



MINUTES OF THE BOARD OF COMMISSIONERS MEETING

LANSING BOARD OF WATER AND LIGHT

September 22, 2020

Due to public safety concerns resulting from the COVID-19 Pandemic, the Regular Board of Commissioners meeting for the Lansing Board of Water and Light (BWL) was conducted via WebEx Conferencing in Lansing, MI on Tuesday, September 22, 2020. This meeting was publicly noticed for 5:30 p.m.

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

The Corporate Secretary, M. Denise Griffin, called the roll.

Present: Commissioners David Price, Beth Graham (arrived@ 5:36 p.m.), David Lenz, Tony Mullen, Ken Ross, Tracy Thomas, and Sandra Zerkle. Non-Voting Commissioners present: Stuart Goodrich (Delhi Township) (arrived@ 4:41 p.m.), Douglas Jester (East Lansing), and Larry Merrill (Delta Township)

Absent: Commissioner Deshon Leek

The Corporate Secretary declared a quorum.

Chairperson Price welcomed Commissioner Stuart Goodrich representing Delhi Township.

Chairperson Price led the Pledge of Allegiance.

APPROVAL OF MINUTES

Motion by Commissioner Lenz, **Seconded** by Commissioner Thomas, to approve the Regular Board Meeting minutes of July 28, 2020.

Roll Call Vote:

Yeas: Commissioners David Price, Beth Graham, David Lenz, Tony Mullen, Ken Ross, Tracy Thomas, and Sandra Zerkle.

Nays: None.

Action: Motion Carried.

PUBLIC COMMENTS

None.

COMMUNICATIONS

Electronic Mail received From Michael Braem regarding utility rates-*Referred to Management.*
Received and Placed on File

COMMITTEE REPORTS

Commissioner Tracy Thomas presented the Committee of the Whole Report:

COMMITTEE OF THE WHOLE Meeting Minutes September 08, 2020

Due to public safety concerns resulting from the COVID-19 Pandemic, the Committee of the Whole meeting for the Lansing Board of Water and Light (BWL) was conducted via WebEx Conferencing in Lansing, MI, on Tuesday, September 8, 2020.

Committee of the Whole Chair Tracy Thomas called the meeting to order at 5:39 p.m.

Corporate Secretary Griffin took the roll call to acknowledge attendance.

Present: Commissioners Tracy Thomas, Beth Graham (arrived @5:40 p.m.), David Lenz, Deshon Leek, Anthony Mullen, David Price, Ken Ross, and Sandra Zerkle, and Non-Voting Members: Douglas Jester (East Lansing) and Larry Merrill (Delta Township)

Absent: None.

The Corporate Secretary declared a quorum.

Public Comments

None.

Approval of Minutes

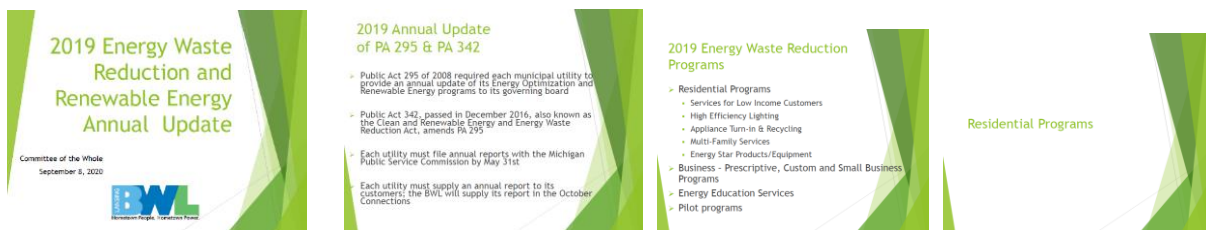
Motion by Commissioner Ross, **Seconded** by Commissioner Graham, to approve the Committee of the Whole meeting minutes of June 30, 2020.

A roll call vote was taken: Commissioners Thomas, Graham, Leek, Lenz, Mullen, Price, Ross, Zerkle

Action: Motion Carried.

Annual Energy Waste Reduction (EWR) Program Update

General Manager Dick Peffley introduced Environmental Services and Reliability Compliance Manager, Ms. Lori Myott, who presented the annual energy waste reduction (EWR) program update. Ms. Myott introduced Ms. Aileen Gow, Energy Analyst, and Mr. Patrick Walters, Energy Specialist.



Residential - Program Highlights

- Education in the Community
 - 40 local events reaching 5,648 residents
 - 31 presentations reaching 536 participants (mostly homebuyers)
- Think! Energy (w/CE) & Bright Energy School programs:
 - Reached 21 schools, 41 teachers, 1,323 students and distributed 52,625 grants
 - Hosted teacher workshop at REO Depot



Residential - Program Highlights

- Pilot Programs
 - Affordable Housing Grants
 - \$17,391 for six home projects
 - Michigan Saves Financing
 - Partnership with Consumers Energy and Michigan Saves
 - Residential- 0% for \$1,000-\$30,000 loans >4 yrs.

