013A, dated April 17, 2013, and the Utility System Revenue Refunding Bonds, Series 2019B, dated December 19, 2019.
- (j) “Refunding Bonds” means, for purposes of this Third Supplemental Resolution, all or any series of Refunding Bonds issued pursuant to this Third Supplemental Resolution.

- (k) “Series 2024 Bonds” means collectively the Clean Energy Bonds and the Refunding Bonds issued in one or more series pursuant to this Third Supplemental Resolution.
- (l) “System” means the complete facilities of the Board for the supply and distribution of water and the generation and distribution of electricity, steam, chilled water, and heat, including all plants, works, instrumentalities and properties used or useful in connection with the supply and distribution of water and the generation and distribution of electricity, steam, chilled water, and heat, and all additions, extensions and improvements thereto existing or hereafter acquired by the Board.
- (m) “Third Supplemental Resolution” means this Third Supplemental Utility System Revenue Bond Resolution.

Section 2. Necessity and Statement of Purpose of Clean Energy Project. It is hereby determined to be a necessary public purpose of the Board to acquire and construct the Clean Energy Project.

Section 3. Costs; Useful Life of Clean Energy Project. The total cost of the Clean Energy Project is estimated to be not-to-exceed \$325,000,000 including the payment of capitalized interest and all legal, engineering, financial and other expenses incident thereto, which estimate of cost is hereby approved and confirmed, and the period of usefulness of the Clean Energy Project is estimated to be not less than thirty (30) years.

Section 4. Conditions Permitting Issuance of Additional Bonds. Pursuant to Section 24(a) of the Bond Resolution, the Board hereby determines that the Series 2024 Bonds shall be issued as Additional Bonds of equal standing and priority of lien with the Outstanding Bonds only if, after giving effect to the refunding of Prior Bonds, the actual or augmented Net Revenues of the System for the fiscal year of the System ending not more than 15 months prior to the sale of each series of the Series 2024 Bonds shall be equal to at least 125% of the maximum Aggregate Debt Service Requirement in any current or future fiscal year on the Outstanding Bonds and on the Series 2024 Bonds then being issued.

The Board hereby determines that the Board is not in default in making its required payments to the Operation and Maintenance Fund or the Redemption Fund.

Section 5. Series 2024 Bonds Authorized. The Series 2024 Bonds are authorized to be issued in one or more series as provided in this Section.

Clean Energy Bonds: The City, acting by and through the Board, shall borrow the sum of not-to-exceed Three Hundred Twenty-Five Million Dollars (\$325,000,000) and shall issue the Clean Energy Bonds therefor in one or more series in order to pay costs of acquiring and constructing all or a portion of the Clean Energy Project, including payment of all legal, engineering, financial and other expenses incident thereto and incident to the issuance and sale of the Clean Energy Bonds, and capitalized interest in the amount to be determined at the time of sale of the Clean Energy Bonds. The remaining cost of the Clean Energy Project in excess of \$325,000,000, if any, shall be defrayed from funds on hand and legally available for such use, or

from an additional series of Bonds to be issued upon approval of a future resolution. The Clean Energy Bonds shall be designated as the “UTILITY SYSTEM REVENUE BONDS, SERIES 2024” or such other series designation as determined at the time of sale by the Chief Financial Officer to reflect the sequence and the year of sale or delivery of the series or to otherwise distinguish the series from other series of Bonds.

Refunding Bonds: If, upon the advice of the Municipal Advisor, refunding all or a portion of the Prior Bonds will accomplish debt service savings, then in order to pay costs of the refunding, including the payment of the costs of legal, financial and other expenses incident thereto and incident to the issuance and sale of the Refunding Bonds, the City, acting by and through the Board, shall borrow the sum of not-to-exceed Two Hundred Fifty-Eight Million Seven Hundred Thousand Dollars (\$258,700,000), and issue the Refunding Bonds therefor in one or more series. The Refunding Bonds shall be designated as the “UTILITY SYSTEM REVENUE REFUNDING BONDS, SERIES 2024” or such other series designation as determined at the time of sale by the Chief Financial Officer to reflect the sequence and the year of sale or delivery of the series or to otherwise distinguish the series from other series of Bonds.

