



**LANSING BOARD OF WATER & LIGHT BOARD OF COMMISSIONERS
COMMITTEE OF THE WHOLE MEETING**

March 10, 2026 – 5:30 P.M.

**REO Town Depot - Board of Water & Light Headquarters
1201 S. Washington Ave., Lansing, MI 48910**

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

AGENDA

Call to Order

Roll Call

Public Comments on Agenda Items

1. Approval of the Committee of the Whole Meeting Minutes of January 13, 2026..... **TAB 1**
2. Retirement Plan Committee (RPC) Update **TAB 2**
3. Consideration of Alternative Platform for Commissioners' Smartsheet Dashboard...**Information Only**
4. Discuss Next Review of BWL Board of Commissioners Rules of Procedure.....**Information Only**

Other

Adjourn

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 the total amount transferred into the general fund from the Voluntary Employee Benefit Plan last year was? 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



RETIREMENT PLAN COMMITTEE (RPC)

Investment Activity Updates for Committee of the Whole: 3/10/2026

Investment Activity Update

- Defined Benefit Plan (DB) & Voluntary Employee Benefit Administration Plan (VEBA)
 - VEBA Only – US Small Cap Investment Manager
 - The RPC voted to add an investment manager to diversify the risk of asset management within the small/mid cap space of the VEBA plan at the January RPC meeting. The process of onboarding the new manager is underway.

Investment Activity Update

- Defined Benefit Plan (DB) & Voluntary Employee Benefit Administration Plan (VEBA)
 - DB Only
 - Liability Driven Investing (LDI) is an investment strategy that manages portfolio assets primarily in relation to the fund's future liabilities, seeking to match or hedge the duration, cash flows, and interest rate sensitivity of pension obligations to reduce funded status volatility and improve the likelihood of meeting benefit payments as they come due.
 - On February 23, 2026, the RPC voted to formally recommend DB Investment Policy Statement (IPS) updates to the Board allowing for transition to an LDI based investment strategy.

Investment Activity Update

- Defined Contribution 401(a) & Deferred Compensation 457(b) Plans
 - Nothing new to report.



RETIREMENT PLAN COMMITTEE (RPC)

Administrative Activity Updates for Committee of the Whole: 3/10/2026

Administrative Activity Update

- Defined Benefit Plan (DB) & Voluntary Employee Benefit Administration Plan (VEBA)
 - VEBA Only
 - Based on sufficiency of funding and investment performance, the RPC approved the FY26 Q2 reimbursement from the VEBA Plan to the BWL of \$2,754,326. The amount was calculated consistent with the terms of the Administrative Services Agreement (ASA).

Administrative Activity Update

- Defined Contribution & Deferred Compensation Plans
 - Nothing new to report.

Glossary

- **DB** Defined Benefit Plan - The plan is a noncontributory single-employer defined benefit pension plan for employees of the BWL. The Defined Benefit Plan, by resolution of the Board of Commissioners, was closed to employees hired subsequent to December 31, 1996, and a defined contribution plan was established for employees hired after December 31, 1996. Effective December 1, 1997, all active participants in this plan were required to make an irrevocable choice to either remain in this plan (defined benefit) or move to the newly established defined contribution plan. Those participants who elected to move to the defined contribution plan received lump-sum distributions from this plan that were rolled into their accounts in the newly established defined contribution plan. Of the 760 employees who were required to make this election, 602 elected to convert their retirement benefits to the newly established defined contribution plan.
- **VEBA** Voluntary Employee Benefit Administration - The Post-Retirement Benefit Plan is a single-employer defined benefit healthcare plan. The Plan provides medical, dental, and life insurance benefits. Substantially all of the BWL's employees may become eligible for healthcare benefits and life insurance benefits if they reach normal retirement age while working for the BWL.
- **DC 401(a)** Defined Contribution Plan - The Defined Contribution Plan covers substantially all full-time employees hired after December 31, 1996. In addition, 602 employees hired before January 1, 1997 elected to convert their retirement benefits from the Defined Benefit Plan effective December 1, 1997. The Defined Contribution Plan operates as a money purchase pension plan and meets the requirements of Sections 401(a) and 501(a) of the IRC of 1986, as amended from time to time. For employees hired before January 1, 1997, the BWL is required to contribute 15.0% of the employees' compensation. For employees hired after January 1, 1997, the BWL is required to contribute 9.5% of the employees' compensation. In addition, the BWL is required to contribute 3.0% of the employees' compensation for all employees who are not eligible to receive overtime pay and 0.5% of the employees' compensation for all nonbargaining employees. No participant contributions are required.
- **DC 457(b)** Deferred Compensation Plan - The Deferred Compensation Plan covers substantially all full-time employees. The BWL contributes \$1,000 on behalf of each participant as of the first pay period of each year. Additionally, the BWL will provide a 100% match for each participant's contributions annually, up to \$1,500.
- **ASA** Administrative Services Agreement – The administrative services agreement is an agreement between the BWL and the VEBA trust regarding the payment of VEBA plan benefits. The agreement calls for the BWL to handle the processing of benefit payments and allows for the reimbursement for payment from the VEBA trust if certain conditions are satisfied. These conditions include both funding status and investment performance measures.