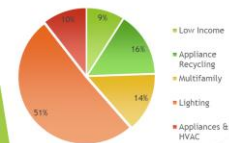
Residential - Program Highlights

- Low Income 2019**
- 188 Hometown Help energy assessments
 - Two multifamily properties
 - 13,760 items installed, recycled or distributed
 - 9,560 LED Bulbs/Fixtures
 - 1,875 Energy Kits (2 LED bulbs and 1 nightlight)
 - 106 Refrigerators
 - 61 Room Air Conditioners
 - 2,158 Other
- "We are excited to see the Hometown Help program in its 10th year. The program has been a great success story and we are proud to be a part of it. We look forward to continuing to work with the program to help more people in need and to see that it will keep growing."*
- Deborah David and Christy Miller*

Residential - Program Highlights

- Key Community Partners**
- Allen Neighborhood Center;
 - Capital Area Housing Partnership;
 - City of Lansing Neighborhood Initiatives;
 - Cristo Rey Community Center;
 - Habitat for Humanity Capital Region;
 - Multiple other nonprofit organizations that serve our vulnerable populations.
- "It would be hard to overstate the impact of this program. The specialists that come to do the inspections are knowledgeable, professional, and very helpful. Thank you!"*
- John Williams, Lansing*
- "Thank you for helping my old apartment. This house is now more 'comfortable'."*
- Bob Foster*

Residential Summary 2009-2019



Business Programs

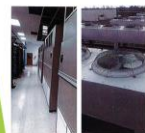
Business - Program Highlights

- Nonprofit Facility Grants
 - \$107,439 in grants for eighteen organizations
- Allen Neighborhood Center**
- Elm's Place**
- Grace Lutheran Church**
- Capital Area District Library**
- Central Free Methodist Church**
- Community Baptist Church**
- Cristo Rey Community Center**
- Disability Network Capital Area**
- Educational Child Care Center (ECC)**
- Habitat for Humanity Capital Region**
- Hingham Ministries**
- Montessori Children's School**
- Reach Out Christian Church**
- West Side Church**
- Walker Bible Baptist Church**



Business - Program Highlights

HVAC Upgrades



- Liquid Web
- 4 Computer Room AC Units (CRAC) & Optimizers replaced & older units
- Accounts for 15%-20% of all kWh usage at building
- \$91,146 incentive
- 1,066,024 kWh lifetime savings

Business - Program Highlights

Lighting



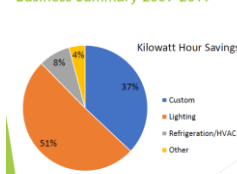
- LEPFA - Lansing Center
- Lighting upgrades in a couple of the main conference rooms
- 125,006 kWh saved
- \$9,000 incentive

Business - Program Highlights

Million kWh Club

New Members for 2019	
Liquid Web	Point Source
New Genetics	Auto Owners
State of Michigan - Multiple Buildings	
Previous Members	
General Motors (x3)	Quail Dairy
Ashley Miller	Shimmer Properties LLC
SoMa, OMBS	Lansing School District
Peckham Vocational Inst.	WMAU Cooley Law School
Sparrow Hospital	Ashley Capital
Board of Water & Light	Jackson National Life
Meijer, Inc.	Liquid Web (x2)
Lansing Mall	East Lansing Public Schools

Business Summary 2009-2019



Energy Waste Reduction Summary

Program Portfolio	2019 Goals		2019 Actual	
	Grand First Year kWh Savings	Program Budget	Grand First Year kWh Savings	Program Budget
Low Income Services	561,405	\$247,059	651,726	\$247,059
Residential Programs	5,174,105	\$955,946	6,128,792	\$955,946
Business Services	15,456,562	\$2,794,841	17,323,672	\$2,368,810
Total Program Portfolio	21,192,072	\$3,997,846	24,104,190	\$3,571,815
Program Administration		\$400,000		\$294,763
Evaluation (ENR)		\$400,000		\$182,771
ANNUAL TOTALS	21,192,072	\$4,797,846	24,104,190	\$3,859,349

Environmental Equivalency

The amount of electricity saved through EWR programs is equivalent to:



Renewable Energy

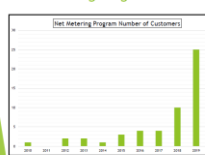
Renewable Energy 2019 Summary

- BWL was required to meet the state's 12.5% renewable energy portfolio law.
- With planned developments and the ability to carry-forward renewable energy credits, the BWL will not need any additional renewable energy to meet compliance with PA 342.
- BWL is also slated to achieve our 30% clean energy goal by 2020.