Combined Series of Bonds: The Chief Financial Officer is authorized to determine whether any series of the Clean Energy Bonds could be combined in a series with Refunding Bonds and designated as the “UTILITY SYSTEM REVENUE AND REVENUE REFUNDING BONDS, SERIES 2024” or such other series designation as determined at the time of sale by the Chief Financial Officer to reflect the sequence and the year of sale or delivery of the series or to otherwise distinguish the series from other series of bonds. Whether issued as one or more series of bonds, the Clean Energy Bonds and the Refunding Bonds are referred to collectively or separately in this Third Supplemental Ordinance as the “Series 2024 Bonds.”

The Series 2024 Bonds shall be payable solely out of the Net Revenues of the System, and City Council shall not be requested to pledge the full faith and credit of the City for payment of the Series 2024 Bonds. The Series 2024 Bonds shall be sold and the proceeds applied in accordance with the provisions of Act 94.

Section 6. Series 2024 Bond Details. The Series 2024 Bonds shall be issued as fully registered bonds in the denomination of \$5,000 or integral multiples thereof and shall be numbered in consecutive order of registration or authentication from 1 upwards. The Series 2024 Bonds shall be dated as of the date of delivery thereof or such other date as determined at the time of sale of the Series 2024 Bonds, and shall mature as serial bonds or term bonds on such dates as shall be determined at the time of sale of the Series 2024 Bonds.

The Series 2024 Bonds shall be subject to optional and mandatory redemption prior to maturity at the times and prices as finally determined at the time of sale of the Series 2024 Bonds.

The Series 2024 Bonds shall bear interest at a rate or rates to be determined on sale thereof, payable on July 1, 2024, or such other date as provided at the time of sale of the Series 2024 Bonds, and semi-annually thereafter on January 1st and July 1st of each year.

The Series 2024 Bonds shall be executed by the manual or facsimile signature of the Chairperson and the Corporate Secretary of the Board. No Series 2024 Bond shall be valid until authenticated by an authorized representative of the Transfer Agent. The Series 2024 Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser in accordance with instructions from the Chief Financial Officer upon payment of the purchase price for the Series 2024 Bonds.

Section 7. Registration and Transfer. U.S. Bank Trust Company, National Association, Detroit, Michigan is hereby appointed to act as bond registrar, paying agent and transfer agent (the “Transfer Agent”) for the Series 2024 Bonds. The Chief Financial Officer is hereby authorized to execute one or more agreements with the Transfer Agent on behalf of the Board. The Board reserves the right to replace the Transfer Agent at any time, provided written notice of such replacement is given to the registered owners of record of bonds not less than sixty (60) days prior to an interest payment date. Principal of and interest on the Series 2024 Bonds shall be payable by check or draft mailed by the Transfer Agent to the registered owner at the registered address as shown on the registration books of the Board maintained by the Transfer Agent. Interest shall be payable to the person or entity who or which is the registered owner of record as of the fifteenth (15th) day of the month prior to the payment date for each interest payment. The date of determination of the registered owner for purposes of payment of interest as provided in this paragraph may be changed by the Board to conform to market practice in the future.

The Series 2024 Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York (“DTC”), and the Chief Financial Officer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Series 2024 Bonds in book-entry-only form and to make such changes in the form of the Series 2024 Bonds within the parameters of this resolution as may be required to accomplish the foregoing. Notwithstanding the foregoing, if the Series 2024 Bonds are held in book-entry-only form by DTC, payment of principal of and interest on the Series 2024 Bonds shall be made in the manner prescribed by DTC.

The Series 2024 Bonds may be transferred upon the books required to be kept by the Transfer Agent pursuant to this section by the person or entity in whose name it is registered, in person or by the registered owner’s duly authorized attorney, upon surrender of the bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond shall be surrendered for transfer, the Board shall execute, and the Transfer Agent shall authenticate and deliver a new bond of the same series in like aggregate principal amount, maturity and interest rate. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. Notwithstanding the foregoing, if Bonds are held by DTC in book-entry-only form, the transfer of Bonds shall be made in the manner prescribed by DTC.

