



BOARD OF WATER & LIGHT BOARD OF COMMISSIONERS

REGULAR BOARD MEETING AGENDA

January 27, 2026 – 5:30 PM

1201 S. Washington Ave., Lansing, Michigan

REO Town Depot

BWL full meeting packets and public notices/agendas are located on the official website 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 November 18, 2025

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. Each speaker will have 3 minutes to speak to the Board.*

5. Communications

- a. Electronic mail from Kathleen Snyder re: Contracts with Data Centers
- b. Electronic mail from Marshall Clabeaux re: Contracts with Data Centers
- c. Electronic mail from Shureen Trudeau re: Contracts with Data Centers
- d. Electronic mail from Marilyn McKenzie re: Contracts with Data Centers
- e. Electronic mail from Elaine Fischoff re: Contracts with Data Centers
- f. Electronic mail from Kara Peruchietti re: Issues with Customer Service Communication

6. Committee Reports

- a. Committee of the Whole Meeting (January 13, 2026)- Sandra Zerkle, Chairperson
- b. Finance Committee Meeting (January 13, 2026)- Dale Shrader, Chairperson
- c. Human Resources Committee Meeting (January 20, 2026)- Tony Mullen, Chairperson

7. Manager's Recommendations

8. Unfinished Business

9. New Business

10. Resolutions/Action Items

- a. Resolution Honoring Former Commissioner Jean Richard Beauboeuf
- b. Resolution Honoring Former Commissioner Robert Worthy
- c. Resolution Honoring Former Commissioner Brian Ross

- d. Easement Grant to Lansing MI Ventures Resolution
- e. FY2026-30 External Auditor Recommendation Resolution
- f. Collective Bargaining Agreement between BWL & IBEW, AFL-CIO, Local 352

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. Each speaker will have 3 minutes to speak to the Board.

15. Adjournment

Agenda posted on website/building 01-23-2026

2026 Board Meeting Notice/Schedule Posted in the Lansing State Journal 01-02-2026



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

November 18, 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, November 18, 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, Tony Mullen, David Price, Dale Schrader, and Sandra Zerkle. Non-Voting Commissioners present: Commissioner Brian Ross (DeWitt Township), and Commissioner Robert Worthy (Delta Township)

Absent: Commissioner DeShon Leek and Non-Voting Commissioner J. R. Beauboeuf (East Lansing)

Corporate Secretary LaVella Todd declared a quorum.

Commissioner Dale Schrader led the Pledge of Allegiance.

Golf 4 Charity Check Presentation

Chairperson David Price presented a check from BWL's Pennies for Power program to St. Vincent de Paul. BWL's Annual Golf 4 Charity Event raised the largest amount in the history of the event and made a contribution of more than \$17,000 to Pennies for Power.

APPROVAL OF MINUTES

Motion by Commissioner Sandra Zerkle, **Seconded** by Commissioner Tony Mullen to approve the Regular Board Meeting Minutes of September 23, 2025.

Action: Motion Carried.

Chairperson David Price removed agenda item 11c. Special Electric Service Contracts for Large Load Customers and Membership in Regional Transmission Organization Resolution from the

agenda. General Manager Dick Peffley stated that emails received from members of the public

regarding the resolution were reviewed and the concern with the Commission delegating rate making authority was understood. The resolution was initially brought forward for transparency of working with the data center. If rates need to be adjusted for the data center customer, BWL will come back to the Commission and go through the rate making process. The resolution was requested to be pulled from the agenda as it is no longer needed.

PUBLIC COMMENTS ON AGENDA ITEMS

There were no public comments.

COMMUNICATIONS

Electronic mail received from Elaine Fischoff regarding BWL website, BWL fees, and BWL policies - *Referred to Management. Received and Placed on File.*

Electronic mail received from League of Women Voters Lansing Area regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Carol Siemon regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Dorothy Engelman regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Alison Peeler regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Ashley Meyers regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Abby Schwartz regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Kristin Isaac regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Joanne Galloway regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Diane Echerri regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Connie Jones regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Therese Ojibway regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Karla McCandless regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Debra Gordon regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Isabella Croff regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Heidi Butler regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

Electronic mail received from Randy Dykhuis regarding Contracts with data centers - *Referred to Management. Received and Placed on File.*

COMMITTEE REPORTS

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

COMMITTEE OF THE WHOLE Meeting Minutes November 6, 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 Thursday, November 6, 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 Beth Graham, Chris Harkins, Semone James, DeShon Leek, David Price, Dale Schrader, and Sandra Zerkle; and Non-Voting Commissioners J. R. Beauboeuf (East Lansing) and Brian Ross (DeWitt Township)

Absent: Commissioner Tony Mullen and Non-Voting Commissioner Bob Worthy (Delta 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 Beth Graham to approve the Committee of the Whole Meeting minutes of September 9, 2025.

Action: Motion carried. The minutes were approved.

Public Power Contest Winner Recognition

Chairperson of the Board David Price presented certificates of recognition to the five Public Power Week Coloring Contest Winners: Ally Rapelje from Post Oak Academy, Blessing Tesa from Attwood Elementary, Ephraim Niyonyishu from Cavanaugh Elementary, Hayven Thomas from Cavanaugh Elementary, and overall winner Alexa Martinez from Cavanaugh Elementary.

Retirement Plan Committee (RPC) Update

Chief Financial Officer Scott Taylor presented the Retirement Plan Committee (RPC) update. In the Defined Contribution 401(a) and Deferred Compensation 457(b) Plans, four participants have assets in the State Street GTC Retirement Income Builder (RIB) Series with a total of just under \$1.5 million which indicates the plan is adopting well. Lifetime income funds are being promoted and educational sessions will be held in the new year. The forfeiture process for DC Plan 1 has started for approximately three pay periods needed to utilize the balance and an administrative procedure for managing forfeitures is being formalized. Secure Act 2.0 Requirements effective January 1, 2026 include the 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 to their 457 plan on a Roth (after-tax) basis. HR is working on a communication to all participants regarding 3rd party vendors reaching out to participants on retirement advisory services to reiterate that these are not from the BWL RPC and to remind participants the resources that are available.

Commissioner Harkins asked what percentage of staff fully vest in the DC contributions. CFO Taylor responded that he would look up the information and provide it to the Commissioners.

Energy Optimization Plan 2026-2029

Energy Planning & Decarbonization Manager, Jennifer Binkley-Power presented the Energy Optimization Plan 2026-2029. The overall goal of the plan is to reduce energy waste and future costs of utility service. The intent is to delay the need for constructing new electric generating facilities. Ms. Binkley-Power provided an overview of Public Act 229 of 2024 Section 71.(2) which amends and adds to prior Energy Waste Reduction legislation Public Act 295 of 2008, 2016, 2020. Ms. Binkley-Power also provided the requirements of the EWR Plan, the spending and saving allowances and the electrification plan. The plan needs to be approved by the Board of Commissioners and MPPA will submit the plan to the MPSC by December 31, 2025, as a joint filing on behalf of all MPPA members. The EWR Plan will be refreshed every four years.

Chairperson Zerkle asked whether this plan is where BWL enters customers' homes to determine where energy savings can be made. Ms. Binkley-Power affirmed and responded there is a list of programs for customers.

Commissioner Schrader asked whether the EV chargers and rebates were part of the 1.5% of total retail electricity sales. Ms. Binkley-Power said they were not.

Commissioner Harkins asked whether there are programs currently in operation that are indicating diminishing returns and are there other programs with more capability that efforts should be focused toward. Ms. Binkley-Power responded that electrification is a good place to pivot, contractors will need to be trained, and a trade ally network for some measures will need to be created.

Commissioner Graham asked whether BWL had a program similar to DTE reaching out to realtors to go through a checklist of items for savings. Ms. Binkley-Power responded that from previous experience, the program was semi-successful and realtors need to be incentivized to be an advocate with that type of program, and also that BWL is considering such a program.

Commissioner Price asked how much load was reduced by converting to LEDs over the last 10 years. Ms. Binkley-Power responded that she didn't have that figure but would follow up and provide it to the Commissioners.

Motion by Commissioner David Price, **Seconded** by Commissioner, Beth Graham, to approve the Energy Optimization Plan 2026-2029 Resolution and forward it to the full Board for consideration.
Action: Motion Carried.

First Amendment to the Cafeteria Plan – HSA

Executive Director of Human Resources Michael Flowers presented the First Amendment to the Cafeteria Plan – HSA (Health Savings Account).

Motion by Commissioner David Price, **Seconded** by Commissioner Chris Harkins, to approve the Adoption of the First Amendment to the Cafeteria Plan Resolution and forward it to the full Board for consideration.

Action: Motion Carried.

Special Electric Service Contracts for Large Load Customers and Membership in Regional Transmission Organization

General Manager Dick Peffley spoke about the Special Electric Service Contracts for Large Load Customers and Membership in Regional Transmission Organization Resolution being presented to the Committee. GM Peffley stated BWL is negotiating with several large customers, exploring new technologies for energy sources while maintaining reliability for existing customers. GM Peffley gave brief overviews of two new technologies for energy sources that have been vetted: Solar Thermal Technology and Fuel Cell Technology. Both technologies potentially have high reward for BWL with minimal risk. GM Peffley also explained to the Committee that it could be possible that BWL may have to buy energy outside of the service territory depending on how many of these large customers come to this area. BWL is exploring an option of becoming a member of the PJM (Pennsylvania, New Jersey, Maryland) regional transmission organization, which manages wholesale markets for energy and capacity on the east coast, while MISO manages for central states. There is a plant in Niles, MI in the PJM region that puts 1,000 MW

into the market and BWL is requesting 400 MW from them. In order to purchase energy from this plant, BWL would need to be a member of PJM. BWL is competing internationally to land these large customers.

Chairperson Zerkle thanked GM Peffley and the staff for their hard work in bringing the businesses to BWL and the city.

Commissioner Price stated that one of the objections that is heard on social media and in the public in providing electric service to the emerging industry of AI and data centers is that it results in increased rates for current customers. GM Peffley responded that won't be the case for BWL as the infrastructure will be paid for by the new customers and as they ramp up, we'll see reduced forecasted rate increases for customers. This will also result in an additional \$1 million in return on equity to the city.

Commissioner Harkins commented on the importance of remaining environmentally conscious, but highlighted language in the resolution about negotiating agreements that would hold other customers harmless and not burden the existing BWL customers' rate base, and said those protections were critical to him in supporting the resolution. GM Peffley responded that the CEO of Deep Green from the United Kingdom stated he was impressed with Lansing Board of Water & Light and that they have never worked with a utility like it and is looking forward to working with us on their project.

Commissioner Zerkle commented that this operational project that GM Peffley brought to the Board has been explained well in what the purpose was and how it would better the community and the company. GM Peffley responded that several high-level staff were working on the project and it will be well vetted.

Commissioner James asked what types of returns are projected? GM Peffley responded that negotiations are in progress and returns should be similar to those of other customers. Commissioner James added that the pros and cons have been provided and that she doesn't see any negative aspects to the ratepayers. GM Peffley responded it was a win-win and the mayor of the City of Lansing stated he cannot see any drawback as the two parking lots for the project aren't being utilized. The building Deep Green will build doesn't look industrial, there will be a walking path, and murals created by local artist. Additionally, there will be jobs created for the community.

Commissioner Schrader asked if fuel cell technology was being put next to the downtown location and if it was a California company. GM Peffley said he couldn't respond due to a non-disclosure agreement. Commissioner Schrader asked if the fuel cell was considered clean energy. GM Peffley responded that it was considered clean energy in two states so far. Commissioner Schrader commented that it was a brilliant plan due to the amount of space being used and reduction in the emissions of natural gas.

Motion by Commissioner David Price, Seconded by Commissioner Semone James, to approve the Special Electric Service Contracts for Large Load Customers and Membership in Regional Transmission Organization Resolution and forward it to the full Board for consideration.

Action: Motion Carried.

Regular Board Meeting Schedule 2026 Resolution

Chairperson Sandra Zerkle presented the Regular Board Meeting Schedule 2026.