2019 Updates

- First full calendar year of Delta Solar - 37,568 MWh
- Community Solar - named project of the year by Michigan Energy Innovation Business Council
- Net Metering Solar program update
 - Added 25 new Residential customers (250% increase over 2018)
 - Total number of customers: 47 Residential and 5 Commercial
 - Total Net Metering Capacity is 335.26 kW as of 12/31/2019

Net Metering Program



Current Renewable Energy Portfolio

- EDL landfill gas - 11.2 MW
- Evelon Wind in Gratiot County - 19.2 MW
- Solar (Cedar street and REO office building) - 160 kW
- Delta Solar - 24 MW

2019 Portfolio



Commissioner Ross asked whether the consumers are educated about the solar panel energy program before making the purchase as a customer complained that there wasn't a significant reduction in energy cost. GM Peffley responded that the contractors don't interact with the utility until the solar panel contract is signed by the customer. The customer requests a permit from BWL but that is after the purchase. At energy events BWL encourages prospective solar customers to contact the BWL first.

Commissioner Thomas asked about the results for the schools in the energy program and asked why Holt and Waverly schools weren't in the Million kWh Club. Ms. Myott responded that it depends on whether the school's projects meet the kWh amount. Ms. Gow responded that Holt School is under Consumers Power.

Commissioner Price asked for an explanation of how BWL works with Michigan Saves and what types of improvements are eligible. Ms. Myott responded that loans are purchased for renovation so that the customer has 0% interest for a four-year period. Michigan Saves promotes the program and works with financial institutions to help finance the projects. Ms. Gow responded that windows, furnaces, air

conditioners, and building shell improvements are eligible. Consumers Energy contributes 60/40 with BWL. Ms. Gow also noted that the program may be phasing out as Consumers Energy will no longer be contributing to it.

Commissioner Graham asked whether new buildings being built were notified about energy reduction programs. Ms. Gow responded that anyone doing a new build is encouraged to contact BWL's commercial to make sure that what is being installed is the most efficient. Mr. Walters responded that there is a new construction program for commercial buildings.

Commissioner Zerkle asked whether Central Methodist Church received one of the grants and, if more difficulty occurs when obtaining contracts, what plans are in place to overcome the issues. Ms. Myott responded that the church received one of the grants and that a five-year plan is being constructed as the next couple of years are expected to be challenging.

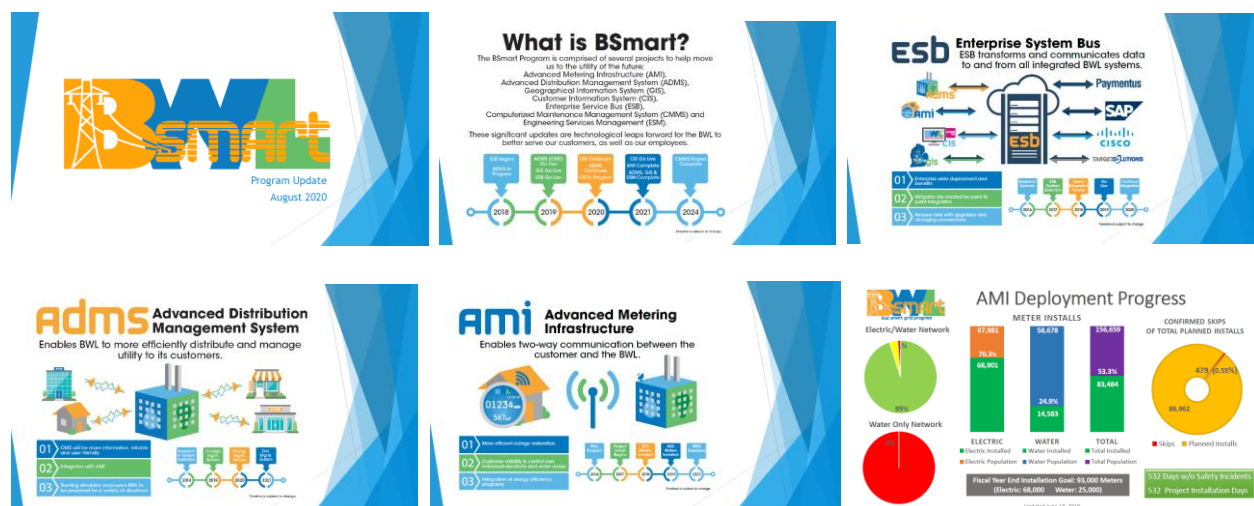
Commissioner Lenz asked how non-profit grant recipients were selected. Ms. Gow responded that applicants need to be 501c3 organizations and the first applicants that qualify according to the guidelines are selected. There is a \$5,000 cap on the grant.