Section 8. Creation of Clean Energy Bonds Construction Fund. There shall be established and maintained a separate depository fund designated as the CLEAN ENERGY BONDS CONSTRUCTION FUND which shall be established by the Chief Financial Officer in a bank or banks qualified to act as depository of the proceeds of sale under the provisions of

Section 15 of Act 94. If the Clean Energy Bonds are issued in more than one series or otherwise at the discretion of the Chief Financial Officer, separate accounts may be established within the Clean Energy Bonds Construction Fund. Monies deposited in the Clean Energy Bonds Construction Fund shall be applied solely in payment of the cost of the Clean Energy Project and any costs of engineering, legal, issuance and other expenses incident thereto. Any unexpended balance remaining in the Clean Energy Bonds Construction Fund after completion of the Clean Energy Project may, in the discretion of the Board, be used for meeting requirements, if any, of the Bond Reserve Account, or for further improvements, enlargements and extension to the System. Any balance remaining after such expenditure shall be paid into the Redemption Fund.

Section 9. Clean Energy Bond Proceeds. From the proceeds of sale of the Clean Energy Bonds there first shall be immediately deposited in the Redemption Fund an amount equal to the accrued interest, if any, received on delivery of the Clean Energy Bonds, and the Board may take credit for the amount so deposited against the amount required to be deposited in the Redemption Fund for payment of the next maturing interest. All or a portion of any premium received upon delivery of the Clean Energy Bonds may be deposited in either the Redemption Fund or the Clean Energy Bonds Construction Fund, as determined by the Chief Financial Officer.

The capitalized interest shall next be deposited in the Redemption Fund, and the Board may take credit for the amount so deposited against the amount required to be deposited in the Redemption Fund for payment of interest on the Clean Energy Bonds.

There shall next be deposited in the Bond Reserve Account an amount, if any, designated at the time of sale of the Clean Energy Bonds as necessary to cause the amount on deposit in the Bond Reserve Account to be equal to the Reserve Requirement.

The remaining proceeds of sale of the Clean Energy Bonds shall be deposited to the Construction Fund.

Section 10. Refunding Bond Proceeds. From the proceeds of sale of the Refunding Bonds there first shall be immediately deposited in the Redemption Fund an amount equal to the accrued interest, if any, received on delivery of the Refunding Bonds, and the Board may take credit for the amount so deposited against the amount required to be deposited in the Redemption Fund for payment of the next maturing interest on the Refunding Bonds. All or a portion of any premium received upon delivery of the Refunding Bonds may be deposited in either the Redemption Fund or the Escrow Fund, as determined by the Chief Financial Officer in consultation with Bond Counsel.

There shall next be deposited in the Bond Reserve Account an amount, if any, designated by the Chief Financial Officer at the time of sale of the Refunding Bonds.

After any deposit to the Bond Reserve Account, proceeds of the Refunding Bonds shall next be deposited as follows:

- (a) Proceeds of sale of Refunding Bonds issued to refund any Prior Bonds other than Repurchased Bonds shall be deposited in the Escrow Fund and held in cash and investments in Government Obligations or Municipal Obligations not redeemable

at the option of the issuer. U.S. Bank Trust Company, National Association, Detroit, Michigan, is hereby appointed to act as escrow trustee (the “Escrow Trustee”) under the Escrow Agreement. The Escrow Trustee shall hold the Escrow Fund in trust pursuant to the Escrow Agreement which shall irrevocably direct the Escrow Trustee to take all necessary steps to call such Prior Bonds being refunded for redemption as specified in the Escrow Agreement. The Chief Financial Officer is hereby authorized to execute and deliver the Escrow Agreement, to transfer any moneys as she may deem necessary from the Redemption Fund, or other fund or account of the Board, to the Escrow Fund, and to purchase, or cause to be purchased, escrow securities consisting of Government Obligations, including, but not limited to, United States Treasury Obligations – State and Local Government Series (SLGS), or Municipal Obligations, for deposit in the Escrow Fund. The Chief Financial Officer is directed to deposit to the Escrow Fund, from Refunding Bond proceeds and other moneys as necessary, an amount which, together with investment proceeds to be received thereon, will be sufficient, without reinvestment, to pay the principal of and interest on such Prior Bonds being refunded as they become due or upon call for redemption.

- (b) Proceeds of the sale of Refunding Bonds issued to repurchase Repurchased Bonds shall be deposited and applied in accordance with the instructions for settlement of the tender and repurchase of the Repurchased Bonds.

