



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

September 23, 2025

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 23, 2025.

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

Corporate Secretary, LaVella Todd, called the roll.

Present: Commissioners Beth Graham, Chris Harkins, Semone James, DeShon Leek, Tony Mullen, David Price, Dale Schrader, and Sandra Zerkle. Non-Voting Commissioners present: Commissioner J. R. Beauboeuf (East Lansing), and Commissioner Brian Ross (DeWitt Township)
Absent: Commissioner Robert Worthy (Delta Township)

Corporate Secretary LaVella Todd declared a quorum.

Commissioner Chris Harkins led the Pledge of Allegiance.

APPROVAL OF MINUTES

Motion by Commissioner Tony Mullen, **Seconded** by Commissioner Beth Graham to approve the Regular Board Meeting Minutes of July 22, 2025.

Action: Motion Carried.

PUBLIC COMMENTS ON AGENDA ITEMS

There were no public comments.

COMMUNICATIONS

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

COMMITTEE REPORTS

Commissioner Tony Mullen presented the Human Resources Committee Report:

HUMAN RESOURCES COMMITTEE

Meeting Minutes

September 9, 2025

Human Resources (HR) Committee: Commissioner Tony Mullen, Committee Chairperson; Commissioners Semone James, DeShon Leek and Sandra Zerkle; Alternates: David Price, Chris Harkins; Non-Voting Members: Commissioners J. R. Beauboeuf, Brian Ross, and 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, on Tuesday, September 9, 2025.

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: Commissioners Tony Mullen, Semone James, DeShon Leek, and Sandra Zerkle; also present, Alternates: Commissioners Chris Harkins (arrived @5:09 p.m.) and David Price; and Non-Voting Commissioners J. R. Beauboeuf (East Lansing) 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 DeShon Leek, **Seconded** by Commissioner Sandra Zerkle, to approve the HR Committee meeting minutes of May 13, 2025.

Action: Motion Carried.

2026 PA 152 Healthcare Premium Sharing Update

General Manager Peffley introduced Executive Director of Human Resources Michael Flowers and Human Resources Manager Dan Barnes, who presented the 2026 PA 152 Healthcare Premium Sharing update. Mr. Barnes reviewed the options within PA 152, namely the HSA option, Blue option and Green option, the alternatives of the Blue and the Green options, and the affordability provisions. Mr. Barnes stated that the resolution is for the plan year beginning January 1, 2026, and needs to be approved annually.

Chairperson Mullen requested an explanation for opting out of the options. Mr. Barnes responded that an individual could opt out of the plans if health care insurance is obtained from an employer they retired from or from a spouse or significant other, and the employee would be reimbursed \$186.00 monthly.

Commissioner Zerkle asked what the benefit of the HSA option for employees is, whether the employee could spend it any way they want or save it forever. Mr. Barnes responded that whatever amount that was put into the HSA account and wasn't used would build over time, would always belong to the employee, and can also be used toward any health expenses.

Chairperson Mullen asked whether BWL contributed to the HSA accounts. Mr. Barnes responded that BWL is considering a contribution of \$600 for an individual and \$1,200 for a family to incentivize use of the HSA plan.

Commissioner Zerkle asked whether the HSA can be used for the employee's 20% requirement. Mr. Barnes responded that the employee still has to pay the 20% share but the amount deducted from paychecks is less.

Commissioner Schrader asked whether employees can opt out of health care altogether. GM Peffley responded that employees have to have health care insurance from BWL, a spouse or significant other – they cannot go without health care insurance and Mr. Barnes affirmed.

Commissioner Zerkle asked when the law was changed and BWL didn't opt out, the union agreed to the 80%/20% combination as there would be less benefits. GM Peffley affirmed.

Motion by Commissioner Sandra Zerkle, **Seconded** by Commissioner DeShon Leek to forward the PA 152 Healthcare Premium Sharing resolution to the full Board for approval.

Action: Motion Carried.

Other

There was no other business.

Adjourn

Meeting adjourned at 5:13 p.m.

Respectfully submitted,
Tony Mullen, Chairperson
Human Resources Committee

Commissioner Sandra Zerkle presented the Committee of the Whole Report:

COMMITTEE OF THE WHOLE Meeting Minutes September 9, 2025

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 9, 2025.