Commissioner James asked if the Committee Meetings would need to be moved for November 2026 and if the November 2026 Board Meeting could be held on an alternate date. Commissioner Price stated that traditionally the November Board Meeting was held the week prior to Thanksgiving to allow for taking vacation Thanksgiving week. The Committee determined that moving the Committee Meeting day will be considered.

Motion by Commissioner David Price, Seconded by Commissioner Beth Graham, to approve the Regular Board Meeting Schedule 2026 Resolution and forward it to the full Board for consideration.

Action: Motion Carried.

Other

Motion by Commissioner David Price, **Seconded** by Commissioner Beth Graham, for excused absences for Commissioner Tony Mullen and Commissioner Robert Worthy.

Action: Motion Carried.

Adjourn

Chairperson Sandra Zerkle adjourned the meeting at 6:33 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
November 6, 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 Thursday, November 6, 2025.

Finance Committee Chairperson Dale Schrader called the meeting to order at 6:45 p.m. and asked the Corporate Secretary to call the roll.

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

Absent: None

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 Beth Graham, to approve the Finance Committee Meeting minutes of September 9, 2025.

Action: Motion Carried. The minutes were approved.

Baker Tilly Audit Report

Chief Financial Officer (CFO) Scott Taylor introduced Aaron Worthman, Principal at Baker Tilly, who presented the Baker Tilly Audit Report. Mr. Worthman presented and highlighted the external audit report which included an audit overview, observations and recommendations, and required communications to governing body. The financial statements include the auditors' report, management and discussion analysis, Enterprise fund statements, pension and OPEB (Other Post-Employment Benefits) trust statements. 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 a clean opinion and the highest level of assurance. Controls were reviewed in disbursements, payroll, utility billings, cash and investments, capital assets, information technology and financial reporting areas. Mr. Worthman requested that the Commissioners read the management representation letter that is attached to the governance letter which provides information on other representation responsibilities along with the audit.

Commissioner Schrader asked if the \$27 million net income included or deducted out the 6% paid to the City of Lansing. Mr. Worthman responded that the 6% was already deducted out.

Commissioner Harkins commented that it is tremendous that there are no findings of any magnitude and the staff should be applauded. Commissioner Harkins asked the reason for the \$110 million difference in the restricted cash and investments balance year over year. Accounting, Finance & Planning Manager, Ying Yan, responded that it is related to drawdown of the 2024A bond proceeds, when eligible spending is incurred and paid, BWL reimburses itself using these funds.

Motion by Commissioner Chris Harkins, **Seconded** by Commissioner David Price, to approve the FY2025 Audited Financial Statement of the Enterprise Fund & Pension Fiduciary Funds Resolution and forward it to the Full Board for consideration.

Action: Motion Carried.

CFO Taylor thanked the finance team for their work on the audit. CFO Taylor stated that it is time to renew the audit contract and BWL is starting the RFP process to obtain the new contract. The City Charter states the City Council needs to approve or designate the external auditor. When BWL has made its selection from its procurement process, it is brought to the Board to be approved to take to City Council, then the City Council will review and approve, and the contract can be executed. This will be brought to the Board in January 2026.

Commissioner James asked if a new company needs to be selected or if the best can be chosen. CFO Taylor responded that the best is selected and if Baker Tilly wins the bid, a new lead auditor for the firm would be required.

YTD Financial Summary

CFO Scott Taylor presented the YTD Financial Summary. The Restricted Bond Fund is expected to decrease as there is spending on infrastructure. Days Cash on Hand is strong. Weather was favorable for sales and retail revenue outperformed. Volume was under for wholesale revenue due to the Belle River Plant slightly underproducing and renewables being lower, but prices in the market were good. Operating expenses are under due to items budgeted that have not occurred yet. Non-Operating Income is outperforming. The New Energy Budget is under due to the moratorium slowing the project in Watertown, solar projects that are in design which will move into construction, and being careful with new technologies to implement the best ones at the best times. The Steam to Hot Water budget is just starting and supplies are being ordered. Debt to Total Assets Ratio is over the benchmark due to producing our own generation. Under Payroll Data, overtime is under 11%. Benefits are close to budget.

Commissioner Graham asked whether Bad Debt is better because of the funding program. CFO Taylor stated that there are a lot of factors affecting it but the funding appears to have a direct correlation to Bad Debt reduction.

Commissioner Harkins asked whether Days Cash on Hand was related to capital projects that haven't started yet and whether there were any concerns. CFO Taylor responded that as projects are done that are eligible for bond reimbursement, the cash stays high. Normal capital improvements will bring the cash back to target and a forecast is done and monitoring is done for a solid plan so there are no concerns.

Capital Report

CFO Scott Taylor presented the capital report. Variances in projects are due to timing within the projects.

Bond Issuance Summary

CFO Scott Taylor presented the Bond Issuance Summary. Bond issuances are an important area of funding for generation projects. This bond resolution authorizes refinancing of existing funds only for the Series 2017A, 2019A, 2019B, and 2021B.

Commissioner Harkins asked whether the expectation of the issuance was early 2026. CFO Taylor stated that the preliminary statement is being constructed and a meeting will be held with the rating agencies in December for a planned issuance in January. If the prices are not favorable at that time, BWL will have until June to execute the issuance.

Commissioner James asked for the amount in bonds outstanding and confirmation of the amount to refinance of \$340 million. CFO Taylor responded that the outstanding amount is about \$1 billion, and \$70 million must be refinanced and up to \$340 million is being requested to be refinanced in case market conditions are very good. Commissioner James also asked whether the \$1 billion had a schedule. CFO Taylor responded that all outstanding debts are listed in the audit.

Commissioner Harkins asked if the percentage changes BWL is hopeful to get are not obtained will it be factored into the strategy. CFO Taylor affirmed.

Commissioner James asked that since there is \$1 billion outstanding debt, what determines the limit. CFO Taylor responded that the limit is determined by calculating how revenue compares to debt service. Commissioner James asked if favorable terms were not received, would that cause financial concern for BWL. CFO Taylor responded that reasonable terms for the \$70 million were attainable, and lower rates are being sought for the remainder of the bonds within the \$340 million.

Commissioner Schrader asked for confirmation that the \$70 million bond refinancing is required and the remainder of the \$340 million is optional, and whether bonds in the remainder of the \$340 million would be brought to the Board individually. CFO Taylor responded that the authorization in the resolution will give authority for refinancing of bonds for up to \$340 million without further Board action.

AGM Heather Shawa added that updates will be provided to the Board.

Commissioner Harkins also asked whether any of the bonds are constructed with penalties for paying off early. CFO Taylor responded that the bonds typically have a ten year call which allows paying off early or by purchasing in the market if it is granted or agreed to and no provisions will be built into the bonds which will hinder that.

Motion by Commissioner David Price, **Seconded** by Commissioner Chris Harkins, to approve the Bond Issuance Resolution and forward it to the Full Board for consideration.

Action: Motion Carried.

Approved Corporate Secretary and Board of Commissioners FY2026 Quarter One Budget & Expense Reports

Corporate Secretary LaVella Todd acknowledged that the approved Corporate Secretary and Board of Commissioners FY2026 Quarter One Budget & Expense Reports were provided to the full Board of Commissioners via email.

Disaster Recovery Audit Results

Director of Internal Audit Elisha Franco presented the Disaster Recovery Audit Results and thanked the Emergency Management and Information Technology Department, Ryan Cressman, Jessica Harbitz, Brad Taylor, Mike Spuhler, and Vern Myers for their help with this audit. The disaster recovery and business continuity plans are exceptional but have some room for improvement. Four medium risk findings were identified: disaster recovery and business continuity activities lack shared documentation between departments updated plans, or centralized coordination; no formal BIA has been conducted to define recovery priorities or objectives; recovery targets are scattered and inconsistent, limiting enterprise-wide visibility and risking misaligned and inefficient recovery processes; critical vendor roles and contact information are not centrally managed, leading to inefficiencies and potential delays in communication and recovery during disruptions; critical vendor roles and contact information are not centrally managed, leading to inefficiencies and potential delays in communication and recovery during disruptions. The overall opinion rating is Sufficient as there were no critical or high-level risk areas identified.

Commissioner Zerkle asked whether the audit was coordinated with Chief Operating Officer Rob Hodges' list of requests to work on in September. Ms. Franco responded that the audit was conducted on the overall disaster recovery and business continuity plan and COO Hodges' request were specific to after storm recovery.

Commissioner James asked whether there was a timetable and corrective action plan. Ms. Franco responded that management responses and when corrections will be made are in the audit report for each of the findings, and will be monitored. Commissioner James asked how the sufficient rating was determined with the four findings and added she had confidence in the BWL team. Ms. Franco responded that disaster recovery and business continuity findings are automatically considered a higher risk, the findings are readily fixable by management, and the plans have been put into action and worked. Commissioner James said she had thought a medium risk would garner a needs improvement rating.

Commissioner Price commented that if there were notable weaknesses it would be high risk and a strong rating would mean that everything was perfect.

Payroll Audit Results

Director of Internal Audit Elisha Franco presented the Payroll Audit Results and thanked the HR Department, Executive Director of Human Resources Michael Flowers, Human Resources Manager Dan Barnes, and OS - HRIS Data Integrity Compliance Admin Mark Dykema. Ms. Franco presented the audit objectives, themes, findings, and recommendations. Four medium risk findings were identified and six recommendations were made. The overall opinion rating is Needs Improvement as the payroll process presents several areas requiring improvement; controls are

generally adequate, but there are notable weaknesses that pose high risk, requiring significant management action; this rating reflects that while some foundational controls exist, enhancements are necessary to strengthen the control environment and support consistent, reliable payroll execution.

Commissioner Harkins asked whether the Workday system is not capable of doing some of these things or is it not being used to its full extent. Ms. Franco responded that the Workday product has the capabilities.

Internal Audit Status Report

Director of Internal Audit Elisha Franco presented the internal audit status report which included the audit update, issue status update, the FY 2026 audit work plan, and other items. Plante Moran provided support throughout the audit process and further advisory services. The Institute of Internal Auditors recently released the Global Audit Committee Center and this new resource will provide guidance on governance and oversight over internal audit functions. More details and information will be provided by Internal Audit. Recruitment has started for a Summer 2026 internal audit intern.

Commissioner Graham asked when was the last time a payroll audit was completed. Ms. Franco responded that a payroll audit was completed last year and the audit this year was done on the Workday system.

Commissioner James asked what the timing should be on the delivery of the audit reports to the Commissioners when the audits are listed on the agenda. Ms. Franco responded that the earlier scheduling of the meeting and the audits being due at the end of October, followed by management's responses, resulted in the reports being provided to the Commissioners on the day of the meeting. Ms. Franco added that reports usually are provided to the Commissioners a week prior to the meeting.

Commissioner James asked what type of training would be provided by the Global Audit Committee Center and Ms. Franco responded she will follow up with the information.

Chairperson Schrader stated that he was getting some questions about Plante Moran's rates and that it was discussed that if BWL did the work internally it would cost the same amount or more. Ms. Franco responded that there is a statement of work that includes the costs for each audit.

Other

There was no other business.

Adjourn

Chairperson Dale Schrader adjourned the meeting at 8:11 p.m.

Respectfully submitted,
Dale Schrader, Chairperson
Finance Committee

Pension Fund Trustee Chairperson David Price presented the Pension Fund Trustees Committee Report:

PENSION FUND TRUSTEES COMMITTEE
Meeting Minutes
November 18, 2025

The Pension Fund Trustees of the Lansing Board of Water & Light (BWL) met at the BWL Headquarters in the REO Town Depot located at 1201 S. Washington Ave., Lansing, MI) at 5:00 P.M. on Tuesday, November 18, 2025.

Trustee and Board Chairperson David Price called the meeting to order at 5:00 p.m.

Corporate Secretary LaVella Todd called the Roll:

The following Trustees were present: Chris Harkins (arrived @ 5:02 pm), Semone James, Tony Mullen, David Price, Dale Schrader, and Sandra Zerkle. Also present: Non-Voting Commissioner Robert Worthy (Delta Township) and Brian Ross (DeWitt Township) (arrived @5:12 pm)
Absent: Commissioners Beth Graham and DeShon Leek

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Trustee Semone James and **Seconded** by Trustee Dale Schrader to approve the minutes from the November 18, 2024 Pension Fund Trustees Meeting.