The remaining proceeds of the Refunding Bonds shall be deposited in a fund which may be established to pay costs of issuance of the Series 2024 Bonds and the costs of refunding the Prior Bonds. Any moneys remaining after payment of costs of issuance and costs of refunding the Prior Bonds being refunded shall be transferred to the Redemption Fund and used to pay interest on the Refunding Bonds.

Section 11. Bond Form. The Series 2024 Bonds shall be in substantially the following form with such revisions, additions and deletions as the Board may deem advisable or necessary to comply with the final terms of the Series 2024 Bonds established upon sale thereof:

BOND NO.

R-

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTIES OF INGHAM AND EATON

CITY OF LANSING
LANSING BOARD OF WATER AND LIGHT

UTILITY SYSTEM REVENUE [AND] [REVENUE REFUNDING BOND, [SERIES]
[FEDERALLY TAXABLE]

Interest Rate Date of Maturity Date of Original Issue CUSIP

Registered Owner: Cede & Co.

Principal Amount:

The City of Lansing, Counties of Ingham and Eaton, State of Michigan (the “City”), acting through the governing body of the Lansing Board of Water and Light (the “Issuer”), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, only from the Net Revenues of the System as hereinafter provided, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, [unless prepaid prior thereto as hereinafter provided,] with interest thereon (computed on the basis of a 360-day year of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on [interest payment date] and semiannually thereafter. Principal of this bond is payable at the designated corporate trust office of [transfer agent], or such other transfer agent as the Issuer may hereafter designate by notice mailed to the registered owner of record not less than sixty (60) days prior to any interest payment date (the “Transfer Agent”). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who or which is as of the fifteenth (15th) day of the month prior to each interest payment date, the registered owner of record at the registered address.

For the prompt payment of principal and interest on this bond, the revenues received by the Issuer from the operations of the Issuer’s facilities for the supply and distribution of water and the generation and distribution of electricity, steam, chilled water, and heat (the “System”) after provision has been made for reasonable and necessary expenses of operation, maintenance and administration of the System (the “Net Revenues”), are irrevocably pledged and a statutory first lien thereon has been created to secure the payment of the principal of and interest on this bond, when due; however, the pledge of Net Revenues and the statutory lien are on a parity with the pledge of Net Revenues and statutory lien in favor of the Utility System Revenue Refunding

Bonds, Series 2013A, the Utility System Revenue Refunding Bonds, Series 2017A, the Utility System Revenue Bonds, Series 2019A, the Utility System Revenue Refunding Bonds, Series 2019B, the Utility System Revenue Bonds, Series 2021A and the Utility System Revenue Bonds, Series 2021B.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$[principal amount]. This bond is issued for the purposes of [financing costs of improvements to the System,] / [making a deposit to a bond reserve account,] / [refunding certain outstanding bonds] / [repurchasing certain outstanding bonds of the Issuer tendered for such purpose], and paying the costs of issuing the bonds, pursuant to an Amended and Restated Utility System Revenue Bond Resolution adopted by the Issuer on March 27, 2018, as amended and supplemented from time to time, including by a Third Supplemental Utility System Revenue Bond Resolution adopted by the Issuer on [date of resolution] (collectively, the “Bond Resolution”). This bond is issued under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended (“Act 94”).

For a complete statement of the revenues from which and the conditions under which this bond is payable, a statement of the conditions under which additional bonds of equal standing as to the Net Revenues may hereafter be issued, and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Bond Resolution. Reference is hereby made to the Bond Resolution and any and all supplements thereto and modifications and amendments thereof, if any, and to Act 94, for a more complete description of the pledges and covenants securing the bonds of this issue, the nature, extent and manner of enforcement of such pledges, the rights and remedies of the registered owners of the bonds of this issue with respect thereto and the terms and conditions upon which the bonds of this issue are issued and may be issued thereunder. To the extent and in the manner permitted by the terms of the Bond Resolution, the provisions of the Bond Resolution or any resolution or agreement amendatory thereof or supplemental thereto, may be modified or amended by the Issuer, except in specified cases, only with the consent of the registered owners of at least fifty-one percent (51%) of the principal amount of the bonds of the System then outstanding.