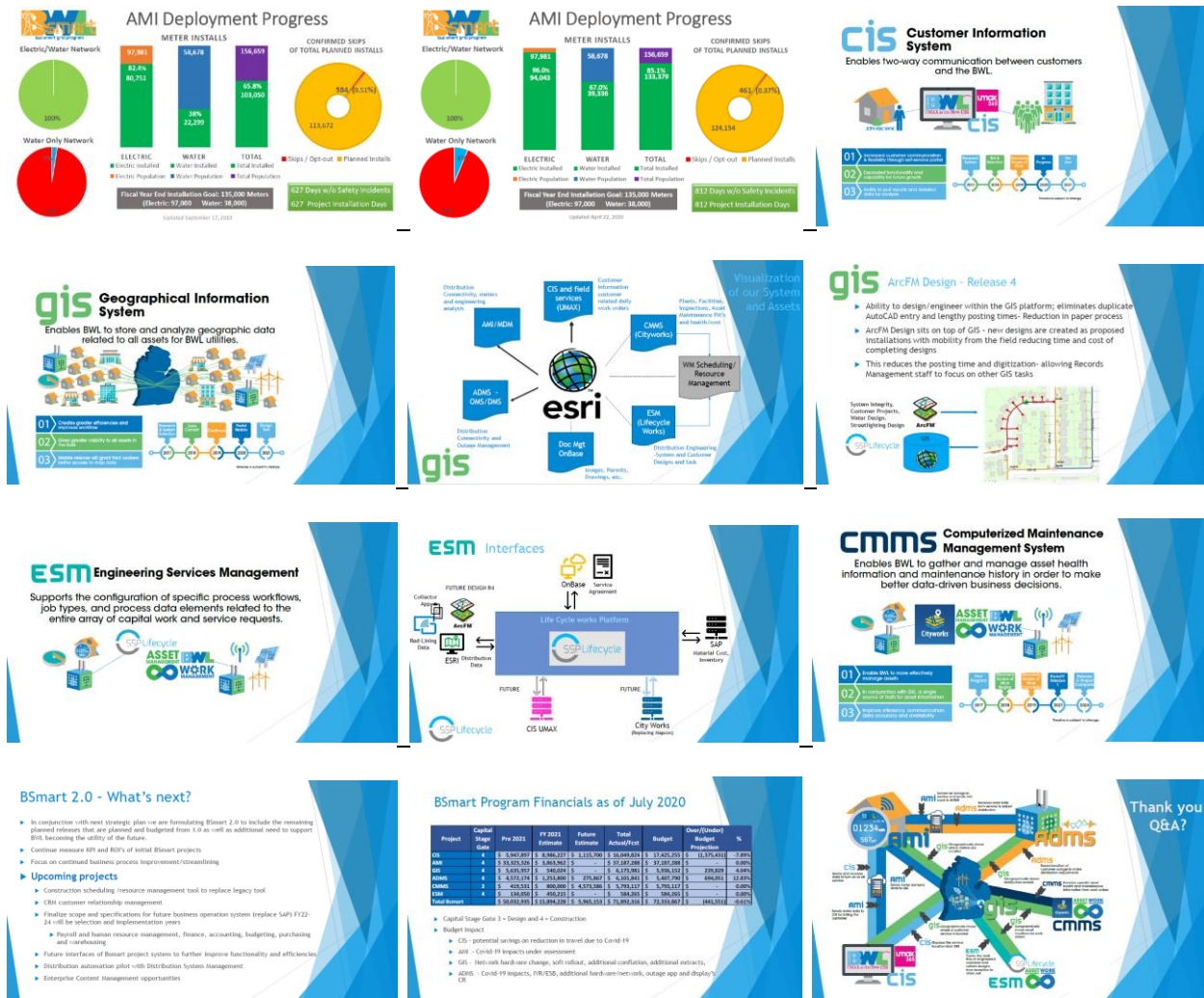
Commissioner Ross asked whether a portfolio of 222 MW of renewables by 2022 was correct. Ms. Myott confirmed. Commissioner Ross asked what amount of credit would be taken for the renewables. Ms. Myott responded that solar is 60% credit and wind is low and about 20% credit. GM Peffley responded that initially Pegasus wasn't going to be commissioned, so BWL switched to Ranger Solar. Pegasus was then negotiated for a lower cost and both Ranger Solar and Pegasus were kept. Pegasus started running September 10, 2020 and Ranger is ahead of schedule. GM Peffley will send the exact values to the Commissioners.

Commissioner Lenz asked where the BWL stands on the app project that monitors energy usage and when BWL would be rolling out the program to the customers. Ms. Myott responded that she would follow up as there isn't a specific date set yet for the app capability and it is part of the AMI program.

BSmart Program Update

Corporate Secretary M. Denise Griffin, on behalf of GM Peffley, introduced Enterprise Business Program Manager, Kellee Christensen, who provided information on the BSmart Program. Ms. Christensen highlighted the Advance Metering Infrastructure (AMI), Advanced Distribution Management System (ADMS), Geographical Information System (GIS), Customer Information System (CIS), and Enterprise Service Bus (ESB).





