



**LANSING BOARD OF WATER & LIGHT BOARD OF COMMISSIONERS
COMMITTEE OF THE WHOLE MEETING
July 16, 2024 – 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 web site 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 May 14, 2024 **TAB 1**
- 2. Return on Equity Update..... **TAB 2**
 - a. Return on Equity Resolution **TAB 2a**
- 3. Retirement System Code of Conduct and Ethics Update **TAB 3**
 - a. 2014-11-01 Retirement System Code of Conduct and Ethics Resolution **TAB 3a**
 - b. Code of Conduct and Ethics for Retirement Plan Fiduciaries Resolution **TAB 3b**

Other

Adjourn

COMMITTEE OF THE WHOLE

Meeting Minutes

May 14, 2024

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, May 14, 2024.

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

Present: Commissioners Beth Graham, Semone James, DeShon Leek, Tony Mullen, David Price, Dale Schrader, Tracy Thomas, and Sandra Zerkle; and Non-Voting Members Brian Pillar (Meridian Township) and Robert Worthy (Delta Township)

Absent: J. R. Beauboeuf (East Lansing)

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Tracy Thomas, **Seconded** by Commissioner Semone James, to approve the Committee of the Whole Meeting minutes of March 19, 2024.

Yeas: Commissioners Beth Graham, Semone James, DeShon Leek, Tony Mullen, David Price, Dale Schrader, Tracy Thomas, and Sandra Zerkle

Nays: None

Action: Motion carried. The minutes were approved.

Grant Update

Breina Pugh, Government & Community Relations Manager, presented the grants program update. Ms. Pugh provided information on current grant applications, recently completed applications, awarded projects underway, grants awarded, grants not awarded, and upcoming grant opportunities.

Commissioner Zerkle commended the work that has been completed which resulted in the receipt of a number of grants. General Manager Dick Peffley added that cooperation between the BWL and the city helped with the receipt of grants.

Chairperson Price commented that he was impressed with the number and variety of grants received.

Commissioner James asked the time period of the awarding of the grants. Ms. Pugh responded that the process started in 2023. GM Peffley responded that most of the grants had been received in the last year and a half. Commissioner James also asked if a team of grant writers were employed by BWL. GM Peffley responded that Ms. Pugh received support from several departments. Ms. Pugh responded that a BWL team is put together with subject matter experts who can help with community, finance, and technical items, along with Baker Tilly to help with the technical aspects of the grant writing.

Commissioner James asked what Baker Tilly is paid for assisting. Ms. Pugh responded that it depends on the amount of time provided.

Bill Line-Item Presentation

Executive Director of Customer Experience Stephen Serkaian introduced Deanna Sparks, Customer Operations Manager and James Black, Customer Billing & Accounts Supervisor who gave a line-item presentation of customer billing. Included in the presentation were the customer account and billing period summary, monthly usage and current charge details for electric, water and sewer services, available payment options, and customer resources.

Commissioner Mullen commented that the sewer charges are billed for the city. Mr. Serkaian responded that an RFP has been sent out for a bill presentment provider which, when awarded, will result in the bill being changed to indicate and differentiate the sewer charges from the city. Commissioner Mullen also asked whether different townships were charged for services. Mr. Serkaian responded that a franchise fee was charged. GM Peffley responded that previous administrations didn't want the association.

Commissioner Thomas asked whether the actual on-peak and off-peak hours could be placed on the bill. Mr. Black responded that would be good to include in RFP. Commissioner Thomas thanked the BWL for not charging a fee to pay the utility bill online and also asked if the bill payment by phone could be streamlined.

Commissioner Graham asked whether sales tax was charged on the entire utility bill or just electric usage. Mr. Black responded that he will check and get back with the Commissioners.

Commissioner Zerkle asked whether pointing out to customers the average cost per day would help the customers save money.

Commissioner Graham asked whether two meters are available for customers in Lansing as some townships have. GM Peffley responded that a separate irrigation meter is available but it is mostly in townships where there are larger lawns.

Commissioner Leek asked if there was a discount offered for autopay. Mr. Black responded that conversations have been held but it has not been instated yet.

Commissioner James asked whether a credit card fee is charged and how much cost is absorbed when payments are made by credit cards. Mr. Serkaian responded that credit card payments are capped at \$3,000 without paying a fee. GM Peffley added that there were complaints regarding the fee and the cost of service was evaluated with having good customer relations.

Commissioner Zerkle commented that there is usually a minimal cost for the receipt of a credit card payment and BWL doesn't have a credit charge fee.

Commissioner Mullen asked how many people still receive paper bills and don't pay online. Mr. Black responded that a poll would need to be taken but customers are encouraged to receive electronic billing. Mr. Serkaian responded that a third of the community makes their payments through the kiosks

and lobby but BWL prefers ACH withdrawals for payment. GM Peffley and Ms. Sparks responded that customers like the face-to-face interaction.