Bonds of this issue [maturing in the years [date], inclusive,] shall not be subject to redemption prior to maturity.

[Insert optional and mandatory redemption provisions if applicable]

This bond is transferable only upon the books of the Issuer kept for that purpose at the office of the Transfer Agent by the registered owner hereof in person, or by the registered owner’s attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly authorized in writing and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the Bond Resolution, and upon the payment of the charges, if any, therein prescribed. [The Transfer Agent shall not be required (i) to issue, register the transfer of, or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption under the Bond Resolution and ending at the close

of business on the date of that mailing, or (ii) to register the transfer of or exchange any bond so selected for redemption in whole or in part, except the unredeemed portion of bonds being redeemed in part.]

THIS BOND IS A SELF-LIQUIDATING BOND AND IS NOT A GENERAL OBLIGATION OF THE CITY AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN ANY CONSTITUTIONAL, STATUTORY OR CHARTER LIMITATION, AND IS PAYABLE BOTH AS TO PRINCIPAL AND INTEREST SOLELY FROM THE NET REVENUES OF THE SYSTEM AND CERTAIN FUNDS AND ACCOUNTS ESTABLISHED UNDER THE BOND RESOLUTION. THE PRINCIPAL OF AND INTEREST ON THIS BOND ARE SECURED BY THE STATUTORY LIEN HEREINBEFORE DESCRIBED.

The Issuer has covenanted and agreed, and covenants and agrees, to fix and maintain at all times while any bonds payable from the Net Revenues of the System shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the principal of and interest on the bonds of this issue and any other bonds payable from the Net Revenues as and when the same shall become due and payable, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Bond Resolution.

It is hereby certified and recited that all acts, conditions and things required by law to be done precedent to and in the issuance of this bond and the series of bonds of which this is one have been done and performed in regular and due time and form as required by law.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the City, acting through the Lansing Board of Water and Light, has caused this bond to be signed in its name with the facsimile signatures of the Chairperson and Corporate Secretary of the Lansing Board of Water and Light, and a facsimile of the City's corporate seal to be printed hereon, all as of the Date of Original Issue.

LANSING BOARD OF WATER AND LIGHT By
[definitive Bond to be signed at delivery]
Chairperson

(City Seal)

Countersigned:

By [definitive Bond to be signed at delivery]

Its: Corporate Secretary

[STANDARD FORMS OF CERTIFICATE OF AUTHENTICATION
AND ASSIGNMENT TO BE INSERTED ON BOND]

Section 12. Municipal Advisor. The Board hereby requests that PFM Financial Advisors, LLC continue to serve the Board as Municipal Advisor for the Series 2024 Bonds.

Section 13. Bond Counsel. The Board hereby requests that Miller, Canfield, Paddock and Stone, P.L.C., Lansing, Michigan, continue to serve the Board as bond counsel for the Series 2024 Bonds. The Board acknowledges that Miller, Canfield, Paddock and Stone, P.L.C. has represented from time to time, and currently represents, various underwriters, financial institutions, and other potential participants in the bond financing process, in matters not related to the issuance and sale of the Series 2024 Bonds.

Section 14. Tax Covenant. Any series of Series 2024 Bonds may be issued on a tax-exempt basis or a taxable basis. The Board hereby covenants that it shall not invest, reinvest or accumulate any moneys deemed to be proceeds of a tax-exempt series of Series 2024 Bonds pursuant to the Internal Revenue Code of 1986, as amended, in such a manner as to cause such tax-exempt Series 2024 Bonds to be “arbitrage bonds” within the meaning of the Internal Revenue Code. The Board hereby covenants that, to the extent permitted by law, it will take all actions within its control and that it shall not fail to take any action as may be necessary to maintain the exclusion of interest on such tax-exempt Series 2024 Bonds from gross income for federal income tax purposes, including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of bond proceeds and moneys deemed to be bond proceeds, all as more fully set forth in the non-arbitrage and tax compliance certificate to be delivered by the Board on the date of delivery of such tax-exempt Series 2024 Bonds.