GM Peffley provided updated renewable portfolio numbers and stated that there will be 225 MW of wind and solar online at close of business next year. The daily average load of energy is 265 MW.

Other

There was no other business.

Adjourn

Commissioner Thomas adjourned the meeting at 6:41 p.m.

Respectfully Submitted
Tracy Thomas, Chair
Committee of the Whole

Commissioner David Lenz presented the Finance Committee Report:

FINANCE COMMITTEE Meeting Minutes September 8, 2020

Due to public safety concerns resulting from the COVID-19 Pandemic, the Finance Committee meeting for the Lansing Board of Water and Light (BWL) was conducted via WebEx Conferencing in Lansing, MI.

Finance Committee Chair David Lenz, called the September 8, 2020, 6:00 P.M. Finance Committee meeting to order at 6:51 p.m.

Corporate Secretary Griffin took the roll call to acknowledge attendance.

Present: Commissioners David Lenz, Beth Graham, David Price, and Ken Ross. Also, present: Commissioners Deshon Leek, Tracy Thomas, and Sandra Zerkle; and Non-Voting Commissioners Douglas Jester (East Lansing) and Larry Merrill (Delta Township).

Absent: None.

The Corporate Secretary declared a quorum.

Public Comments

None.

Approval of Minutes

Motion by Commissioner Price, **Seconded** by Commissioner Ross, to approve the Finance Committee meeting minutes of July 21, 2020.

Motion Carried by the following Roll Call Vote:

Yeas: Commissioners Lenz, Graham, Price, and Ross

Nays: None

Tabled Items from July 21, 2020: REMAINED ON THE TABLE

1) Proposed Internal Audit Charter, 2) Redlined Internal Audit Charter, 3) Resolution

Baker Tilly External Audit Report and Resolution

Chief Financial Officer (CFO) Heather Shawa introduced external auditor Jodi Dobson, Partner at Baker Tilly Virchow Krause, LLP. Ms. Dobson presented and highlighted the external audit report which included an audit overview, observations and recommendations, and required communications to the governing body. BWL received an unmodified or clean opinion which is the highest level of assurance provided.

Ms. Dobson's presentation was as follows:

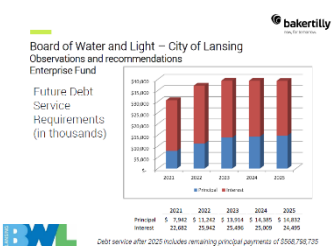
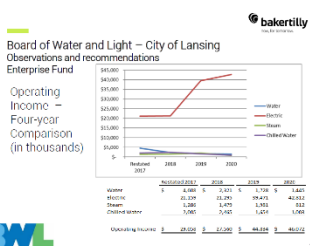
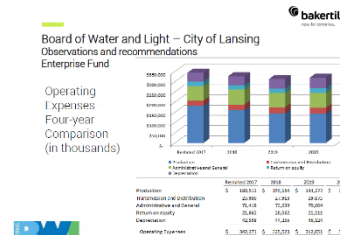
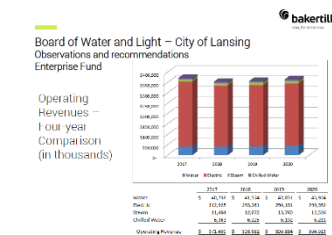


Board of Water and Light – City of Lansing Audit Overview	
Financial Statements Include	Auditors' report
	Management discussion and analysis
	Enterprise fund statements
	Consolidated pension trust statements
	Notes
	Required supplemental information
	Additional information



Board of Water and Light – City of Lansing Audit Overview	
Controls reviewed in key transaction areas	Disbursements
	Payroll
	Billings
	Cash and investments
	Capital assets
	Information technology
	Financial reporting

- Board of Water and Light – City of Lansing
Observations and recommendations
Enterprise Fund
- Reported net income of \$29,700,000
 - Bond coverage was met in 2020
 - There were no material weaknesses reported
 - Implemented GASB 88



- Board of Water and Light – City of Lansing
Observations and recommendations
Pension Plans
- Separate financial statements issued for each pension plan
 - All three plans received unmodified audit opinions

- Board of Water and Light – City of Lansing
Observations and recommendations
Future accounting standards
- GASB Statement No. 84, Financial Activities effective for fiscal year 2021
 - GASB Statement No. 87, Leases – effective for fiscal year 2022
 - GASB Statement No. 89, Major Equity Investments – effective for fiscal year 2022
 - GASB Statement No. 91, Capital Debt Obligations – effective for fiscal year 2022
 - GASB Statement No. 92, Omnibus – effective for fiscal year 2022
 - GASB Statement No. 93, Replacements of Amortized Bank-Owned Assets – effective for fiscal year 2022
 - GASB Statement No. 94, Public-Private and Public-Private Partnerships – effective for fiscal year 2022
 - GASB Statement No. 95, Subscription-Based Information Technology Arrangements – effective for fiscal year 2022
 - GASB Statement No. 96, General Component Units, and Accounting and Financial Reporting for Internal Revenue Code Section 511 (Deferred Compensation Plans) – effective for fiscal year 2022