Commissioner Thomas commented that not having a credit charge compared to companies that do have a charge is beneficial for the BWL.

Commissioner Zerkle commented that no service fee is charged for the sewer and GM Peffley responded that the city pays BWL to add the sewer charges to the utility bills.

Commissioner Worthy asked about the infiltration charge. Mr. Black responded that the infiltration charge is for any leaks that occur as all of the water needs to be cleaned.

Commissioner James asked whether sewer costs more than water. GM Peffley responded that in townships the amounts are more but in Lansing sewer costs two times the amount of water.

Commissioner Pillar asked if business customers had similar bills and if there was notification on the bills when rate changes are made. Mr. Black responded business billing had a similar setup, but rate changes are made known through marketing campaigns. Mr. Serkaian added that BWL responds to media requests, and calls and visits are made to business customers.

Commissioner Thomas commented that the commercial was fabulous and complemented the team.

Chairperson Price asked if the presentation will be made available and Mr. Black responded that it will be placed on the BWL website on May 15, 2024.

Strategic Plan Update

General Counsel Mark Matus announced that proposed enhancements to and the recommendations by the team for the strategic plan, with the input received from the directors, employees, stakeholders, and community surveys, would be presented. Mr. Matus requested adoption by resolution of the amendments to the strategic plan.

Chairperson Price commented on the importance in the concepts of the strategic planning process.

Amy Adamy, Public Relations & Marketing Manager, presented the proposed changes to BWL's Mission, Vision and Values.

Commissioner James asked why changes are being made and whether there would be additional changes made. Ms. Adamy responded that amendments are being made to the vision and values to provide clean, concise language that is easy to remember, connects more employees, and is inclusive for all utilities, and then upon approval today it would be combined with the strategic plan which is to be completed July 2025.

Chairperson Price commented that operational aspects such as carbon neutrality can be added later.

Commissioner Zerkle asked about descriptive phrases that are being replaced. Ms. Adamy responded that utility of the future has been replaced with utility of today, transforming tomorrow.

Commissioner Schrader commented that the proposed changes were clearer.

Commissioner Mullen commented that financial responsibility needs to remain in the proposed changes. GM Peffley commented that affordable utility service is included in the vision.

Motion by Commissioner Semone James, **Seconded** by Sandra Zerkle to forward the Resolution for 2021-2025 Strategic Plan: Strategic Foundation Statements (Mission, Vision & Values) Update to the full Board for approval.

Yeas: Commissioners Beth Graham, Semone James, DeShon Leek, Tony Mullen, David Price, Dale Schrader, Tracy Thomas, and Sandra Zerkle

Nays: None

Action: Motion Carried.

Leah Bucio, Planning Business Analyst, presented the FY2026 strategic plan progress. The plan is on track to present for approval in Fall 2024.

Commissioner Thomas and Chairperson Price commended the quality of the presentation.

Resolution Honoring Brian Pillar

Chairperson Price presented a resolution to honor Commissioner Brian Pillar for his service as an Advisory Commissioner to Meridian Township.

Motion by Commissioner Sandra Zerkle, **Seconded** by Commissioner Dale Schrader to approve the Resolution honoring Brian Pillar for his service on the Board of Commissioners and to forward it to the full Board for consideration.

Yeas: Commissioners Beth Graham, Semone James, DeShon Leek, Tony Mullen, David Price, Dale Schrader, Tracy Thomas, and Sandra Zerkle

Nays: None

Action: Motion carried.

Other

GM Peffley reported on two items.

1. First S.T.E.P. graduation will be held on May 16th.
2. GM's response to communication from Dusty Horwitt which urged EGLE to deny the air permit application for the RICE engines on the basis that he didn't believe the BWL's actions were inclusive with the public and would operate within environmental guidelines. GM Peffley stated that communications received, and contracts negotiated regarding the RICE engines were discussed and approved by all Commissioners. GM Peffley added that BWL employees follow rules and regulations for facility operations and will continue to do so.

Commissioner Mullen commented that most of the evaluations were received for the three appointed employees and that for those who haven't responded yet, the deadline is today.

Adjourn

Chairperson Price adjourned the meeting at 7:06 p.m.

Respectfully Submitted
David Price, Chairperson
Committee of the Whole

**AMENDMENT NO. 7 TO AGREEMENT
BETWEEN THE CITY OF LANSING AND
THE BOARD OF WATER & LIGHT**

This Amendment No. 7 is entered as of this ___day of ____, 2024, by and between the City of Lansing, 124 W. Michigan Ave., Lansing, MI 48933, hereinafter referred to as “City,” and the Board of Water & Light, 1201 South Washington Ave., Lansing, Michigan 48910, hereinafter referred to as “Board.” The City and the Board are each a “Party” and, collectively are the “Parties.”