Section 15. Negotiated Sale of Bonds; Appointment of Senior Managing Underwriter. Based on the advice of the Municipal Advisor, it is hereby determined to be in the best interest of the Board to sell the Series 2024 Bonds by negotiated sale in order to enable the Board to select and adjust terms for the Series 2024 Bonds, to enter the market on short notice at a point in time which appears to be most advantageous, and thereby possibly obtain a lower rate of interest on the Series 2024 Bonds, to achieve sale efficiencies so as to reduce the cost of issuance and interest expense.

The Chief Financial Officer is hereby authorized to select one or more managing underwriters and to name additional co-managers and/or to develop a selling group in consultation with the Municipal Advisor. By adoption of this resolution the Board assumes no obligations or liability to the underwriter for any loss or damage that may result to the underwriter from the adoption of this resolution, and all costs and expenses incurred by the underwriter in preparing for sale of the Series 2024 Bonds shall be paid from the proceeds of the Series 2024 Bonds, if issued, except as may be otherwise provided in the Bond Purchase Agreement for Series 2024 Bonds.

Section 16. Bond Ratings and Bond Insurance. The Chief Financial Officer is hereby authorized to apply for bond ratings from such municipal bond rating agencies as deemed appropriate, in consultation with the Municipal Advisor. If the Municipal Advisor recommends that the Board consider purchase of municipal bond insurance, then the Chief Financial Officer is hereby authorized to negotiate with insurers regarding acquisition of municipal bond insurance, and, in consultation with the Municipal Advisor, to select an insurer and determine which bonds,

if any, shall be insured, and the Chief Financial Officer is hereby authorized to execute an agreement with the insurer relating to procedures for paying debt service on the insured bonds and notifying the insurer of any need to draw on the insurance and other matters.

Section 17. Official Statement. The Chief Financial Officer is authorized to approve circulation of a Preliminary Official Statement describing the Series 2024 Bonds and, after sale of the Series 2024 Bonds, to prepare, execute and deliver a final Official Statement.

Section 18. Continuing Disclosure. The Chief Financial Officer is hereby authorized to execute and deliver, prior to delivery of the Series 2024 Bonds, a written continuing disclosure undertaking as necessary in order to enable the underwriter or bond purchaser to comply with the requirements of Securities and Exchange Commission Rule 15c2-12. The continuing disclosure undertaking shall be in substantially the form which she shall, in consultation with bond counsel, determine to be appropriate.

Section 19. Sale of Series 2024 Bonds. The Chief Financial Officer is authorized, in consultation with the Municipal Advisor, to accept an offer to purchase the Series 2024 Bonds without further resolution of this Board. This authorization includes, but is not limited to, determination of original principal amount of the Series 2024 Bonds; the prices at which the Series 2024 Bonds are sold; the date of the Series 2024 Bonds; the schedule of principal maturities and whether the Series 2024 Bonds shall mature serially or as term bonds; provisions for early redemption, if any, including mandatory redemption of term bonds, if any; the interest rates and payment dates of the Series 2024 Bonds; application of the proceeds of the Series 2024 Bonds, and, if necessary to meet the requirements of the bond underwriters or purchasers, deposit to the Bond Reserve Account from funds on hand or proceeds of the Series 2024 Bonds. Approval of the matters delegated to the Chief Financial Officer under this resolution may be evidenced by her execution of the Bond Purchase Agreement for the Series 2024 Bonds or other offer to purchase the Series 2024 Bonds, or Sale Order, or the Official Statement.

The maximum interest rate on the Series 2024 Bonds shall not exceed 6.0%. The first maturity of principal on the Series 2024 Bonds shall occur no earlier than July 1, 2024. Each series of the Series 2024 Bonds will mature in not to exceed thirty (30) annual installments. The Refunding Bonds shall not be sold unless there shall be net present value savings after payment of costs of issuance of the Series 2024 Bonds and costs of refunding the Prior Bonds being refunded. In making such determinations the Chief Financial Officer is authorized to rely upon data and computer runs provided by the Municipal Advisor.

Section 20. Verification Agent. The Chief Financial Officer is hereby authorized, at her discretion, to select an independent certified public accountant to serve as verification agent to verify that the securities and cash to be deposited to the Escrow Fund will be sufficient to provide, at the times and in the amounts required, sufficient moneys to pay the principal of and interest on the Prior Bonds being refunded as they become due or upon call for redemption.