Board of Water and Light – City of Lansing
Auditor communication to those charged with governance

Area to be Communicated	Area to be Communicated
Our responsibility under Auditing Standards	Other information in documents containing Audited Financial Statements
Planned Scope and Timing of the Audit	Accounting Policies
Accounting Estimates	Financial Statement Disclosures
Difficulties Encountered in Performing the Audit	Corrected and Uncorrected Misstatements
Disagreements with Management	Consultations with Other Independent Accountants
Management Representations	Auditor Independence

Board of Water and Light – City of Lansing

We appreciate the help of the Board of Water and Light General Accounting & Finance Teams in preparing for and assisting in the audit!



Board of Water and Light – City of Lansing

Audit summary

Jodi Dobson, Partner
jodi.dobson@bakertilly.com

Jeff Hunda, Director Accountant
jeff.hunda@bakertilly.com

Board of Water and Light – City of Lansing

Audit summary

Jodi Dobson, Partner
jodi.dobson@bakertilly.com

Jeff Hunda, Director Accountant
jeff.hunda@bakertilly.com

Commissioner Ross inquired whether Ms. Dobson would be continuing with the external audits with Baker Tilly for BWL. He also asked for additional detail regarding the upcoming fiduciary responsibility changes and how it will affect BWL pension plans. Ms. Dobson responded that there are 40 individuals that work with municipal utilities and rotation among their staff is an option. Ms. Dobson also responded that there isn't a significant affect on BWL's financial statements as the pension plans are already incorporated into them.

Commissioner Lenz noted the diverging of income increasingly relying on electric generation, that at some point steam and water would have a zero impact for net income and would cost money to operate, and the role of steam and water is something that needs to be discussed for the strategic plan.

Motion by Commissioner Price, **Seconded** by Commissioner Ross to forward to the Board Meeting for consideration the Acceptance of the Resolution for the 2020 Audited Financial Statements.

Motion Carried by the following Roll Call Vote:

Yeas: Commissioners Lenz, Graham, Price, and Ross

Nays: None

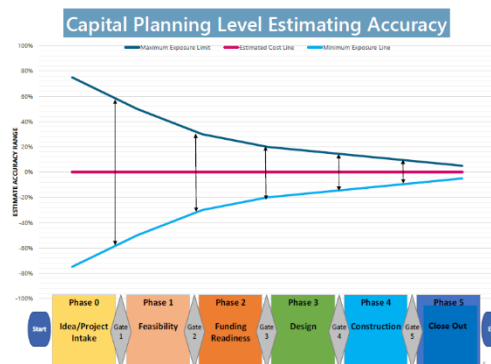
July YTD Financial Summary

CFO Heather Shawa gave a review of the July 2020 Financial Summary. Ms. Shawa reported the following: revenue was \$34.6 million compared to budget of \$33.1 million; operating expenses were \$21.6 million compared to budget of \$25.7 million; and Net Income was positive at \$9.3 million compared to budget of \$3.5 million.

Commissioner Lenz commented that BWL is doing an outstanding job of maintaining revenues as the audited financial statements and July financial summary includes the shutdown of General Motors and COVID19.

Capital Project Exceedance (CPE) Revision

CFO Ms. Shawa presented the Capital Project Exceedance Revision.



Chair Lenz commented that the resolution is going to change the benchmark point of when projects are monitored, allow the projection of more accurate project budgets, and provide tighter control on project costs.

Commissioner Zerkle questioned when the Capital Project Exceedance (CPE) Budget is brought to the Board. She also asked when is staff asked for the ideas for that particular Budget. CFO Shawa responded that the staff is asked for ideas in November and the CPE Budget is presented to the Board in May. Currently a project is brought forward as an exceedance based on the project intake phase. General Manager Peffley responded that during the early phases there may be an overestimate of costs and then the amount requested and received is spent. The resolution will narrow down the project amount requested to ensure capital funds are available for all of the necessary utility priorities.

Commissioner Ross commented on the inefficiencies in the CPE budget process. Previously there were transparencies in the budget process of the top 80% of the projects by dollar volume which hasn't carried through this year. Commissioner Ross added that in the amendment of the exceedance approval there are some key terms that are not defined. General Manager Peffley responded that transparency and tracking in the top 80% of the projects can be reinstated at the

Chair's request at a Finance Committee meeting. CFO Shawa responded that she can have the capital project information of line items by project sent out to the Finance committee. CFO Shawa also responded that there are guidelines within an operational capitalization policy which defines annual and planned projects and can be sent to the committee.