Action: Motion Carried.

Pension Fund

Chief Financial Officer Scott Taylor provided information on the Retirement Planning Committee and then introduced the financial advisory panel. The Panel provided financial plan information.

- 1) Nathan Burk, Director and Senior Consultant with Asset Consulting Group (ACG); ACG has served as independent advisor for BWL's DB & VEBA Plans since 2017. Mr. Burk assists BWL with investment allocation, evaluation of investment managers, reporting of investment performance, and investment policy statements. As a Chartered Financial Analyst (CFA) with over 20 years of investment industry experience, Mr. Burk is well versed regarding DB & VEBA investments.
- 2) Mark Miller, Founder and Principal Consultant with Benassist Retirement Consulting, LLC; Mr. Miller provides actuarial services for the DB & VEBA Plans since 2018. He also assists with required filings for the State of Michigan and performs calculations for DB employee benefits at retirement. As an expert with over 38 years of actuarial experience, Mark is also well versed regarding the actuarial reports for the DB & VEBA Plans.

- 3) Justin Cohen, CFP, CPA, Financial Advisor/Relationship Manager with CAPTRUST; CAPTRUST assists with fund line up selection and monitoring, investment performance reporting, fee benchmarking and fiduciary compliance for the DC plans. Mr. Cohen is both a NAPA Certified Plan Fiduciary Advisor (CPFA™) and a CERTIFIED FINANCIAL PLANNER™.
- 4) Michael Burkhart, Executive Relationship Manager with Nationwide Retirement Solutions; Mr. Burkhart is responsible for maintaining relationships with Nationwide's largest governmental plan sponsor clients in the Central and West regions. Nationwide became the administrator and recordkeeper for BWL's 401 and 457 Plans in 2021. In addition to maintaining DC investment accounts, Nationwide provides BWL employees and retirees with personalized resources for meeting financial goals. Mr. Burkhart has been with Nationwide for over 31 years and is well versed regarding the range of services which Nationwide provides to participants.

Mr. Nathan Burk gave a capital market update for FY2025. Markets were a risk environment with the cutting of interest rates and inflation. U.S. equities are up by about 15%, equities outside of the U.S. are up about 17%, and bonds were up about 6%. The current asset allocation for the DB Plan is 45% equity, 50% fixed income, and 5% private real estate, had an expected 6% return, and a 9.5% return was realized. The current asset allocation for the VEBA Plan is 60% equity, 25% fixed income, and 15% private real estate, had an expected 6.5% return, and a 10% return was realized. The investment fees are below or near the median manager fees when compared to similar structured plans in the industry.

Mr. Mark Miller spoke about the actuarial work for the DB and VEBA plans funding. The assets as of 07/01/2025 for the DB Plan are \$48 million, the liability is \$39.3 million with an excess funding of \$8.7 million and the funded ratio is 122% compared to last year of 115%. The liability was \$48.5 million last year. The average funding for DB plans for Michigan is 72% and BWL far exceeds that and ranks in the top 4%. The assets as of 07/01/2025 for the VEBA Plan are \$268.4 million, the liability is \$188 million with an excess funding of \$80.4 million and the funded ratio is 143% compared to last year of 150%. The assets went up from \$253 million to \$268 million, but offsetting that was the increase in liability from \$168 million to \$188 million as Medicare premiums increased in the marketplace. The average funding for VEBA plans for Michigan is 49% and BWL far exceeds that and ranks in the top 14%.

Mr. Justin Cohen spoke about the roles of CAPTRUST in investment management, fiduciary process, plan fees, and participant choices for the 401(a) and 457(b) plans. As of September 30, 2025 the combined total assets of the 401(a) plans were just over \$239.3 million and the 457(b) plan was right above \$170.7 million. These plans are defined contribution plans where the RPC is responsible for selecting and monitoring the investment options and the participants are responsible for allocating their accounts according to their goals. Administrative costs and recordkeeping costs remain low. The all in fee is around 0.21% which is very competitive.

Mr. Michael Burkhart provided information about the retirement services that Nationwide furnishes. Nationwide provides the daily record keeping for the plans in participant's account balances, transaction processing, and customer service through a call center. Group education, workshops, and individual consultations are provided through a local service representative, Ken Kelbel. A custom BWL website has online educational content at mybwlretirement.com. Nationwide also provides retirement planning tools, advisory services through a financial planner, and managed account solutions. Nationwide also provides a Retirement Resource Group which is available by phone, My Income Planner, My Investment Planner, and Retirement Income Builder.

Commissioner Harkins commented that to be at 120%+ for the DB Plan is excellent.

Commissioner Schrader thanked Mr. Burkhart as it is very important for people in retirement age to have a consult person.

RESOLUTION #2025-11-01

**ACCEPTANCE OF 2025 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 Trustee Sandra Zerkle, **Seconded** by Trustee Semone James, to approve the Resolution for the Acceptance of 2025 Audited Financial Statements for Defined Benefit Pension Plan, Defined Contribution Pension Plan, and Retiree Benefit Plan at a Board meeting held on November 18, 2025.

Action: Motion Carried.

Other

Motion By Commissioner Semone James, **Seconded** by Commissioner Chris Harkins for excused absences this evening for Commissioners Beth Graham and DeShon Leek.

Adjourn

There being no further business, the Pension Fund Trustees meeting adjourned at 5:26 p.m.

Respectfully Submitted,
David Price, Chairperson
Pension Fund Trustees Committee

Approved by the Trustees on November __, 2026

Regular Board Meeting Minutes
November 18, 2025
Page 15 of 33

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 2025-11-02

2026 – 2029 Energy Optimization Plan

WHEREAS, the Clean and Renewable Energy and Energy Waste Reduction Act, 295 PA 2008 (PA 295), established Michigan's first energy efficiency standard – 1% energy savings through energy efficiency programs, as a percentage of retail sales, year after year until 2021; and

WHEREAS, PA 295 was amended by 2023 PA 229 (PA 229), which increased Michigan's energy efficiency standards to 1.5% energy savings through energy waste reduction programs and optional electrification programs, as a percentage of retail sales, beginning in 2026 and mandates each municipal utility obtain governing body review and approval of the energy optimization plan before submission to the Michigan Public Service Commission (MPSC); and

WHEREAS, the Michigan Public Power Association (MPPA) has offered to jointly file all energy optimization plans on behalf of Michigan municipal utilities on or before December 31, 2025 with the MPSC; and

WHEREAS, the proposed 2026 - 2029 Energy Optimization Plan, attached as Attachment A, was presented by management to the Committee of the Whole on November 6, 2025, and the Committee voted to recommend approval by the Board at the November 18, 2025 board meeting.

THEREFORE, it is:

RESOLVED, that the Board approves the 2026 - 2029 Energy Optimization Plan for submission to MPPA for inclusion in the joint filing with the MPSC to comply with PA 229 for 2026.

Motion by Commissioner Beth Graham, **Seconded** by Commissioner Semone James, to approve the Resolution for 2026 - 2029 Energy Optimization Plan at a Board meeting held on November 18, 2025.

Action: Motion Carried.

RESOLUTION 2025-11-03
Adoption of the First Amendment to the Cafeteria Plan Resolution

WHEREAS, the Lansing Board of Water and Light (“BWL”) maintains the Lansing Board of Water and Light Cafeteria Plan (“Cafeteria Plan”) for the benefit of certain employees and retirees; and

WHEREAS, the BWL desires to amend the Cafeteria Plan to add a new Health Savings Account (“HSA”) feature to the Cafeteria Plan and to allow eligible employees to make pre-tax HSA contributions through payroll and to receive HSA contributions from the BWL effective as of January 1, 2026.

THEREFORE, it is:

RESOLVED, that the First Amendment to the Cafeteria Plan effective as of January 1, 2026 is hereby approved and adopted; and

FURTHER RESOLVED, that the officers of the BWL, and their designee(s), are hereby authorized and directed to take such actions and to implement and execute such documents and instruments (including the amendment referenced above as well as ancillary documentation) as necessary or desirable to effectuate the intent of this resolution.

Motion by Commissioner Chris Harkins, **Seconded** by Commissioner Beth Graham to approve and adopt the First Amendment to the Cafeteria Plan at a Board meeting held on November 18, 2025.

Action: Motion Carried.

RESOLUTION 2025-11-04
Regular Board Meeting Schedule 2026

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 2026 as follows, unless otherwise notified or as a result of date conflicts with rescheduled City Council meetings:

2026
Lansing Board of Water & Light Board of Commissioners
Regular Board Meeting Schedule

Tuesday	January 27
Tuesday	March 24
Tuesday	May 19

Tuesday	July 28
Tuesday	September 22
Tuesday	November 17

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, 2026.

Motion by Commissioner Beth Graham, **Seconded** by Commissioner Tony Mullen, to approve the 2026 Regular Board Meeting Schedule at a Board meeting held on November 18, 2025.

Action: Motion Carried.

RESOLUTION 2025-11-05
FY2025 Audited Financial Statement of the Enterprise Fund
& Pension Fiduciary Funds Resolution

RESOLVED, that the fiscal year 2025 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 2025 Audited Financial Statements of the Board of Water and Light with the City of Lansing no later than November 2025.

Motion by Commissioner Semone James, **Seconded** by Commissioner Dale Schrader, to approve the Resolution for the acceptance of the Fiscal Year 2025 Audited Financial Statements of the Enterprise Fund and Pension Fiduciary Funds at a Board meeting held on November 18, 2025.

Action: Motion Carried.

RESOLUTION 2025-11-06
Lansing Board of Water and Light
FOURTH SUPPLEMENTAL UTILITY SYSTEM REVENUE BOND RESOLUTION

A RESOLUTION TO AUTHORIZE:

- 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 2017A Bonds, the Series 2019A Bonds and the Series 2019B Bonds;
- Chief Financial Officer to sell Utility System Revenue Refunding Bonds without further resolution;
- Other matters relative to issuance, sale and delivery of the 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, including by this Fourth Supplemental Resolution, the "Bond Resolution"), and all terms not defined herein shall have the meanings set forth in the Bond Resolution; 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 2017A, dated February 15, 2017 (the "Series 2017A Bonds"), the Utility System Revenue Bonds, Series 2019A, dated June 25, 2019 (the "Series 2019A Bonds"), the Utility System Revenue Refunding Bonds, Series 2019B (Federally Taxable), dated December 19, 2019 (the "Series 2019B Bonds") and the Utility System Revenue Bonds, Series 2021B (Mandatory Put Bonds), dated January 26, 2021 (the "Series 2021B Bonds," together with the Series 2017A Bonds, the Series 2019A Bonds and the Series 2019B Bonds, the "Prior Bonds") through the issuance of one or more series of refunding bonds in an aggregate principal amount of not-to-exceed \$340,000,000 (the "Refunding Bonds" or the "Series 2026 Bonds"); and

WHEREAS, the Municipal Advisor has advised the Board, and the Board has determined, 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 2017A Bonds, the Series 2019A Bonds and the Series 2019B Bonds to tender such bonds to the Board (the "Invitation") for repurchase, cancellation or private purchase (such Series 2017A Bonds, Series 2019A Bonds and 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 2026 Bonds, the Board wishes to authorize the Chief Financial Officer to sell the Series 2026 Bonds at a 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 Fourth 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) "Assistant General Manager" means the Board's Assistant General Manager.
- (c) "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 as supplemented on November 19, 2019, July 20, 2023, and November 14, 2023, and by this Fourth Supplemental Resolution, and any other resolution which amends or supplements the Bond Resolution.
- (d) "Bonds" or "Senior Lien Bonds" means the outstanding portion of the Board's Series 2017A Bonds, Series 2019A Bonds, Series 2019B Bonds, Utility System Revenue Bonds, Series 2021A, dated January 26, 2021, Series 2021B Bonds, Utility System Revenue and Revenue Refunding Bonds, Series 2024A, dated January 31, 2024, Series 2026 Bonds, and any Additional Bonds of equal standing hereafter issued.
- (d) "Chief Financial Officer" means the Board's Chief Financial Officer.
- (e) "Escrow Agreement" means, for purposes of this Fourth Supplemental Resolution, one or more escrow agreements described in this Fourth Supplemental Resolution to provide for payment of principal of and interest on the Prior Bonds being refunded.
- (f) "Escrow Fund" means, for purposes of this Fourth Supplemental Resolution, one or more escrow funds established pursuant to the Escrow Agreement to hold the cash and investments necessary to provide for payment of principal of and interest on the Prior Bonds being refunded.
- (g) "Fourth Supplemental Resolution" means this Fourth Supplemental Utility System Revenue Bond Resolution.