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

Present: Commissioners Chris Harkins, Semone James, DeShon Leek, Tony Mullen, David Price, Dale Schrader, and Sandra Zerkle; and Non-Voting Commissioners J. R. Beauboeuf (East Lansing) and Bob Worthy (Delta Township)

Absent: Commissioner Beth Graham and Non-Voting Commissioner Brian Ross (DeWitt Township)

Corporate Secretary LaVella Todd declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Semone James, **Seconded** by Commissioner David Price, to approve the Committee of the Whole Meeting minutes of July 8, 2025.

Action: Motion carried. The minutes were approved.

Commissioner Questions

General Manager (GM) Dick Peffley shared in-depth responses to two questions presented by Commissioner Semone James. The first question centered on the BWL's plan of action on how it is going to deal with the new realities of the One Big Beautiful Bill as it phases out clean energy tax credits that were included in the Biden-era Inflation Reduction Act, and promotion of fossil fuels over renewable energy; specifically, how will the Bill impact the BWL, the BWL Strategic Plan, and Lansing area? The second question was how will the BWL, and the BWL IRP address this change in course by the Federal government while complying with the State of Michigan clean/renewable energy mandate?

GM Peffley stated that BWL staff are working full-time to monitor legislative updates and impacts and acknowledged that the current administration is not as favorable toward renewable energy as the past administration. We are also monitoring a proposed Michigan bill that would limit renewables at 20% which will be a problem for most utilities, given the state's requirement for 50% renewable energy by 2030. GM Peffley stated that the federal legislation created challenges in BWL's wind farm purchase power agreement, creating issues of getting the energy back to BWL. Our solar project on Ingersoll Road encountered an unexpected challenge when our special-use permit was denied due to a moratorium placed on solar for six months. If we don't break ground on this project as scheduled, there will be a loss of \$9.2 million in tax credits. A meeting is being held next week by the House Oversight Committee Chairman James Comer, at which BWL will let them know what is at stake for BWL customers. BWL needs to be able to move forward with the project within 90 days to show construction of substantial nature, as now required by new legislation.

Commissioner James stated that GM Peffley and staff provided good answers to her questions. She stated that she was concerned as to what the State will do as the federal government is changing the playbook and inquired if there was any indication what the State will do. GM Peffley responded that we're managing the uncertainty but the House Energy Committee visited GM Peffley's office to speak with him where we had an opportunity to explain the significance of the

problem we're balancing with trying to bring new big load customers to our service territory while also ensuring we're complying with the state law. GM Peffley explained that BWL currently is at a 500MW load and 21% renewable, but if a 1000MW data center customer comes online, our renewable portfolio becomes 5% renewable.

Commissioner James asked if BWL was exploring nuclear energy and hydrogen modules. GM Peffley responded that BWL is exploring every avenue of energy.

Chairperson Zerkle thanked GM Peffley for the report and commented that she was very impressed with the report and that it was well explained.

Commissioner James commented that the After-Action Report was in the 411 Announcements and asked if in the future the report could be sent to commissioners in an email. GM Peffley responded that can be done.

Commissioner Mullen commented that there was a report on the radio news about a local organization that rates power companies and their outages throughout the course of the year and that Michigan rated 49th due largely to Consumers Energy and DTE, and asked if BWL was bringing the average up. GM Peffley responded that BWL's outage calculations are among the best in the state and that the average outage restoration time is just over an hour compared to other averages of 80-90 minutes. GM Peffley added that the report was incorrect in that Michigan's electric rates were lower than those in Indiana, Ohio, and Wisconsin.