Commissioner Zerkle asked about the procedure included in the resolution regarding the General Manager revising the procedure. Chair Lenz stated the resolution states that the General Manager will report excessive exceedances. Commissioner Ross commented that there should be definitions added and recognition of additional reporting; and the Board should not manage the projects but should be given the necessary tools for effective oversight, and for those reasons he will be voting no.

Motion by Commissioner Price, **Seconded** by Commissioner Graham to forward the Capital Project Exceedance Revision Resolution to the full Board for consideration.

Motion Carried by the following Roll Call Vote:

Yeas: Commissioners Lenz, Graham, and Price

Nays: Commissioner Ross

Internal Audit Status Report

Internal Auditor, Mr. Wesley Lewis, presented the Internal Auditor Status Report.

 Internal Audit Status Report Presented by: Wesley Lewis, Director of Internal Audit Finance Committee Meeting September 8, 2020	<u>Overview</u> • Status Report • Other Items	<u>Status Report</u> <u>FY 2020 Audit Engagement in Progress:</u> 1. Energy Risk Management <u>FY 2021 Audit Engagements (Beginning Stages):</u> 1. MPPA and MISO Billings 2. IT - Cybersecurity Process 3. IT - Vulnerability Assessments 4. PCards Note: A request for proposal (RFP) was sent out to several IT audit consultant vendors for bids for #2 and #3 above. Once received, the bids will be evaluated by the vendor selection committee, then the best vendor will be selected.
<u>Other Items</u> 1. Internal Audit Outreach With Other BWL Departments 2. Update on Ongoing Education and Certification of IA Staff	 Finance Committee Meeting 9/8/2020 2	 Finance Committee Meeting 9/8/2020 3
 Finance Committee Meeting 9/8/2020 4		

Other

There was no other business.

Adjourn

Chair David Lenz adjourned the meeting at 8:08 p.m.

Respectfully submitted
David Lenz, Chair
Finance Committee

MANAGER’S RECOMMENDATIONS

GM Peffley recommended that management should bring a semi-annual update to the Finance Committee Meeting on the state of the capital projects, with the Chair’s permission and as in depth as the Chair prefers at the time.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

RESOLUTIONS

RESOLUTION 2020-09-01

Fiscal Year 2020 Audited Financial Statements of the Enterprise Fund and Pension Fiduciary Funds

RESOLVED, that the fiscal year 2020 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 2020 Audited Financial Statements of the Board of Water and Light and the report on auditing procedures with the State Treasurer as required by the Uniform Budgeting and Accounting Act (Public Act 2 of 1968, as amended) no later than December 31, 2020.

FURTHER RESOLVED, that the Corporate Secretary is hereby directed to file a copy of the fiscal year 2020 Audited Financial Statements of the Board of Water and Light with the City of Lansing no later than October 2020.

Motion by Commissioner Lenz, **Seconded** by Commissioner Graham, to accept the 2020 audited financial statements.

Roll Call Vote:

Yeas: Commissioners David Price, Beth Graham, David Lenz, Tony Mullen, Ken Ross, Tracy Thomas, and Sandra Zerkle.

Nays: None.

Action: Motion Carried.

RESOLUTION 2020-09-02

Capital Project Exceedance Approval Revision

RESOLVED, that Board of Water and Light Policy 15-02 “Capital Project Exceedance Approval” is hereby amended as follows:

RESOLVED, that any approved capital project that is expected to exceed its total budget amount by both 15% and \$200,000 or more must have the exceedance approved by the Commissioners prior to completion of the project; and

RESOLVED, that in the case of "planned" capital projects the total budget amount is the project's designed budget amount; and

RESOLVED, the General Manager shall report the expected exceedance to the Commissioners as soon as reasonably possible; and

RESOLVED, this policy applies to the aggregate total budget amounts for electric, water, steam, and chilled water "annual" capital projects and to the individual total designed budget amounts for "planned" capital projects; and

RESOLVED, the General Manager shall establish and implement procedures overseeing capital project costs consistent with this policy.

This resolution supersedes Resolutions 200-3-2, 2001-6-16 and 2015-07-05.

Staff comments:

In the existing Policy, a project's Total Budget Amount can be based on the initiation (Intake) phase of a project. This amount is usually based on historical or industry estimates of similar projects and does not capture issues that can significantly affect the cost of a project.

When the capital budget/forecast is developed, a project's cost that is shown in the budget reflects the quality of information known at that time. For any project, it would reflect where the project is in its lifecycle: Initiation (Intake), Feasibility, Design, Construction/Commissioning, or Close-out stage.

It is recognized by the Project Management Profession that projects in the Initiation (Intake) phase can have a margin of error that can range from 50% to 200% of the actual completion cost. As a project matures through the design phase, the margin of error reduces to 5 to 15%.