- (h) "Prior Bonds" means, for purposes of this Fourth Supplemental Resolution, the Series 2017A Bonds, the Series 2019A Bonds, the Series 2019B Bonds and the Series 2021B Bonds.
- (i) "Refunding Bonds" means, for purposes of this Fourth Supplemental Resolution, the Series 2026 Bonds, and all or any series of refunding bonds issued as Additional Bonds pursuant to this Fourth Supplemental Resolution.
- (j) "Series 2026 Bonds" means the Refunding Bonds issued in one or more series pursuant to this Fourth 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.

Section 2. Conditions Permitting Issuance of Additional Bonds. Pursuant to Section 24(b) of the Bond Resolution, the Board hereby determines that the Series 2026 Bonds shall be issued as Additional Bonds that are Senior Lien Bonds of equal standing and priority of lien with the Outstanding Bonds only if, after giving effect to the refunding of the Prior Bonds, the maximum amount of Aggregate Debt Service in each future fiscal year shall be less than the Aggregate Debt Service in each future fiscal year prior to giving effect to the refunding.

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 3. Refunding Bonds Authorized. 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 Three Hundred Forty Million Dollars (\$340,000,000), 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 2026" 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.

The Series 2026 Bonds shall be payable solely out of the Net Revenues of the System, and the City Council of the City shall not be requested to pledge the full faith and credit of the City for payment of the Series 2026 Bonds. The Series 2026 Bonds shall be sold and the proceeds applied in accordance with the provisions of Act 94.

Section 4. Series 2026 Bond Details. The Series 2026 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 2026 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 2026 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 2026 Bonds.

The Series 2026 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 2026 Bonds.

The Series 2026 Bonds shall bear interest at a rate or rates to be determined on sale thereof, payable on July 1, 2026, or such other date as provided at the time of sale of the Series 2026 Bonds, and semi-annually thereafter on January 1st and July 1st of each year.

The Series 2026 Bonds shall be executed by the manual or facsimile signature of the Chairperson and the Corporate Secretary of the Board. No Series 2026 Bond shall be valid until authenticated by an authorized representative of the Transfer Agent. The Series 2026 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 2026 Bonds.

Section 5. 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 2026 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 2026 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 2026 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 2026 Bonds in book-entry-only form and to make such changes in the form of the Series 2026 Bonds within the parameters of this resolution as may be required to accomplish the foregoing. Notwithstanding the foregoing, if the Series 2026 Bonds are held in book-entry-only form by DTC, payment of principal of and interest on the Series 2026 Bonds shall be made in the manner prescribed by DTC.

The Series 2026 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 6. 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 Board. 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 he 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 2026 Bonds and the costs of refunding the Prior Bonds and of purchasing the Repurchased 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 7. Bond Form. The Series 2026 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 2026 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 REFUNDING BOND, [SERIES] [FEDERALLY TAXABLE]

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
----------------------	-------------------------	-------------------------------	--------------

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 2017A, the Utility System Revenue Bonds, Series 2019A, the Utility System Revenue Refunding Bonds, Series 2019B (Federally Taxable), the Utility System Revenue Bonds, Series 2021A, the Utility System Revenue Bonds, Series 2021B (Mandatory Put Bonds) and the Utility System Revenue and Revenue Refunding Bonds, Series 2024A.

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 [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 Fourth 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 8. Municipal Advisor. The Board hereby requests that PFM Financial Advisors, LLC continue to serve the Board as Municipal Advisor for the Series 2026 Bonds.

Section 9. 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 2026 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 2026 Bonds.

Section 10. Tax Covenant. Any series of Series 2026 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 2026 Bonds pursuant to the Internal Revenue Code of 1986, as amended, in such a manner as to cause such tax-exempt Series 2026 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 2026 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 2026 Bonds.

Section 11. 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 2026 Bonds by negotiated sale in order to enable the Board to select and adjust terms for the Series 2026 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 2026 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 2026 Bonds shall be paid from the proceeds of the Series 2026 Bonds, if issued, except as may be otherwise provided in the Bond Purchase Agreement for Series 2026 Bonds.

Section 12. 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 13. Official Statement. The Chief Financial Officer is authorized to approve circulation of a Preliminary Official Statement describing the Series 2026 Bonds and, after sale of the Series 2026 Bonds, to prepare, execute and deliver a final Official Statement.

Section 14. Continuing Disclosure. The Chief Financial Officer is hereby authorized to execute and deliver, prior to delivery of the Series 2026 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 he shall, in consultation with bond counsel, determine to be appropriate.

Section 15. Sale of Series 2026 Bonds. The Chief Financial Officer is authorized, in consultation with the Municipal Advisor, to accept an offer to purchase the Series 2026 Bonds without further resolution of this Board. This authorization includes, but is not limited to, determination of original principal amount of the Series 2026 Bonds; the prices at which the Series 2026 Bonds are sold; the date of the Series 2026 Bonds; the schedule of principal maturities and whether the Series 2026 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 2026 Bonds; application of the proceeds of the Series 2026 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 2026 Bonds. Approval of the matters delegated to the Chief Financial Officer under this resolution may be evidenced by the Chief Financial Officer's execution of the Bond Purchase Agreement for the

Series 2026 Bonds or other offer to purchase the Series 2026 Bonds, or Sale Order, or the Official Statement.

The maximum interest rate on the Series 2026 Bonds shall not exceed 5.5%. The first maturity of principal on the Series 2026 Bonds shall occur no earlier than July 1, 2026. The Refunding Bonds shall not be sold unless there shall be net present value savings after payment of costs of issuance of the Series 2026 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 16. Verification Agent. The Chief Financial Officer is hereby authorized, at the Chief Financial Officer's 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 17. Tender Agent and Solicitation to Tender the Series 2017A Bonds, the Series 2019A Bonds and the 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 2017A Bonds, the Series 2019A Bonds and 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 18. 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 Assistant General Manager 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 2026 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, underwriter counsel fees, costs of printing the preliminary and

final official statements, and any other costs necessary to accomplish sale and delivery of the Series 2026 Bonds.

Section 19. 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 2026 Bonds issued pursuant to provisions of this resolution, such provisions of the Bond Resolution being made applicable to the Series 2026 Bonds.

Section 20. Conflicting Resolutions. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

Section 21. 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 22. 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 23. 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 18, 2025, 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: Commissioners Beth Graham, Chris Harkins, Semone James, Tony Mullen, David Price, Dale Schrader, and Sandra Zerkle. Non-Voting Commissioners present: Commissioner Brian Ross (DeWitt Township), and Commissioner Robert Worthy (Delta Township) and that the following Commissioners were absent Commissioner DeShon Leek and Non-Voting Commissioner J. R. Beauboeuf (East Lansing).

We further certify that Commissioner Semone James moved adoption of said resolution, and that said motion was supported by Commissioner Dale Schrader.

We further certify that the following Commissioners voted for adoption of said resolution: Commissioners Beth Graham, Chris Harkins, Semone James, Tony Mullen, David Price, Dale Schrader, and Sandra Zerkle; and that the following Commissioners voted against adoption of said resolution: None.

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 2025-11-07

Acknowledgement of the Acceptance of 2025 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 Tony Mullen, **Seconded** by Dale Schrader, to acknowledge the Resolution for the Acceptance of FY 2025 Audited Financial Statements for Defined Benefit Pension Plan, Defined Contribution Pension Plan, and Retiree Benefit Plan at a Board meeting held on November 18, 2025.

Action: Motion Carried.

MANAGER'S REMARKS

General Manager (GM) Dick Peffley gave the following remarks.

1. A Resource Fair was held on October 21, 2025 at Foster Community Center and approximately 200 people attended.
2. The United Way Campaign Kickoff for employees was held and \$1,000 was raised at the first meeting.
3. The annual Veteran's Day celebration was held on November 12, 2025 at the REO Depot and it was well attended. The Glen Erin Pipe Band performed and GM Peffley thanked the Commissioners that were able to attend.
4. The Career in Energy Week for students in middle and high schools was held on October 23-24, 2025 and over 200 students attended.

COMMISSIONERS' REMARKS

Commissioner Schrader commented on the removal from the agenda of the resolution for the special electric service contracts for large load customers. Commissioner Schrader stated that it is how it is supposed to work when citizens speak to the Commissioners, then the Commissioners speak and if something isn't understood completely the resolution can't be passed. Commissioner Schrader stated that he is proud how it worked as Commissioners are citizens of the city of Lansing and care about the public.

Commissioner Harkins commented on the removal from the agenda of the resolution for the special electric service contracts for large load customers. Commissioner Harkins stated that he appreciated the public feedback, that it was taken to heart, communicated about, and they will continue with transparency with these processes.

Commissioner Mullen spoke about the community resource fairs and federal government funding for home heating shutoffs because of the government shutdown. Commissioner Mullen stated that GM Peffley gave assurance that there is money available for the citizens of Lansing to pay their bills this winter and said that he would like all citizens to know that if they are having trouble paying their power bill they can call BWL to help them keep their power on.

Commissioner Price thanked the League of Women Voters for their organization and communication with the Board and Management which resulted in the resolution being removed from the agenda.

Commissioner James thanked GM Peffley and his staff for an excellent year in storm responses, community service, retirement planning, and taking care of the best interest of customers, and BWL, and the city. Commissioner James added that she had received several calls about the large load customers resolution and applauded the outcome of the removal of the resolution from the agenda.

PUBLIC COMMENTS

Elaine Fischoff, Lansing, MI, thanked the Board for answers to her questions about the data centers and large load customers resolution, for the meeting with Mark Matus, and for the withdrawal of the resolution for the special electric service contracts for large load customers.

Linda Keefe, Lansing, MI, spoke about concerns of the accuracy of the Smartmeters and would like an investigation conducted and a remedy provided.

Katherine Alaimo, Lansing, MI, Capital Area Friend of the Environment (CAFÉ), spoke in favor of the resolution for the large load customers and data centers being removed from the agenda. Ms. Alaimo stated that CAFE had concerns about data centers, requested that taking public feedback is continued, and that data center contracts are reviewed, modified or rejected so that Commissioners have adequate oversight with input from members of the public. Ms. Alaimo also commented on the benefits and negative impacts of different types of energy. Ms. Alaimo

requested an adoption of community benefit agreements for all new large public and private infrastructure developments and asked the BWL to partner with the city of Lansing to develop a community benefit ordinance. The delivery of specific benefits would be quantified and legally bound for all participants in the agreements.

Morgan Quinney-Naval, Lansing, MI spoke about receiving only one utility bill notice before shut off and would like BWL policy updated to provide additional notice.

MOTION OF EXCUSED ABSENCE

Motion by Commissioner Tony Mullen, **Seconded** by Commissioner Beth Graham for an excused absence this evening for Commissioner DeShon Leek.

Action: Motion Carried.

ADJOURNMENT

Chairperson David Price adjourned the meeting at 6:00 p.m.

LaVella J. Todd, Corporate Secretary
Preliminary Minutes filed (electronically) with Lansing City Clerk 11-__-25
Approved by the Board of Commissioners: 01-__-26
Official Minutes filed (electronically) with Lansing City Clerk: 01-__-26

Chairperson David Price presented the Pension Fund Trustees Meeting Report:


LANSING BOARD OF WATER & LIGHT
PENSION FUND TRUSTEES MEETING MINUTES
November 18, 2025

The Pension Fund Trustees of the Lansing Board of Water & Light (BWL) met at the BWL Headquarters in the REO Town Depot located at 1201 S. Washington Ave., Lansing, MI at 5:00 P.M. on Tuesday, November 18, 2025.

Trustee and Board Chairperson David Price called the meeting to order at 5:00 p.m.