RPC Update

Accounting, Finance and Planning Manager, Ying Yan, presented the RPC Update. The Defined Benefit Plan (DB) and Voluntary Employee Benefit Administration Plan (VEBA) delivered strong fiscal year performances with an approximately 10% investment return. Addition of the approved State Street GTC Retirement Income Builder (RIB) Series of funds in the Defined Contribution 401(a) and Deferred Compensation 457(b) Plans is completed, went live July 11, 2025. RIB advisory will be included in the annual education and communication plan. In the DB Plan Actuarial Report, the total pension liability is about \$39M, the total value of the assets in the plan is about \$48M, and the plan has a strong funded status of 122%, an increase from last year. The increase is primarily due to higher investment return. In the VEBA Plan Actuarial Report, the total liability is about \$188M, the fiduciary net position is about \$268M, and the plan has a strong funded status of 143%, a decrease from last year. The decrease is due to the investment return of 10% being more than offset by increases in projected costs. RPC approved the FY25 Q4 ASA reimbursement of \$5,011,279 for the VEBA Plan.

The RPC worked with Captrust and Nationwide to revise the languages in the DC Plan 1 adoption agreement regarding the forfeiture process to provide flexibility to follow ERISA and Department of Labor best practices. The RPC approved the updated language at the August monthly RPC meeting. The RPC voted to apply the forfeiture balance to reduce future employer contributions. Management will work with Captrust and Nationwide to spend down the forfeiture balance by the end of the calendar year as required.

The RPC is exploring the current retirement plan advisory service market for the DC Plan Investment Advisor Services and is in the process of reviewing responses to its Request for Information (RFI). The Secure Act 2.0 Requirements become effective January 1, 2026, it requires mandatory Roth catch-up contributions for high earners. Individuals aged 50 or older earning more than \$145,000 in the previous year from the employer sponsoring the plan will be required to make catch-up contributions on a Roth (after-tax) basis. HR is working with Nationwide and Workday to ensure our systems will be updated accordingly in order to implement the requirements of the new act.

Chairperson Zerkle requested further explanation on the catch-up contributions for those earning more than \$145,000. Ms. Yan responded that the Secure Act allows people 50 years and older to make catch-up contributions. For high earners that make more than \$145,000, the contributions are to be made with after tax money.

Commissioner Harkins asked what the VEBA Plan target rate of return is and what the uptake will be on the new State Street RIB investment option. Ms. Yan responded that the target rate of return is 6.5% for the VEBA Plan and 6.0% for the DB Plan. Ms. Yan added that the data for the State Street RIB investment option would be available after September 30, 2025, and an update will be provided to the Commissioners.

Steam to Hot Water Update

GM Peffley stated that BWL is deciding to get out of steam utility service as it is more expensive to maintain and more expensive for customers. A study was conducted by Evergreen Energy regarding converting steam service to hot water service. Steam isn't returned to BWL after use by the customers, but the hot water will be, and pipelines will need to be constructed. The hot water will be cheaper for the customers, but the pipeline infrastructure will be expensive to get up and running. Water, Steam & Chilled Water Distribution Manager, Todd Russell, and Sean McFarling, Senior Manager of Design Services at Evergreen Energy in Minneapolis, presented the Lansing BWL Steam to Hot Water Transition presentation. Mr. Russell stated that in 2024 the decision was made to transition the steam system over to hot water to reduce customer costs. Evergreen Energy will be the owner engineer for the first phase. Currently, 40% of the steam system is over 50 years old and this affects system reliability issues and maintenance costs. There is approximately \$1.8 million annual energy loss due to leaks. It would cost BWL \$260 million to replace the steam system. A new hot water system would cost \$100 million and provide higher efficiency to the system, eliminate energy and water losses of about 65 million gallons, and reduce the piping system from 12.5 miles to 4.5 miles. Buildings that were suitable and not suitable for the hot water system were reviewed. GM Peffley added that brand new boilers will be provided to the customers that are not suitable for the hot water system pipeline. Mr. McFarling stated that construction will begin this fall and continue over three years.

Commissioner James asked what the option would be for current and future steam customers if the hot water system wasn't possible. GM Peffley responded that customers could use electric heat, or natural gas if it was available. GM Peffley added that the customers' energy costs will decrease. GM Peffley also added that it costs approximately \$1 million to replace one steam manhole and there are 150 of them. Commissioner James asked what was the projected rate of

return over 5 years. AGM Heather Shawa responded that the rate of return is closer to 7 to 10 years, and she will follow up with the Commissioners on the calculated percentage.