Section 21. Tender Agent and Solicitation to Tender the Series 2019B Bonds. Upon the recommendation of the Municipal Advisor and with the approval of the Underwriter (hereby selected to serve as Dealer Manager for the Invitation (the “Dealer Manager”)), the Chief Financial Officer is hereby authorized to approve the selection of a tender, information and

repurchase agent (the “Tender Agent”) to issue the Invitation for the tender, repurchase and cancellation of the Repurchased Bonds. The Chief Financial Officer is further authorized, upon the recommendation of the Municipal Advisor, Dealer Manager and the Tender Agent, to take the following actions relating to such tender: (a) approve and deliver any and all notices, solicitations and disclosures (including, but not limited to, one or more Invitations to tender, a tender offer disclosure statement, if necessary, and related informational statements); (b) negotiate, execute and deliver any and all agreements; (c) file any and all documents with State or federal agencies; (d) seek any and all approvals; (e) approve the selection of which portion or all of the Series 2019B Bonds tendered that will be repurchased and cancelled; and (f) take all other actions necessary or appropriate to accomplish the repurchase and cancellation of the Repurchased Bonds.

Section 22. Other Actions. In the event that the Chief Financial Officer is not available at the time that it becomes necessary to take actions directed or authorized under this resolution, then the Director of Accounting, Finance, and Planning or another a person designated by the Chief Financial Officer is authorized to take the actions delegated to the Chief Financial Officer by this resolution. The officers, administrators, agents and attorneys of the Board are authorized and directed to take all other actions necessary and convenient to facilitate issuance, sale and delivery of the Series 2024 Bonds, and to execute and deliver all other agreements, documents and certificates and to take all other actions necessary or convenient in accordance with this resolution, and to pay costs of issuance including but not limited to rating agency fees, bond insurance premiums, transfer agent fees, Escrow Trustee fees, verification agent fees, Municipal Advisor fees, bond counsel fees, costs of printing the preliminary and final official statements, and any other costs necessary to accomplish sale and delivery of the Series 2024 Bonds.

Section 23. Applicability of the Outstanding Bond Resolutions. Except to the extent supplemented or otherwise provided in this resolution, all of the provisions and covenants provided in the Bond Resolution shall apply to the Series 2024 Bonds issued pursuant to provisions of this resolution, such provisions of the Bond Resolution being made applicable to the Series 2024 Bonds.

Section 24. Conflicting Resolutions. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

Section 25. Severability and Paragraph Headings. If any section, paragraph, clause or provision of this resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this resolution. The paragraph headings in this resolution are furnished for convenience of reference only and shall not be considered to be part of this resolution.

Section 26. Publication and Recordation. In accordance with the provisions of Section 6 of Act 94, this resolution shall be published once in full in the *Lansing State Journal*, a newspaper of general circulation in the City qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the minutes of the Board and such recording authenticated by the signatures of the Chairperson and Corporate Secretary of the Board.

Section 27. Effective Date. This resolution is hereby determined to be immediately necessary for the preservation of the public peace, property, health and safety of the City and the users of the System. In accordance with the provisions of Section 6 of Act 94, this resolution shall become effective immediately upon its adoption.

We hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the Board of Commissioners of the Lansing Board of Water and Light at a Regular meeting held on Tuesday, November 14, 2023, at 5:30 p.m., Eastern Time, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act 267.

We further certify that the following Commissioners were present at said meeting _____ and that the following Commissioners were absent _____.

We further certify that Commissioner _____ moved adoption of said resolution, and that said motion was supported by Commissioner _____.

We further certify that the following Commissioners voted for adoption of said resolution _____ and that the following Commissioners voted against adoption of said resolution _____.

We further certify that said resolution has been recorded in the Resolution Book and that such recording has been authenticated by the signature of the Chairperson and Corporate Secretary.

Chairperson

Corporate Secretary

RESOLUTION 2023-XX-XX

**Acceptance of 2023 Audited Financial Statements for Defined Benefit Pension Plan,
Defined Contribution Pension Plan, and Retiree Benefit Plan**

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

Staff comments: All three Plans received clean audit reports.

Motion by Commissioner _____, Seconded by Commissioner _____ to approve the Resolution at a Board meeting held on November 14, 2023