Corporate Secretary LaVella Todd called the Roll:

The following Trustees were present: Chris Harkins (arrived @ 5:02 pm), Semone James, Tony Mullen, David Price, Dale Schrader, and Sandra Zerkle. Also present: Non-Voting Commissioner Robert Worthy (Delta Township) and Brian Ross (DeWitt Township) (arrived @5:12 pm)

Absent: Commissioners Beth Graham and DeShon Leek

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Trustee Semone James and **Seconded** by Trustee Dale Schrader to approve the minutes from the November 19, 2024 Pension Fund Trustees Meeting.

Action: Motion Carried.

Pension Fund

Chief Financial Officer Scott Taylor provided information on the Retirement Planning Committee and then introduced the financial advisory panel. The Panel provided financial plan information.

- 1) Nathan Burk, Director and Senior Consultant with Asset Consulting Group (ACG); ACG has served as independent advisor for BWL's DB & VEBA Plans since 2017. Mr. Burk assists BWL with investment allocation, evaluation of investment managers, reporting of investment performance, and investment policy statements. As a Chartered Financial Analyst (CFA) with over 20 years of investment industry experience, Mr. Burk is well versed regarding DB & VEBA investments.
- 2) Mark Miller, Founder and Principal Consultant with Benassist Retirement Consulting, LLC; Mr. Miller provides actuarial services for the DB & VEBA Plans since 2018. He also assists with required filings for the State of Michigan and performs calculations for DB employee benefits at retirement. As an expert with over 38 years of actuarial experience, Mark is also well versed regarding the actuarial reports for the DB & VEBA Plans.

- 3) Justin Cohen, CFP, CPA, Financial Advisor/Relationship Manager with CAPTRUST; CAPTRUST assists with fund line up selection and monitoring, investment performance reporting, fee benchmarking and fiduciary compliance for the DC plans. Mr. Cohen is both a NAPA Certified Plan Fiduciary Advisor (CPFA™) and a CERTIFIED FINANCIAL PLANNER™.
- 4) Michael Burkhart, Executive Relationship Manager with Nationwide Retirement Solutions; Mr. Burkhart is responsible for maintaining relationships with Nationwide's largest governmental plan sponsor clients in the Central and West regions. Nationwide became the administrator and recordkeeper for BWL's 401 and 457 Plans in 2021. In addition to maintaining DC investment accounts, Nationwide provides BWL employees and retirees with personalized resources for meeting financial goals. Mr. Burkhart has been with Nationwide for over 31 years and is well versed regarding the range of services which Nationwide provides to participants.

Mr. Nathan Burk gave a capital market update for FY2025. Markets were a risk environment with the cutting of interest rates and inflation. U.S. equities are up by about 15%, equities outside of the U.S. are up about 17%, and bonds were up about 6%. The current asset allocation for the DB Plan is 45% equity, 50% fixed income, and 5% private real estate, had an expected 6% return, and a 9.5% return was realized. The current asset allocation for the VEBA Plan is 60% equity, 25% fixed income, and 15% private real estate, had an expected 6.5% return, and a 10% return was realized. The investment fees are below or near the median manager fees when compared to similar structured plans in the industry.

Mr. Mark Miller spoke about the actuarial work for the DB and VEBA plans funding. The assets as of 07/01/2025 for the DB Plan are \$48 million, the liability is \$39.3 million with an excess funding of \$8.7 million and the funded ratio is 122% compared to last year of 115%. The liability was \$48.5 million last year. The average funding for DB plans for Michigan is 72% and BWL far exceeds that and ranks in the top 4%. The assets as of 07/01/2025 for the VEBA Plan are \$268.4 million, the liability is \$188 million with an excess funding of \$80.4 million and the funded ratio is 143% compared to last year of 150%. The assets went up from \$253 million to \$268 million, but offsetting that was the increase in liability from \$168 million to \$188 million as Medicare premiums increased in the marketplace. The average funding for VEBA plans for Michigan is 49% and BWL far exceeds that and ranks in the top 14%.

Mr. Justin Cohen spoke about the roles of CAPTRUST in investment management, fiduciary process, plan fees, and participant choices for the 401(a) and 457(b) plans. As of September 30, 2025 the combined total assets of the 401(a) plans were just over \$239.3 million and the 457(b) plan was right above \$170.7 million. These plans are defined contribution plans where the RPC is responsible for selecting and monitoring the investment options and the participants are responsible for allocating their accounts according to their goals. Administrative costs and recordkeeping costs remain low. The all in fee is around 0.21% which is very competitive.

Mr. Michael Burkhart provided information about the retirement services that Nationwide furnishes. Nationwide provides the daily record keeping for the plans in participant's account balances, transaction processing, and customer service through a call center. Group education, workshops, and individual consultations are provided through a local service representative, Ken Kelbel. A custom BWL website has online educational content at mybwlretirement.com. Nationwide also provides retirement planning tools, advisory services through a financial

planner, and managed account solutions. Nationwide also provides a Retirement Resource Group which is available by phone, My Income Planner, My Investment Planner, and Retirement Income Builder.

Commissioner Harkins commented that to be at 120%+ for the DB Plan is excellent.

Commissioner Schrader thanked Mr. Burkhart as it is very important for people in retirement age to have a consult person.

RESOLUTION #2025-11-01

ACCEPTANCE OF 2025 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 Trustee Sandra Zerkle, **Seconded** by Trustee Semone James, to approve the Resolution for the Acceptance of 2025 Audited Financial Statements for Defined Benefit Pension Plan, Defined Contribution Pension Plan, and Retiree Benefit Plan at a Board meeting held on November 18, 2025.

Action: Motion Carried.

Other

Motion By Commissioner Semone James, **Seconded** by Commissioner Chris Harkins for excused absences this evening for Commissioners Beth Graham and DeShon Leek.

Adjourn

There being no further business, the Pension Fund Trustees meeting adjourned at 5:26 p.m.

Approved by the Trustees on November __, 2026

Submitted on Wed, 11/19/2025 - 8:49 AM

Submitted by: Anonymous

Submitted values are:

Select a Commissioner:

All Commissioners

Name

Kathleen Snyder

Street Address

Holt, Michigan

Message

You must ensure a transparent and inclusive process when discussing data centers. There are too many potential effects on local communities to cut citizens out of the process. Put the community first

Submitted on Fri, 11/21/2025 - 9:42 AM

Submitted by: Anonymous

Submitted values are:

Select a Commissioner:

All Commissioners

Name

Marshall Clabeaux

Street Address

Lansing, Michigan

Message

No AI Data centers. We are struggling to meet our clean energy goals as they stand. Bringing on MW of new demand will make these goals nearly impossible. We don't know the adverse effects of these centers. Looking at the noise alone, we don't know the effects on human health, animal well-being, migratory patterns and insect reproduction. The rush for a first of its kind project brings immense risk. At a time with so many BWL ratepayers struggling we cannot risk a stranded asset for a technology whose bubble appears to be inflated by the billionaire class who is profiting from the centers. Please give the public a fair and transparent process. We need to know the electricity rate pricing, the water holding and discharge amounts & regulatory procedures, plans to meet demand with clean energy and ultimately we need a binding community benefits agreement that involves stringent regulation and accountability. Please deny this center until we better know the effects financially, ecologically and medically. Thank you.

Submitted on Tue, 11/18/2025 - 10:41 AM

Submitted by: Anonymous

Submitted values are:

Select a Commissioner:

Semone James

Name

Shureen Trudeau

Street Address

Lansing, Michigan

Message

Hi I need to speak to someone regarding actions by BWL. I can be reached at [REDACTED]

or [REDACTED]. Thank you for your time.

Submitted on Tue, 11/18/2025 - 3:21 PM

Submitted by: Anonymous

Submitted values are:

Select a Commissioner:

Beth Graham

Name

Marilyn McKenzie

Street Address

Lansing , Michigan

Message

Do not give up boards right to oversee data centers.

Submitted on Wed, 01/14/2026 - 1:37 PM

Submitted by: Anonymous

Submitted values are:

Select a Commissioner:

All Commissioners

Name

Elaine D Fischhoff

Street Address

Lansing, Michigan

Message

FYI:

Across the country, new data centers and fossil fuel projects are being built with very little attention to the health of the people living nearby. Many communities are only hearing about “innovation,” “jobs,” and “digital infrastructure” – not about the pollution and health risks that come with it.

This week's webinar is a chance to hear directly from researchers at Boston University who are mapping those health impacts and connecting them to the rapid expansion of data centers and other fossil fuel infrastructure.

→ Learn more and register [here](#)

Hidden in Plain Sight: Public Health Risks from Fossil Fuel Infrastructure and Data Center Expansion

Date: Thursday, January 15, 2026

Data centers and cryptocurrency mining facilities demand enormous amounts of energy, often supplied by fossil fuel infrastructure that puts nearby communities at greater risk. At the same time, regulators and companies rarely acknowledge these health impacts, treating each facility as if it exists in isolation.

In this webinar, researchers from Boston University will share new findings on how fossil fuel infrastructure and data center expansion are concentrating health risks, who is most affected, and what this means for communities and campaigns on the ground.

Featured Speakers

Jonathan Buonocore, Boston University

Mary Willis, Boston University

Moderated by Elissa Yoder, Halt the Harm Network

[Register Here](#)

About these webinars

HHN regularly partners with leaders in the network to host webinars. If there's a topic or a campaign that you're working on and you want to request or partner with us on a webinar event, please reply!

This particular topic is part of the Bad Data Centers project, which has its own series of meetups and resources being assembled. Also reply if you're interested in getting looped into those. But we'll be sharing more details during this event as well.

Whether you are already fighting a data center or fossil fuel project, or you are just starting to see these proposals in your area, this session will help you connect the dots between energy, infrastructure, and public health.

→ [Click here to see all the details and register](#)

Can't make it live?

If you cannot attend at 12pm ET, please register anyway. We'll send the recording and resources to everyone who signs up, along with ways to use this research in your own organizing.

Looking forward to seeing you there,

Elissa Yoder

Halt the Harm Network

Elissa Yoder

Organizing Fellow, Halt the Harm Network

[View Profile](#)

Submitted on Thu, 01/22/2026 - 7:54 AM

Submitted by: Anonymous

Submitted values are:

Select a Commissioner:

All Commissioners

Name

Kara Peruchietti

Street Address

Lansing, Michigan

Message

I know you don't care about the people of Lansing but what happened yesterday isn't ok. Originally, your company made contact to replace my meter. I asked for the reasoning in writing by phone and email and never got a response. I called to set an appointment. I got no reminder over the next month. No notice about any fee attached to this appt. I got called into work in a way that was impossible to avoid. I reached out through the chat feature online since you don't take phone calls on Saturdays, when the appt was. I never heard anything since. I got billed \$90 mid billing cycle, no due date, seemingly about the meter. I then had someone knock on my door yesterday in the middle of the work day, and because I wasn't here with no prior notice of this appointment, they shut my water off. I came home from work at 11p and had no water and nobody to contact to help me. No reasoning was given. I thought my pipes froze up on me. I called this morning, after a 30 minute wait while your team was tardy, and they said they would show up to turn it on. They accused me of not being responsive on this issue which is not the case. I work during your call hours, sometimes even until midnight beyond them. I shouldn't neeed to work 8-5 to have water. You are legally required in MI to provide notice and make contact prior to shut off. Neither happened. This forces me to take legal action against a company I am forced to use for a service I need to survive. Tough situation. You need to do better. This is not how you treat people who pay your bills.

COMMITTEE REPORTS

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

COMMITTEE OF THE WHOLE Meeting Minutes January 13, 2026

The Committee of the Whole of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S Washington Ave., Lansing, MI, on Tuesday, January 13, 2026.

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
Absent: Commissioner Beth Graham

Corporate Secretary LaVella Todd declared a quorum.

Public Comments

Elaine Fischhoff spoke about her concerns for a data center in the City of Lansing, and about the need to be mindful of the recent order from the Michigan Public Service Commission regarding data centers, in reference to the Large Load Update agenda item.

Approval of Minutes

Motion by Commissioner David Price, **Seconded** by Commissioner Tony Mullen to approve the Committee of the Whole Meeting minutes of November 6, 2025.