Commissioner James also asked how much the State of Michigan was contributing. GM Peffley responded that \$5 million has been received and AGM Shawa responded that \$10 million has been requested.

Commissioner Leek asked how much would it cost per boiler for 59 customers. Mr. McFarling responded that the cost varies from \$15,000 to \$53,000 depending on the size of the customer and that the customers have been notified of the amount being offered and when steam service will be shut off.

Commissioner Schrader commented that on his properties he has trouble with steam boilers but not with hot water boilers.

Commissioner Worthy asked if the capital conversion cost for the boilers for the 55 customers was being covered by BWL and if the costs would be covered for the customers that had to convert to something else. GM Peffley affirmed that the costs for the boilers are covered in the budget and the costs for the other customers are covered in the master system. Mr. McFarling responded that conversions for the customers will be covered and replaced if needed in the future. Commissioner Worthy also asked what the percentage was for the \$1.8 million dollar loss in the steam system. GM Peffley responded that it was over 50% in the summer.

Commissioner Mullen asked if there was any information about General Motors returning to BWL for service with their carbon production after discontinuing their steam service. GM Peffley responded that there was no news, but he was optimistic. Commissioner Mullen also asked if bonds would be issued for \$110 million over 15 years for the hot water system. AGM Shawa responded that new bonds are forecasted to be issued specifically for this project but not in the next couple of years.

Commissioner Harkins asked about coordination with the city with construction on the roadways for the hot water system. Mr. Russell responded that BWL is working with the CSO projects. GM Peffley added that pipes will also be put in and left open until the city does their work. Commissioner Harkins asked if there could be a potential impact of inflation costs. Mr. Russell responded that the overall projected budget with inflation for the hot water system is \$125 million and it would be double for the steam system. Commissioner Harkins also asked what the infrastructure of a projection site looked like. Mr. Russell responded that there would be a 40 x 40 building with skids inside with the actual units that will be hooked to the steam system. When the steam plant is shut down in 15 years the building will be turned over to the city. Mr. Russell stated that there is a website dedicated to this project and the link will be provided.

Chairperson Zerkle asked if there will be another budget line for hot water. GM Peffley responded that it is currently called thermal utility, but it is under steam. Chairperson Zerkle also asked if the churches along Capital Avenue would be transitioned. Mr. Russell responded that the churches would need to put the new boiler in.

Commissioner Schrader asked why there would be less miles of pipeline for hot water. Mr. Russell responded that there is only one customer on the system until north of Highway 496 and the plants and the distribution system will be moved into the downtown district.

Commissioner Worthy asked what revenue stream will be generated for telling 59 customers to convert and produce their own steam, and telling 55 customers they will be transitioned to hot water, rather than telling everyone to transition. GM Peffley responded that not all customers have the infrastructure to put their own system in, and Consumers Energy doesn't have adequate gas to service all of them. Mr. McFarling added that it is cheaper for BWL to convert the system than for the customers to do it themselves.

Resolution Honoring Stuart Goodrich

Motion by Commissioner David Price, **Seconded** by Commissioner Tony Mullen, to approve the Amendment of the Resolution Honoring Stuart Goodrich and forward it to the full Board for consideration.

Action: Motion Carried.

Other

Commissioner James commended and congratulated the BWL Staff on the grant award received from EGLE. GM Peffley added that the EGLE staff requested use of our conference room to host a roundtable discussion and a walkthrough of the John F. Dye Water plant, and they were impressed with the plant, especially since it was built in the 1930's. Area dignitaries were also in attendance.

Motion by Commissioner Chris Harkins, **Seconded** by Commissioner David Price, for an excused absence for Commissioners Beth Graham and Brian Ross.

Action: Motion Carried.

Adjourn

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

Respectfully Submitted,
Sandra Zerkle, Chairperson
Committee of the Whole

Finance Committee Chairperson Dale Schrader presented the Finance Committee Report:

FINANCE COMMITTEE Meeting Minutes September 9, 2025

Finance Committee: Dale Schrader, Committee Chairperson; Beth Graham, Chris Harkins, David Price; Alternates: Tony Mullen, Semone James; Non-Voting: Commissioners J. R. Beauboeuf, Brian Ross, Robert Worthy.