The recommendation to use the design cost as the basis for reporting a project's exceedances aligns with the existing BWL policy of reporting an exceedance when a planned project's expected completion cost is in excess of 15% and \$200,000 of the designed cost

Motion by Commissioner Lenz, **Seconded** by Commissioner Mullen, to accept the Resolution for the Capital Project Exceedance Approval Revision.

Commissioner Ross stated that he would be voting no due to three concerns. The first two concerns are dealt with in the recommendation GM Peffley mentioned earlier, management bringing forward a periodic report and Commissioner Ross is hoping it includes transparency and the budget process - clear indications of what items are being approved, when and in what amount. The third concern is that definitions of planned capital projects and annual capital projects need to be included in the policy so that if the definition is changed the policy will need to be changed.

Commissioner Zerkle asked whether the procedures would be presented in a Finance Committee meeting by the end of the year opposed to waiting until March as was discussed in a previous meeting. GM Peffley responded that was still the plan.

Roll Call Vote:

Yeas: Commissioners David Price, Beth Graham, David Lenz, Tony Mullen, Tracy Thomas, and Sandra Zerkle.

Nays: Commissioner Ross

Action: Motion Carried.

MANAGER'S REMARKS

General Manager Dick Peffley provided information on the following items:

1. There are signs placed throughout the city thanking BWL employees and additional signs are available for delivery to those who would like to set one outside.
2. A notification was on social media of emergency steam work being conducted on South Street. It wasn't an emergency problem but that is the name of the REO backup system steam work project as the Eckert plant is closing.

COMMISSIONERS' REMARKS

Commissioner Ross stated that a member of the public spoke at the recent City Council meeting regarding a sign that was to be placed at the Sunken Garden. Commissioner Ross asked whether BWL committed to place a sign. GM Peffley responded that he would look into whether the commitment was made.

Commissioner Ross stated that in a recent meeting there was a presentation on renewable energy and it was said that about 225 MW's worth of renewable power would be on line by 2021. Commissioner Ross stated that at the time of the meeting, the number for the credit value was not provided and Mr. Peffley indicated that he would follow up with the numbers, but Denise built into the minutes a 60% solar credit value and a 20% wind credit value. Commissioner Ross asked what sub-credit would be able to be taken with the creditable amount for wind being 60% and solar power 20%. GM Peffley responded that he would calculate the mix and send it out by the end of the week.

Commissioner Ross requested that the Integrated Resource Plan (IRP) process and Strategic Plan process be placed on a future agenda for discussion, examination and for the asking of questions in order to have an effective strategic planning session. Commissioner Ross would also like questions and answers to the process to be posted. With this information the Commissioners will be better equipped to fulfill their role. Commissioner Price responded that a meeting has been scheduled at the end of October with Commissioner Thomas for a discussion on the Strategic Plan, of which the IRP is a part.

Commissioner Mullen asked what wasn't being addressed. Commissioner Ross stated that the managements' 60-page IRP was just received, into which several pages of documents of studies, reports, surveys and community engagement summaries feed, and none of this information has been reviewed or discussed regarding what will happen with the IRP. Commissioner Mullen responded that he has received discussion and answers from Ms. Ekren.

Chair Price stated that the IRP will be on the agenda at the next Committee of the Whole meeting and questions can be asked with discussion following.

Commissioner Zerkle commented that a presentation was given on the IRP a couple months ago. She added that BWL's first responders include the executive staff and they should be included in those to get the vaccines first as soon as it is offered.

Commissioner Thomas commented that there was a presentation given on the IRP and also agreed with Chair Price for scheduling additional discussion at the next Committee of the Whole meeting. Commissioner Thomas noted that what has been previously discussed is on the Commissioner dashboard. Commissioner Thomas also thanked GM Peffley and his staff for providing opportunities to tour the Delta Energy Plant.

Chair Price congratulated Executive Director Steve Serkaian for being elected as President of the Greater Lansing Arts Council.

MOTION OF EXCUSED ABSENCE

Motion by Commissioner Ross, **Seconded** by Commissioner Graham, to excuse Commissioner Deshon Leek from tonight's meeting.

Roll Call Vote:

Yeas: Commissioners David Price, Beth Graham, David Lenz, Tony Mullen, Ken Ross, Tracy Thomas, and Sandra Zerkle.

Nays: None.

Action: Motion Carried.

PUBLIC COMMENTS

Mr. Randy Dykhuus expressed his agreement with Commissioner Ross regarding attention given to and examination of the IRP and requested consideration for ample public input.

ADJOURNMENT

Chair Price adjourned the meeting at 6:12 p.m.

M. Denise Griffin, Corporate Secretary
Preliminary Minutes filed (electronically) with Lansing City Clerk 9- 25-20
Approved by the Board of Commissioners: 11-17-20
Official Minutes filed (electronically) with Lansing City Clerk: 11-18-20