Action: Motion carried. The minutes were approved.

Retirement Plan Committee (RPC) Update

Chief Financial Officer Scott Taylor presented the Retirement Plan Committee (RPC) update. A brief overview was provided on the following: Defined Benefit Plan (DB) and Voluntary Employee Benefit Administration Plan (VEBA) – nothing new to report; Defined Contribution 401(a) and Deferred Compensation 457(b) Plans – nothing new to report; Defined Benefit Plan (DB) and Voluntary Employee Benefit Administration Plan (VEBA) – VEBA only- based on sufficiency of funding and investment performance, the RPC approved the FY26 Q1 reimbursement from the VEBA Plan to BWL of \$2,532,748.00. The amount was calculated consistent with the terms of the Administrative Services Agreement (ASA).

Commissioner Zerkle asked what was the total amount transferred into the general fund from the Defined Benefit Plan last year? CFO Taylor stated approximately \$10,000,000 each year is paid in benefits, and for the last several years our measures have been met to fully reimburse that amount to the general fund. Commissioner Zerkle asked at what point do we start giving reimbursements to the general fund? CFO Taylor stated 125% funded status and hitting our target return is the requirement.

CFO Taylor continued with a brief overview of the Defined Contribution and Deferred Compensation Plans, forfeiture processing of the DC Plan 1 – fully and properly utilized the forfeiture balance for CY 2025 per the requirements. Additionally, at the November 2025 meeting, the RPC voted to approve an administrative procedure for managing forfeitures to ensure continued compliance with the plan and IRS requirements moving forward.

Large Load Update

General Manager, Dick Peffley presented a Large Load Update. GM Peffley stated some of the movement forward has slowed in some areas due to press coverage of large load customers before they go public GM Peffley stated we (BWL) continue to work with them, though it is still a challenge supplying their energy needs in the timeframe they want. We (BWL) have delivered proposals of what we can provide to them, and are now waiting for them to complete their approval process. GM Peffley stated, as a reminder, if the City or Township approves a development in our jurisdiction, then we are compelled to serve and set the parameters to ensure our customers are held harmless for any infrastructure costs.. There is no formal request to report to the Board at this time as the Board has already approved customer requirements in the Rules and Regulations. If the large load companies comply with the large load requirements, then an FYI will be submitted to the Board. If a special contract request is received from a customer, a rate deviation, as opposed to a contract, will be brought back to the Board.

Commissioner Zerkle asked how much water data centers use to keep instruments cooled? GM Peffley responded it depends on the size of a data center. Deep Green uses the amount equivalent to a fast-food restaurant.

Commissioner James asked if GM Peffley could explain to the Commissioners what a glycol is? GM Peffley stated glycol is similar to the anti-freeze in your car – the water heats then cools as it circulates with no water losses.

Commissioner Price asked if there were any kind of discharges related to glycol? GM Peffley responded that EGLE monitors very strict requirements for such discharges. Deep Green's design model does not discharge to the river or sewage system. The glycol systems are purged on a five-year basis typically, and the water is disposed of per the EGLE requirements; some of it is recycled and rejuvenated.

Commissioner James asked can we (BWL) make sure the community understands there will not be an excessive amount of use of water? GM Peffley responded, he speaks to that three to four

times a week to groups we meet with, explaining that we monitor the flow usage, and we are not seeing any request for large amounts of water.

Commissioner Zerkle asked GM Peffley to confirm that residential customers will be held harmless for this process and be not charged a different rate. GM Peffley stated the Executive Team expects rates to be lower than planned because of the economy of scale, benefitting residential customers. Since the large load customers are required to pay for infrastructure upgrades, should one of them go out of business, then we have modern infrastructure that's paid for.

Commissioner Harkins asked GM Peffley to explain what the process is should a customer decide to come to the BWL area, and the decision the Board gets to make to charge the customer. GM Peffley responded the way it works is if a customer complies with the City's zoning permitting, they can get a building permit, reach out to us as a utility, research our website for our rates, contact us and advise the rate they comply with, the application is submitted and moved on for further processing. GM Peffley added we have the ability to adjust the contract on certain customers we think could be high-risk to make sure we're held harmless.

Board Self-Evaluation Survey

Commissioner Zerkle shared an FYI regarding the upcoming Board Self-Evaluation Survey process scheduled to take this month in compliance with two-year cycle process established by the Board's Rules of Procedure. Corporate Secretary Todd supported Commissioner Zerkle stating the survey would be conducted under the direction of Chief Human Resources Officer, Michael Flowers.

Commissioner Mullen asked if we are voting now to start this process or will it come through the Human Resources (HR) Committee?

Commissioner Price stated there is no vote necessary, as the adopted governance policy states every two years we would conduct the survey. The last time (2024) it was facilitated by CHRO Michael Flowers and the HR Department because it not only goes to us, but it goes to other stakeholders.

Commissioner Zerkle added that as long as it's in our Rules of Procedures, there isn't a need for a vote. Commissioners will be receiving a questionnaire at the end of the month (January) with a deadline, and CHRO Michael Flowers will be handling it from there.

(Agenda items 5, 6 and 7 were combined)

Resolution Honoring Commissioner J. R. Beauboeuf

Resolution Honoring Commissioner Robert Worthy

Resolution Honoring Commissioner Brian Ross

Motion by Commissioner David Price, **Seconded** by Commissioner Semone James, to forward the Resolutions Honoring Commissioner J. R. Beauboeuf, Commissioner Robert Worthy and Commissioner Brian Ross to the full Board for consideration.

Action: Motion Carried.

Easement Grant to Lansing MI Ventures, LLC Resolution

GM Peffley introduced Deputy General Counsel Jason Hawkins who presented the Easement Grant to Lansing MI Ventures, LLC resolution. Deputy General Counsel Hawkins gave a brief overview of the requested resolution, stating the City Council will also receive a similar request and once all final approvals are received, then BWL will execute all necessary documents to effectuate the easement.

Commissioner Mullen asked why is the Committee voting on this resolution, as opposed to it being an executive decision made by the General Manager.

Commissioner Zerkle suggested that a vote was required because it is BWL's property at issue.

GM Peffley confirmed that the Commission has to approve this type of easement.

Commissioner Schrader asked if this was a unique easement.

Deputy General Counsel Hawkins said staff had been in consultation with the City Attorney's office, who also recommended going this route too because it's also going to their Council.

General Counsel Mark Matus further explained that when the BWL sells property, or an interest in it like an easement, then the City Charter requires us to follow this process.

Motion by Commissioner David Price, **Seconded** by Commissioner Tony Mullen, to forward the Easement Grant to Lansing MI, LLC Resolution to the full Board for consideration.

Action: Motion Carried.

Other

Motion by Commissioner Semone James, **Seconded** by Commissioner Dale Schrader, for excused absences for Commissioner Beth Graham.

Action: Motion Carried.

Adjourn

Chairperson Sandra Zerkle adjourned the meeting at 5:54 p.m.

Respectfully Submitted,
Sandra Zerkle, Chairperson
Committee of the Whole

Finance Committee Chairperson Dale Schrader presented the Finance Committee Meeting Report:

FINANCE COMMITTEE
Meeting Minutes
January 13, 2026

Finance Committee: Dale Schrader, Committee Chairperson; Beth Graham, Chris Harkins, David Price; Alternates: Semone James, Tony Mullen.

The Finance Committee of the Board of Water and Light (BWL) met at the BWL Headquarters – REO Town Depot, located at 1201 S. Washington Ave., Lansing, MI on Tuesday, January 13, 2026.

Finance Committee Chairperson Dale Schrader called the meeting to order at 6:00 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), DeSon Leek and Sandra Zerkle.
Absent: Beth Graham; Alternate: Tony Mullen

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 November 6, 2025.

Action: Motion Carried. The minutes were approved.

YTD Financial Summary

Chief Financial Officer (CFO) Scott Taylor gave a full overview of the Year-to-Date Financial Summary for November 2025 – FY26. CFO Taylor reported on Total Cash balances and Days Cash on Hand. Stated our AA- credit rating by S&P and Aa3 credit rating by Moody's was affirmed with updated credit rating reports. In addition, he shared an update on the upcoming Bond Issuance occurring this month that the most recently estimated issuance amount will be approximately \$112,000,000 million dollars with expected interest savings of over \$2,000,000. The YTD Financial Summary overview continued with an update on the Income Statement YTD; Budget Status YTD to include the O&M Budget YTD (excluding fuel) and Capital Budget YTD. CFO Taylor shared the \$14, 306, 147 million dollars Capital Improvement Plan (CIP) overage was attributed to an unbudgeted, unexpected overhaul required for Unit 3 at Delta Energy due to the risk of imminent failure and a similar overhaul will be required for Unit 2 at the same plant in the spring.

Commissioner Leek asked if that was a normal life cycle for Unit 3 and if so, is there a warrantee? GM Peffley responded the normal life cycle is 30,000 hours that can get deregulated each time there is a start-stop. The Units were getting close to running approximately 26, 000 hours and during inspection it was determined a piece was going to fail, which would have been catastrophic for the Unit, therefore the outage was pulled ahead. General Counsel Matus is working on the litigation with Siemens to recover the costs of the pull ahead to stay on budget with hope of wrapping up in 2026.

Commissioner Zerkle asked if the O&M budget money is what has been allocated for projects we already have? CFO Taylor responded, the O&M money is typically for the ongoing departmental spending we need to carry out our normal operations such as labor costs, material costs, outside services (for various services such as IT, licensing), and the Capital covers the large investments. CFO Taylor identified the Budget Status YTD report columns for clarification.

Commissioner Harkins congratulated CFO Taylor on maintaining the credit rating and asked if they also provide an outlook? CFO Taylor responded, yes – we have Stable outlook.

CFO Taylor continued with reporting on the status of the FY26 New Energy Budget and included an overview of a pause in the battery project and a Watertown Solar moratorium resulting in a projected underspend of about \$50,000,000 million dollars for the current fiscal year.

Commissioner Schrader asked about \$13,000,000 million dollars not spent on the Watertown Solar Project? GM Peffley responded following our purchase of the property, we received a Letter of Intent, we then filled a building permit to proceed, and then the Township shared their intent to place a six-month moratorium on the solar project. Asst GM Heather Shawa has been attending their meetings to voice our concerns. Although the individual who signed the Letter of Intent has been terminated, we still have a desire to build. Asst GM Shawa shared they revise the ordinance not allowing large solar projects, following \$16,000,000 million dollars invested in the project with rate payers' dollars.

Commissioner Schrader asked what were the Township's concerns? Asst GM Shawa responded, the properties that we purchased are the last remaining of their tax roll. GM Peffley added that he advised Asst GM Shawa to inform them of his intention that the land will not be sold.

CFO Taylor continued with reporting on the status of the capital Budget YTD to include an overview on anticipated grant dollars from the state of Michigan, FY26 Steam to Hot Water Budget and Return on Assets.

Commissioner James asked how much money are we receiving from the state of Michigan? CFO Taylor responded, about \$3.75 million dollars this month which is the amount we have remaining to receive of our \$5 million dollar grant.

CFO Taylor continued with reporting on the status our Ratios and Employee Data.

Bi-Annual Internal Audit Open Management Response Update

Commissioner Schader introduced Senior Internal Control Analyst Cody Rochefort to present the Bi-Annual Internal Audit Open Management Response Update. Mr. Rochefort presented an overview of open findings, expected dates of completion, and closed findings with dates of closure completion. The response update identified open findings and recommendations for Disaster Recovery, FY25 Payroll; and closed findings and recommendations for FY24 Rules and Regulations, P-Card Audit, PA95 Audit, Disaster Recovery and FY25 Payroll.

External Auditor RIP Bid Award

CFO Scott Taylor share a brief review of the external auditor review process that concluded resulting in the selection of Baker Tilly. For proper perception and assurance of independence, Commissioner David Price asked CFO Taylor to amend the resolution by inserting language noting that Baker Tilly will be required to change their lead auditor.

LBWL External Auditor Recommendation Resolution

Motion by Commissioner David Price, **Seconded** by Commissioner Chris Harkins, to forward the LBWL External Auditor Recommendation Resolution as amended to the full Board for action.