The Finance Committee of the Board of Water and Light (BWL) met at the BWL Headquarters – REO Town Depot, located at 1201 S. Washington Ave., Lansing, MI on Tuesday, September 9, 2025.

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

Present: Commissioners Dale Schrader, Chris Harkins, and David Price; Also Present: Commissioners Semone James (Alternate), DeShon Leek and Sandra Zerkle; and Non-Voting Commissioners J. R. Beauboeuf (East Lansing) and Bob Worthy (Delta Township)
Absent: Commissioner Beth Graham, Tony Mullen (Alternate); Non-Voting Commissioner Brian Ross (DeWitt Township)

Corporate Secretary LaVella Todd declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner David Price, **Seconded** by Commissioner Chris Harkins, to approve the Finance Committee Meeting minutes of July 8, 2025.

Action: Motion Carried. The minutes were approved.

Financial Summary YTD

Accounting, Finance & Planning Manager Ying Yan presented the Financial Summary YTD. Financials are marked as preliminary because year-end audit is still in progress and the Financial Statements are yet to be finalized, however, we don't expect any material changes. The Days Cash on Hand is higher than target which is driven by the timing of new energy project spending and will fluctuate during the construction period. Retail revenue is 4% higher than budget due to fuel cost adjustments, higher power factor and transmission revenue. Wholesale revenue is under budget due to generation outages and lower market price. One driver of the lower market price is the delayed closure of coal plants which provided excess generation to the energy market. Operating expenses are lower due to fuel and purchase power costs. Non-operating income and expenses are lower due to stronger investment performance. Net income is \$15m higher primarily due to higher retail revenue and investment income. O&M is lower due to lower benefit claims. Capital Improvement Plan (CIP) spending was on budget. New Energy spending is higher than budget due to timing. Return on assets is higher primarily due to higher net income. The Debt to Total Assets ratio is low due to outstanding revenue bonds but will balance out as the debt is paid. Days Sales Outstanding is 2 days lower compared to prior year due to later building cycles and lower unbilled revenue, no concerns at this point. Payroll costs are higher due to the May 2025 storm restoration efforts. Benefit costs are under budget due to lower than anticipated healthcare and workers comp claims.

Commissioner Harkins asked for further information on the new energy budget overage due to timing. Ms. Yan responded that the overage is driven by the RICE project, we plan to bring this project online earlier than Dec 2026 to serve the customers sooner.

Bond Issuance Update

Accounting, Finance & Planning Manager Ying Yan presented the Bond Issuance Update. A bond refinancing transaction is being prepared to address outstanding 2021B put bond in the amount of \$71 million. Two resolutions are typically presented to the Board; the first resolution is Notice of Intent. It communicates our intent to issue and reimburse ourselves for eligible costs, we only need this for new money, once the resolution is approved, we put it in newspapers for public notice. The second one is the authorization to issue bonds; this authorizes the CFO to work with the banks and external parties to have the bonds issued. Since this is a refinancing only, we don't need to publish anything in the paper, we will only need the authorization to issue. More details will be presented in the November 2025 meeting.

Approval of Corporate Secretary and Board of Commissioners 2025 Quarterly Budget & Expense Reports

Motion by Commissioner David Price, **Seconded** by Commissioner Chris Harkins, to approve the Corporate Secretary and Board of Commissioners 2025 Quarterly Budget & Expense Reports and forward them to the Full Board for consideration.

Action: Motion Carried.

Internal Audit Risk Assessment Results

Director of Internal Audit Elisha Franco presented the Internal Audit Risk Assessment Results. The assessment consisted of an overview; the objectives of risk identification and rating, audit planning and resource allocation, compliance with global standards and support of BWL governance & strategic alignment; risk assessment approach and methodology; and results. Ms. Franco stated that a report will be sent to the Commissioners with more detailed information at a later date and is requesting feedback from General Counsel on the best method to provide it to the Commissioners. In the results the top 10 inherent risks were in staff acquisition, economy, reputational, legislation, leadership, customer billing, operational, strategic, budget management, and cybersecurity.

Internal Audit Strategy

Director of Internal Audit Elisha Franco presented the Internal Audit Strategy. The internal audit strategy is a requirement of the Global Internal Audit Standards and it is what the internal audit goals over the next 5 years. The strategy consists of governance, methodology and technology and the objectives are quality assurance, risk assessment, aligned enterprise assurance and AuditBoard Analytics.

Commissioner Schrader commented that the data management is in a computer now rather than in boxes and Ms. Franco affirmed.

Commissioner Harkins thanked Ms. Franco for the audit department manual, and for the response that if there was additional feedback from the Commissioners, it would be added to the manual.

Commissioner Beauboeuf asked if there were any risks that required the Commissioners' immediate attention. Ms. Franco responded no, there were none at this time. Commissioner Beauboeuf also asked whether there was a document retention risk plan and counsel for what is not needed. Ms. Franco responded that there is a documentation retention policy within the BWL corporation. Everything is electronic and when documentation requests are made, the data is uploaded to the system and there is access control to the data.

Commissioner James commended Ms. Franco on the audit reports presented. Commissioner James stated that with AI coming to the forefront, she is a proponent for data being kept and available long term. Ms. Franco responded that the storage room contains a lot of data. Ms. Franco added that the legal department is planning to update the Documentation Retention policy.

Post-Audit Feedback Survey Results

Director of Internal Audit Elisha Franco presented the Post-Audit Feedback Survey Results. Ms. Franco stated after every audit, a survey is sent to all the audit participants asking for feedback on how the audit was completed. The feedback indicates that there has been improvement with the audits being completed.

Commissioner Harkins asked what the goals are when feedback is received and are there industry standards for the self-evaluation? Ms. Franco responded that the goal is to improve and receive as close to 5 rating as possible on the audits and there are no industry standards. Ms. Franco added that adjustments are made to audits in alignment with the expectations feedback.

Internal Audit Status Report

Director of Internal Audit Elisha Franco presented the internal audit status report. The internal audit status report consisted of an audit update of progress and budget, an issue status update of whether the issue was pending or closed, the FY2026 Audit Work Plan and other items. Ms. Franco introduced Co-Op student Jake Rober who will be working on the Internal Audit team and stated that Gillian Croteau is working as a temporary Administrative Assistant.

Chairperson Schrader commented on the receipt of the agenda items and Commissioners' feedback and noticed the trending upward of the ratings on the audits completed.

Other

Motion by Commissioner David Price, **Seconded** by Commissioner Chris Harkins, for an excused absence for Commissioners Beth Graham and Brian Ross.

Action: Motion Carried.

Adjourn

Chairperson Dale Schrader adjourned the meeting at 7:28 p.m.

Respectfully submitted,
Dale Schrader, Chairperson
Finance Committee

MANAGER'S RECOMMENDATIONS

There were no manager's recommendations.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

There was no new business.

RESOLUTIONS/ACTION ITEMS

RESOLUTION 2025-09-01

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, 2026 through December 31, 2026;

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, 2026, through December 31, 2026.

Motion by Commissioner Tony Mullen, **Seconded** by Commissioner Sandra Zerkle, to approve the PA 152 Health Care Premium Sharing Resolution at a Board meeting held on September 23, 2025.

Action: Motion Carried.

RESOLUTION 2025-09-02

Amendment to Resolution Honoring Stuart Goodrich

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

WHEREAS, Stuart Goodrich was appointed as an Advisory Commissioner of the Board of Water & Light on July 1, 2024, to represent Delhi Township; and

WHEREAS, He last served as a non-voting member of the Committee of the Whole, Finance Committee and Human Resources Committee; and

WHEREAS, Stuart owns Goodrich Optical in Lansing, is an American Board Certified Optician, a former President of the Opticians Association of Michigan, and a former chair of the Commission for Opticianry Accreditation (U.S. Department of Education), served as a Director on the Opticianry Advisory Committee at Ferris State University and on the Michigan Braille Transcribing Fund, served on both Holt/Dimondale Schools and Ingham Intermediate School District Boards and was awarded Alumnus of the Year, by the Holt/Dimondale School/Business Alliance, was the founding chair of the Delhi Development Authority in 1987, elected to the position of Trustee for Delhi Township in 1992 and served 10 years as Delhi Township Supervisor; and