Action: Motion Carried.

Internal Audit Status Report

Director of Internal Audit(DIA) Elisha Franco presented the Internal Audit Status Report for January 2026 which included the Audit Update, Issue Status Update, the FY 2026 Audit Work Plan, and Other Items. The Institute of Internal Auditors recently released the Global Audit Committee Center and this new resource will provide guidance on governance and oversight over internal audit functions. More details and information shared by Internal Audit. DIA Franco stated preliminary business case results indicate the current structure and size of the Internal Audit Department should be expand its in-house by supplementing specialized needs with contracting advisory services as necessary to ensure the departmental office functioning can evolve alongside organization growth, provide needed risk coverage and to continue to deliver high-quality assurance and advisory services. A formal presentation will be provided at the March 2026 COW committee meeting. In addition, the Office of Internal Audit plans to work with management to evaluate the potential benefit of increasing the number of internal auditors in-house and the applicable implementations, with final decisions made by the Board of Commissioners.

Commissioner Harkins commented he appreciates the continued conversation around the IAA availability for us and the willingness to respond to documentation reformatting requests. He also stressed the issue of the use of in-house versus contracted services when looking at departmental budget.

Commissioner Harkins asked if DIA Franco experienced any staffing restraints by pulling the Billing Audit forward? DIA Franco responded, after conferring with management, and with audit assistance from Plante Moran, the department was able to handle the adjustment along with end-of-the-fiscal-year deadline reporting.

Commissioner Zerkle asked if it would be good to complete another follow-up on PA95? Asst GM Shawa stated she would be happy to provide a PA95 update at the next Finance Committee meeting. DIA Franco stated she would be happy to complete an independent verification on the PA95 update to confirm/validate management's numbers.

Commissioner Harkins commented the importance of keeping PA95 before us and suggested a management update first, and then an audit in a few years.

DIA Franco concluded her presentation with a recruitment update and professional development update stating she is actively working toward the completion of one remaining CIA certification tests, after completing two.

Commissioner Price asked GM Peffley, specifically, how large BWL has grown five years ago until now, as it relates to the review of the Internal Audit Departmental staff? GM Peffley responded, 10 years ago BWL was a \$500,000,000 million dollar company and now it has grown to \$2,000,000,000 billion dollars with a lot of growth the horizon.

Commissioner James asked DIA Franco what are you considering for the size of the department, what are you envisioning, as recently you have been hiring students as interns? DIA Franco responded, from the preliminary results we have researched for a company of our size, you're looking at a structure that usually has a director, manager, sometimes a supervisor, and usually two to three auditors. We're looking at most likely two or three more people. Currently, I have a part-time, co-op student and a temporary Administrative Assistant, so I'm looking at three to four auditors.

Commissioner James confirmed that staff total would be five or six FTEs? DIA Franco responded that a conclusion has not been reached yet but it could be possibly five to six FTEs.

Chairperson Schrader thanks DIA Franco for the work being done and shared he is looking forward to the environment compliance audit.

Other

There was no other business.

Adjourn

Chairperson Dale Schrader adjourned the meeting at 7:00 p.m.

Respectfully submitted,
Dale Schrader, Chairperson
Finance Committee

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

HUMAN RESOURCES COMMITTEE
Meeting Minutes
January 20, 2026

Human Resources (HR) Committee: Commissioner Tony Mullen, Committee Chairperson; Commissioners Semone James, DeShon Leek and Sandra Zerkle; Alternates: David Price, Chris Harkins.

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, January 20, 2026.

HR Committee Chairperson Tony Mullen called the meeting to order at 5:31 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, Alternate: Commissioner David Price; and Commissioner Beth Graham.

Absent: None.

The Corporate Secretary declared a quorum.

Public Comments

Joseph Davis, former IBEW representative, spoke about his more than one decade experience in the planning and processing of the Family Medical Care Plan (FMCP). Shared his support for the Plan, and extended an opportunity to individuals or groups to discuss any questions regarding the Plan with him. Stated he thinks the Plan will be good for the BWL, the employees and City of Lansing.

Dave Bradbury, Union Safety Director, spoke about the lengthy ratification process resulting in a union vote, the current lack of trust in management by union membership and recognition the union deserves due to the contract being settled.

Bob Kingsbury, BWL retiree, spoke about the concerns of the proposed health care package costs, the union leadership's search of a better alternative, and the negotiations resulting in an offer to the union bargaining unit being accepted. Encouraged approval of the contract agreed to by both sides.

Approval of Minutes

Motion by Commissioner DeShon Leek, **Seconded** by Commissioner Semone James, to approve the HR Committee meeting minutes of September 9, 2025.

Action: Motion Carried.

Collective Bargaining Agreement between the BWL & IBEW, AFL-CIO, Local 352

General Manager Peffley introduced Chief Human Resources Officer, Michael Flowers, who presented the Collective Bargaining Agreement (CBA) between BWL & IBEW, AFLO-CIO, Local 352. Prior to Mr. Flowers' presentation, GM Peffley shared his support of approving and moving the tentative CBA to full Board.

Commissioner Zerkle commented she appreciates GM Peffley for emailing all BWL employees to share his of the CBA.

Chief Human Resources Officer, Michael Flowers, thanked the Commissioners for allowing management to speak at the meeting regarding the Collective Bargaining Agreement (CBA) between BWL & IBEW, AFLO-CIO, Local 352, referenced the accompanying bullet-pointed document highlighting the non-economic and economic changes set forth in the CBA, and recommended the resolution be approved by the HR Committee to be moved to the full Board.

Commissioner Leek congratulated the union leadership and BWL management on the tentative agreement ratified by the membership with over 80% support, and stated he will support the CBA 100%.

Commissioner Mullen commented one of Commissioners' jobs is to make sure employees are satisfied with their positions and stated he will support the CBA.

Commissioner James congratulated the union leadership and BWL management for a job well done in ratifying the agreement.

Commissioner Price commented that he is not on this committee, so he does not have a vote, but he is chairperson of the Board, and is looking forward to the CBA being brought to the full Board next week where he will be voting in favor of it. Commissioner Price thanked everyone for their work and diligence.

Motion by Commissioner Sandra Zerkle, **Seconded** by Commissioner DeShon Leek to forward the Collective Bargaining Agreement between BWL & IBEW, AFLO-CIO, Local 352 resolution to the full Board for approval.

Action: Motion Carried.

Conduct Personnel Evaluation of An Appointee

Commissioner Tony Mullen opened the floor to Conduct Personnel Evaluation of an Appointee.

Director of Internal Audit, Elisha Franco

Director of Internal Audit (DIA), Elisha Franco requested a closed session for the purpose of conducting personnel evaluation of an appointee.

Motion by Commissioner Sandra Zerkle, seconded by Commissioner DeShon Leek to enter into closed session.

Yea: Commissioners Tony Mullen, Semone James, DeShon Leek and Sandra Zerkle.

Nays: None

Action: Motion carried.

All Commissioners present, Chief Human Resources Officer, Michael Flowers, and General Counsel, Mark Matus, were also requested to go into closed session.

The Human Resources Committee entered into closed session at 5:44 p.m.

Motion by Commissioner Tony Mullen, seconded by Commissioner Sandra Zerkle to reconvene to open session.

Roll Call Vote

Yea: Commissioners Tony Mullen, Semone James, DeShon Leek and Sandra Zerkle

Nays: None

Action: Motion carried.

The Human Resources Committee reconvened to open session at 6:17 p.m.

Upon conclusion of the closed session Chairperson Mullen presented a motion on the floor.

Motion by Commissioner Tony Mullen to extend the current contract of Director of Internal Audit, Elisha Franco to the end of the fiscal year, June 30, 2026 with no increase in salary, to allow her to successfully complete her CIA certification; should CIA certification be successfully achieved by June 30, 2026, the salary increase negotiated in the current contract will be granted, no second.

Action: Motion fails

Motion by Commissioner DeShon Leek to terminate the current employment contract of Director of Internal Audit, Elisha Franco, based on the unfulfilled CIA certification requirement, seconded by Commissioner Semone James.

Roll Call Vote

Yea: Commissioners, Semone James and DeShon Leek

Nays: Commissioners Tony Mullen and Sandra Zerkle

Action: Motion fails

Motion by Commissioner Semone James to extend the current employment contract of Director of Internal Audit, Elisha Franco, to the end of the fiscal year, June 30, 2026, however, the Human Resources Committee would begin a search for a new Director of Internal Audit during that time;

if CIA certification is successfully achieved, the search for a new Director of Internal Audit would be halted, no second.

Action: Motion fails.

Motion by Commissioner DeShon Leek that the Director of Internal Audit, Elisha Franco, be suspended without pay through the end of the fiscal year, June 30, 2026, pending successful completion of CIA certification, with the ability to use accrued paid time off through June 30, 2026, and reinstatement immediately upon notification of CIA certification with immediate salary adjustment as agreed upon in current contract agreement, seconded by Commissioner Semone James.

Discussion followed regarding proper amendment to the contract and personnel policy perimeters by members of the Human Resources Committee, Commissioners present, General Counsel, Mark Matus, and Chief Human Resources Officer, Michael Flowers.

Commissioner Tony Mullen asked DIA Elisha Franco, what her perspective was on the motion on the floor. Ms. Franco shared she did not agree with the proposed motion.

Corporate Secretary Todd requested General Counsel, Mark Matus restate the technical term of the motion on the floor. Commissioners Leek and James confirmed the recitation by General Counsel, Mark Matus of the motion on the floor with the salary adjustment effective upon completion of the CIA certification status.

Roll Call Vote

Yea: Commissioners, DeShon Leek and Semone James

Nay: Commissioners Tony Mullen and Sandra Zerkle

Action: Motion fails

Commissioner Mullen requested if there were any other motions for the floor – no motion was offered at the time. Commissioner Mullen suggested an additional Human Resources meeting be held in February, 2026 to further discuss the issue at hand.

Commissioner James shared concern for allowing the Director of Internal Auditor's contract to remain in breach if the Human Resources Committee did not take action at this time.

Commissioner Mullen asked General Counsel, Mark Matus to share if it is against the law to allow this contract to continue. General Counsel, Mark Matus explained options when contracts are breached, and shared the employer determines if it is material enough for termination.

Commissioner Mullen again suggested an additional Human Resources meeting be held in February, 2026 to further discuss the issue at hand.

Commissioner James confirmed with General Counsel Mark Matus the fact that Director of Internal Audit did not complete her CIA certification by the date specified in her current contract makes it in breach. General Counsel Matus responded in the affirmative.

[inaudible]

Commissioner James stated we should not allow the current contract to continue in breach; we need to either terminate or extend the date – those are really the only two options.

[inaudible]

Motion by Commissioner Semone James to extend the current employment contract of Director of Internal Audit, Elisha Franco, to allow her to successfully obtain CIA certification to the end of March 31, 2026, and at which time if she achieves the certification she will receive the elevation in pay of \$150,000 dollars at the time she receives the certification. If Ms. Franco does not receive her CIA certification by March 31, 2026, at that time, she will continue on as an Internal Auditor, and the Board will look for a new Director of Internal Audit.

No action taken.

[inaudible]

Commissioner Leek stated we voted 7 to 1 last year, and we're doing the same.

Commissioner Zerkle suggested discussion be tabled until the HR Committee Chairperson calls another meeting. She also encouraged the HR Committee Chairperson to meet with Chief HR Officer Michael Flowers and Director of Internal Audit Elisha Franco to come up with a plan to bring back to the HR Committee.

Motion by Commissioner Semone James to extend the current employment contract of Director of Internal Audit, Elisha Franco, to allow her to successfully obtain the CIA certification to the end of the fiscal year, June 30, 2026. If Ms. Franco does not receive her CIA certification by June 30, 2026, she will face termination. If she does receive her CIA certification by June 30, 2026, she will receive an increase in salary to \$150,000 dollars as outlined in her current contract, second by Commissioner DeShon Leek.

Roll Call Vote

Yea: Commissioners, Tony Mullen, Semone James, DeShon Leek and Sandra Zerkle

Nays: None

Action: Motion carried.

Commissioner Semone commented that the Human Resources Committee came to an agreement that is fair, especially with the extended timeframe to achieve the CIA certification.