WHEREAS, Stuart is a 48 year Charter Member of the Holt Lions Club, has received numerous awards and serves as a trustee on the Board of Directors for the Michigan Lions Foundation, has received the "Unsung Hero" award from WLNS TV, Community Service Person of the Year from The South Lansing Business Association, an "Appreciation Award" from Radio Talking Book, now known as Radio Reading Service WKAR Radio, from Michigan State University for being "The Driving Force In Saving The Program By Involving Lions", and was elected to the Michigan Lions Hall of Fame in 2013; 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 Stuart Goodrich for his year of distinguished service in Regular Board Meeting this 22nd day of July, 2025. We sincerely wish Stuart continued success in all his future endeavors and achieving that which is in the best interest of our community.

David Price, Chairperson
J. R. Beauboeuf
Chris Harkins
DeShon Leek
Dale Schrader

Sandra Zerkle, Vice Chairperson
Beth Graham
Semone James
Tony Mullen
Robert Worthy

Motion by Commissioner Sandra Zerkle, **Seconded** by Commissioner Dale Schrader, to approve the resolution of tribute for the outgoing Commissioner Stuart Goodrich at a Board meeting held on September 23, 2025.

Action: Motion Carried.

Approval of Corporate Secretary and Board of Commissioners 2025 Quarterly Budget & Expense Reports

Motion by Commissioner Chris Harkins, **Seconded** by Commissioner Tony Mullen, to approve the Corporate Secretary and Board of Commissioners 2025 Quarterly Budget & Expense Reports.

Action: Motion Carried.

MANAGER'S REMARKS

General Manager (GM) Dick Peffley gave the following remarks

1. The REO Co-Generation plant just celebrated eight years without a loss time accident which is an incredible achievement for a power facility.
2. The Golf for Charity event held on August 15th raised \$70,000, the largest donation in the 15 years of participation. It will be split between Magic for Literacy, Pennies for Power, Heroes Haven, and Boys & Girls Club of Lansing.
3. The First STEP Open House was held on September 10, 2025 for students and parents to learn more about the program, and 40 students attended.
4. Public Relations and Marketing Manager Amy Adamy was awarded the 10 Over the Next Ten Award which is awarded by Lansing Chamber of Commerce in partnership with Lansing 501. The award recognizes Lansing's young professionals who are anticipated to contribute to the community significantly over the next 10 years.
5. Government & Community Relations Supervisor Breina Pugh was appointed by Governor Whitmer to the Library of Michigan Board of Trustees for a term starting October 2, 2025. The Board makes recommendations to the Michigan Department of Education regarding

Library's services, budget, and proposes governing rules and makes recommendations regarding employment of administrative assistants and employees of the Library.

6. Breina Pugh was also a recipient of a General Manager's award for her recent work related to advocating for BWL in public proceedings.
7. The MMEA Fall Conference is being held September 23-24, 2025 in Muskegon, MI.

COMMISSIONERS' REMARKS

Chairperson David Price stated that all Members of the Board of Commissioners have completed the required Annual Training per Council Resolution 2025-139 pertaining to Ethics, Conflict of Interest, and the Open Meetings Act.

MOTION OF EXCUSED ABSENCE

Motion by Commissioner Tony Mullen, **Seconded** by Commissioner Sandra Zerkle for an excused absence this evening for Commissioner Robert Worthy.

Action: Motion Carried.

PUBLIC COMMENTS

Djoachim Lockhart, Lansing, MI, spoke in approval of the PA 152 health care sharing resolution as he is a benefits advisor. He has created videos to educate and give access to the public for any carrier or doctor, through the marketplace or Medicare. He requested being on BWL's docket similar to the electric bikes and lawnmowers.

ADJOURNMENT

Chairperson David Price adjourned the meeting at 5:50 p.m.

LaVella J. Todd, Corporate Secretary
Preliminary Minutes filed (electronically) with Lansing City Clerk 09-26-25
Approved by the Board of Commissioners: 11-18-25
Official Minutes filed (electronically) with Lansing City Clerk: 11-19-25