[inaudible]

Director of Internal Audit Franco affirmed this was the second contract extension for the purpose of completing her CIA certification.

Commissioner Mullen asked DIA Franco if she agreed to the contract extension. DIA Franco stated she totally agreed.

Other

There was no other business.

Adjourn

Motion by Commissioner Tony Mullen, seconded by Commissioner Semone James to adjourn meeting.

Action: Motion carried.

Meeting adjourned at 6:46 p.m.

Respectfully Submitted,
Tony Mullen, Chairperson
Human Resources Committee

RESOLUTION 2026-XX-XX

Resolution Honoring Jean Richard Beauboeuf

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

WHEREAS, Jean Richard (J. R.) Beauboeuf was appointed as an Advisory Commissioner of the Board of Water & Light on July 28, 2023, to represent East Lansing; and

WHEREAS, J. R. Beauboeuf last served as a non-voting member of the Committee of the Whole, Finance Committee and Human Resources Committee; and

WHEREAS, J. R. Beauboeuf has lived in East Lansing since 1986, and was educated at Michigan State University, received a BS degree in Economics and Econometrics and a MS degree in Economics and Business Administration; and

WHEREAS, J. R. Beauboeuf is the Director of Risk Management and Legal Services at Lansing Community College; has served as Administrator at the Michigan Department of Labor and Economic Growth, as Adjunct Faculty of Mathematics, Finance and Quantitative Methods at Davenport University, and as Adjunct Faculty of Applied Mathematics at MSU College of Human Medicine; 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 J. R. Beauboeuf for his years of distinguished service in Regular Board Meeting this 27th day of January, 2026. We sincerely wish J. R. Beauboeuf continued success in all his future endeavors and achieving that which is in the best interest of our community.

David Price, Chairperson

Beth Graham

Semone James

Tony Mullen

Sandra Zerkle, Vice Chairperson

Chris Harkins

DeShon Leek

Dale Schrader

Motion by Commissioner _____, **Seconded** by Commissioner _____, to approve the resolution of tribute for the outgoing Commissioner J. R. Beauboeuf at a Board meeting held on January 27, 2026.

Action:

RESOLUTION 2026-XX-XX
Resolution Honoring Robert Worthy

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

WHEREAS, Robert Worthy was appointed as an Advisory Commissioner of the Board of Water & Light on July 1, 2023, to represent Delta Township, and last served as a non-voting member of the Committee of the Whole, Finance Committee and Human Resources Committee; and

WHEREAS, Commissioner Worthy was born in Lansing, is a lifelong resident of Lansing and Delta Township, graduated from Grand Ledge High School, holds an Associates of Arts degree from Lansing Community College, a Bachelor of Arts degree from Michigan State and a Juris Doctorate from Cooley Law School; and

WHEREAS, Commissioner Worthy has worked at Smith Brothers Law Office in Grand Ledge, Franchino Mold in Lansing, and currently owns and operates The Worthy Company in Grand Ledge, a manufacturer's representative company representing die cast tooling and equipment manufacturers from the US, Canada, EU, Taiwan and Japan; and

WHEREAS, Commissioner Worthy has served as an officer for the Michigan Chapter of the American Mold Builders Association, currently chairs a committee for North American Die Cast Association, National and serves as a Director for the Michigan Chapter of the North American Die Cast Association. He has served on the National Board of Governors for the North American Die Cast Association a total of 18 years; and

WHEREAS, Commissioner Worthy serves as a Director and Treasurer of Mitten Misfits Farm Sanctuary, a 501c3 nonprofit in Delta Township; 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 Robert Worthy for his years of distinguished service in Regular Board Meeting this 27th day of January, 2026. We sincerely wish Robert continued success in all his future endeavors and achieving that which is in the best interest of our community.

David Price, Chairperson
Beth Graham
Semone James
Tony Mullen

Sandra Zerkle, Vice Chairperson
Chris Harkins
DeShon Leek
Dale Schrader

Motion by Commissioner _____, **Seconded** by Commissioner _____, to approve the resolution of tribute for the outgoing Commissioner Robert Worthy at a Board meeting held on January 27, 2026.

Action:

RESOLUTION 2026-XX-XX
Resolution Honoring Brian Ross

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

WHEREAS, Brian Ross was appointed as an Advisory Commissioner of the Board of Water & Light on July 1, 2025, to represent DeWitt Township; and

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

WHEREAS, Brian Ross previously served as a BWL Non-Voting Advisory Board Member representing DeWitt Township from January 17, 2018, through June 30, 2018, and July 1, 2021, through June 30, 2022; and

WHEREAS, Brian Ross has been a Trustee for DeWitt Charter Township since 2006, has been employed and actively involved in the utility service sector for almost 47 years, and has served in leadership roles in both state and local government for many years; and

WHEREAS, Brian Ross currently serves as Chair of the Clinton County Department of Public Works, represents DeWitt Township as a Commissioner for the Southern Clinton County Municipal Utilities Authority and Secretary of the Next Michigan Development Corporation, Chair of the EGLE Municipal Operator Certification Board, is a past president of the Michigan Water Environment Association and served as a Board member for 11 years; 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 Brian Ross for his year of distinguished service in Regular Board Meeting this 27th day of January, 2026. We sincerely wish Brian Ross continued success in all his future endeavors and achieving that which is in the best interest of our community.

David Price, Chairperson
Beth Graham
Semone James
Tony Mullen

Sandra Zerkle, Vice Chairperson
Chris Harkins
DeShon Leek
Dale Schrader

Motion by Commissioner _____, **Seconded** by Commissioner _____ to approve the resolution of tribute for the outgoing Commissioner Brian Ross at a Board meeting held on January 27, 2026.

Action:

RESOLUTION 01-XX
Easement Grant to Lansing MI Ventures, LLC

RESOLVED, that the Board of Commissioners hereby recommends that Lansing City Council grant a drainage easement to Lansing MI Ventures, LLC. The easement will be located on property occupied and maintained by the Lansing Board of Water & Light, specifically a portion of 2030 Lake Lansing Road and 2320 Wood Road, Lansing, MI 48912; and

FURTHER RESOLVED, the General Manager of the Lansing Board of Water & Light is authorized to execute all documents to effectuate this easement grant once approved by the Lansing City Council.

Staff Comments: Lansing MI Ventures, LLC requested an easement for drainage. The BWL has performed an assessment and negotiated mutually agreeable terms of said easement (together with a construction and cost sharing agreement) in exchange for \$25,000.

Motion by Commissioner _____, **Seconded** by Commissioner _____ to approve the Resolution for the Grant Easement to Lansing MI Ventures, LLC at a Board Meeting held on January 27, 2026.

Action:

RESOLUTION 2026-XX-XX
Lansing Board of Water & Light External Auditor Recommendation

WHEREAS, Lansing City Charter Section 7-601 requires an independent audit of all accounts of the City government, including the Board of Water and Light (BWL), at the close of each fiscal year, and all such audits shall be made by a Certified Public Accountant designated by the City Council; and

WHEREAS, BWL staff engaged in its normal public procurement process for the purpose of soliciting and evaluating proposals from a variety of independent public accounting firms that have municipal utility audit experience to perform an audit of the BWL as required by Lansing City Charter Section 7-601 for fiscal years ending June 30 on the following respective years: 2026, 2027, 2028, 2029, and 2030; and

WHEREAS, based on the public procurement evaluation of the proposals received, the BWL staff recommends the firm of Baker Tilly to perform these BWL audits; and

WHEREAS, since Baker Tilly has been the auditor for the most recent contract period, Baker Tilly is required to replace their current principal auditor for the new contract period.

RESOLVED, that the Board of Commissioners support BWL staff's recommendation; and

FURTHER RESOLVED, the Board of Commissioners recommends that Lansing City Council approve and designate Baker Tilly to perform the annual financial audit for each of the fiscal years ending June 30 on the following respective years: 2026, 2027, 2028, 2029, and 2030 in accordance with Lansing City Charter 7-601; and

FURTHER RESOLVED, that the Corporate Secretary is hereby directed to submit this resolution on behalf of the Board of Commissioners to City Council requesting their approval of Baker Tilly as recommended by the Board of Commissioners.

Motion by Commissioner _____, Seconded by Commissioner _____, to approve the Resolution for Lansing Board of Water & Light External Auditor Recommendation.

Roll Call Vote:

Yea: Commissioners _____

Nay: None.

Action: Motion Carried.

RESOLUTION #2026-01-XX

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

WHEREAS, on November 18, 2025, the Lansing Board of Water & Light (BWL) and International Brotherhood of Electrical Workers, AFL-CIO, Local 352 (IBEW Local 352) entered into a Tentative Agreement to extend the Collective Bargaining Agreement (CBA) for four years; and

WHEREAS, the terms and conditions of the Tentative Agreement are in accordance with the direction and authority that was delegated to the BWL's negotiating team by the General Manager; and

WHEREAS, the Tentative Agreement was submitted by the IBEW Local 352 negotiating team to the IBEW membership for its approval and was ratified on December 5, 2025.

THEREFORE, it is:

RESOLVED, that the Board of Commissioners approve the "Final Tentative Agreement" signed November 18, 2025, and

FURTHER RESOLVED, that the Chairperson of the Board of Commissioners and Corporate Secretary are hereby authorized to execute the Collective Bargaining Agreement effective November 1, 2025.

Staff comments: The BWL and IBEW Local 352 have tentatively agreed to a four-year CBA, in effect November 1, 2025 through October 31, 2029. The CBA provides for across the board increases to all bargaining unit employees on November 1, 2025, 4.5%; November 1, 2026, 4%; November 1, 2027, 4%; and November 1, 2028, 4%. Also, beginning November 1, 2025, shift premiums will be increased by one dollar (\$1.00) per hour for both shifts.

In addition, the BWL and the IBEW Local 352 agreed upon non-economics and the economic changes as set forth in the attached Final Tentative Agreement that outlines such changes in the CBA.

Motion by Commissioner _____, Seconded by Commissioner _____, to approve the Resolution for Collective Bargaining Agreement between the Lansing Board of Water & Light and the International Brotherhood of Electrical Workers, AFL-CIO, Local 352 at a Board meeting held on January 27, 2026.

Action:

RESOLUTION 2026-01-XX

Extension of Certified Internal Auditor (CIA) Certification Completion Date
Charter Position of Internal Auditor

WHEREAS, the Internal Auditor's Employment Agreement requires the completion of the Certified Internal Auditor (CIA) certification by December 31, 2025 as a condition of continued employment and includes a compensation increase if the condition is met; and

WHEREAS, the Internal Auditor has not completed the CIA certification by December 31, 2025; and

WHEREAS, on January 20, 2026, the Human Resources Committee recommended amending the Employment Agreement to extend the date for completion of the CIA certification to June 30, 2026, with the automatic increase in compensation set forth in the Agreement to occur upon completion of the CIA certification provided certification occurs by June 30, 2026; and

WHEREAS, on January 20, 2026, the Human Resources Committee recommended that the Employment Agreement's current expiration date of June 30, 2026, remain in effect and if CIA certification is not achieved by June 30, 2026, termination from employment will be effective and the Employment Contract will not be extended or renewed.

THEREFORE, it is:

RESOLVED, that the Board of Commissioners hereby approves the extension of the completion date of the Internal Auditor's CIA certification to June 30, 2026, and an automatic increase in compensation for completion of the CIA certification by June 30, 2026; and

FURTHER RESOLVED, the Employment Agreement's expiration date of June 30, 2026, remains in effect and if CIA certification is not achieved by June 30, 2026, termination of employment shall be effective and the Employment Contract will not be extended or renewed; and

FURTHER RESOLVED, that the Chairperson of the Board of Commissioners is authorized to execute any and all contractual amendment documents on behalf of the Board of Commissioners which reflect the Human Resources Committee's recommendation for extension of the completion date of the Internal Auditor's CIA certification and an automatic increase in compensation for completion of the CIA certification by June 30, 2026.

Motion by Commissioner _____, Seconded by Commissioner _____, to approve the Resolution for the Extension of Certified Internal Auditor (CIA) Certification Completion Date for the Internal Auditor at a Board Meeting held on January 27, 2026.