STATEMENT OF PURPOSE

- A. The Parties entered into an Agreement dated June 30, 1992 (the “Agreement”), a copy of which is attached as **Exhibit A**;
- B. The Parties entered into Amendment No. 1 to the Agreement on December 17th, 2001, which expired June 30, 2012, a copy of which is attached as **Exhibit B**;
- C. The Parties entered into Amendment No. 2 to the Agreement on June 30, 2012, which expired June 30, 2017, a copy of which is attached as **Exhibit C**;
- D. The Parties entered into Amendment No. 3 to the Agreement on December 23, 2013, which increased the Board’s annual payment to the City to 6.1% of its revenue from retail and wholesale sales of chilled water, electric, steam, heat and water utilities for the preceding 12-month period ending May 31st of each year (the “Payment”). A copy of Amendment No. 3 is attached as **Exhibit D**;
- E. Amendment No. 3 also extended the term of the Agreement for an additional year beyond that provided for in Amendment No. 2, such that the Agreement expired June 30, 2018, unless extended in writing by the Board of Commissioners and the City Council of Lansing;
- F. The Parties entered into Amendment No. 4 to the Agreement on July 1, 2018. Amendment No. 4 extended the terms and provisions of the Agreement by an additional two years such that the Agreement expired June 20, 2020, unless extended in writing by the Commissioners of the Board and the City Council of Lansing. A copy of Amendment No. 4 is attached as **Exhibit E**; and
- G. The Parties entered into Amendment No. 5 to the Agreement on July 1, 2020. Amendment No. 5 extended the terms and provisions of the Agreement by an additional two (2) years. Further, the Parties agreed that the Board would pay to the City a fixed dollar amount for each of the Fiscal Years 2020, 2021, and 2022 as follows: FY2020 \$23,100,000; FY2021 \$25,000,000; and FY2022 \$25,000,000. It was also agreed that in addition to the amounts described in the preceding paragraph, for each of FY2021 and FY2022, the Board would pay to the City an amount determined as follows:

(the Board's revenue from retail and wholesale sales of chilled water, electric, steam, heat and water utilities for the preceding 12-month period ending May 31st minus \$409,836,066) multiplied by 3%). A copy of Amendment No. 5 is attached as **Exhibit F**.

H. The Parties entered into Amendment No. 6 to the Agreement on July 20, 2022. Amendment No. 6 extended the terms and provisions of the Agreement by an additional two (2) years. Further, the parties agreed that the Board would pay to the City for the two fiscal years commencing on July 1, 2022, 6% of total Board operating revenues, excluding inter-utility sales, as reported in the Board's audited financial statements. The parties also agreed that payments by the Board would be made quarterly within 30 days after each quarter's end and any changes to operating revenues or inter-utility sales after a quarterly payment has been made, would be adjusted for in the subsequent quarter's payment.

Including as modified by this Amendment No. 7, and by the prior Amendments Nos. 1-6, the Parties desire to extend the term of the Agreement.

AGREEMENT

The Parties therefore agree as follows:

- 1) The term of the Agreement is extended by _____, such that the Agreement shall automatically terminate on _____, unless extended further by the Commissioners of the Board and the City Council of Lansing.
- 2) The Agreement is amended that the Board shall make return on equity payments to the City for the fiscal years commencing on July 1, 2023 and _____, in the amount of ___% of total budgeted Board operating revenues, excluding inter-utility sales, as is in effect at the start of each respective fiscal year.
- 3) Payments shall be made quarterly by the end of the month following each quarter's end. If this date falls on a weekend or holiday, payment may be made on the next business day. Q4 payment of FY2024 will incorporate the terms above including any difference between payments to date and the total fiscal year amount.
- 4) This Agreement as amended contains the entire Agreement and any terms, conditions or provisions not contained in this Agreement as amended are not binding on either Party.
- 5) This Agreement shall inure to the benefit of the Parties to the Agreement.
- 6) This Agreement, or any of its terms or provisions, shall not be waived, modified or otherwise altered except as agreed in writing and executed by both Parties.
- 7) Except as modified in this Amendment No. 7, the Agreement shall remain in full force and effect. Nothing herein releases the Board from any payments it is obligated to make

pursuant to the previous amendments to the Agreement.

IN WITNESS WHEREOF the parties have signed this Amendment No. 7, and it shall become effective on the date first above written.

CITY OF LANSING

By: _____
Andy Schor, Mayor

By: _____
Chris Swope, City Clerk

BOARD OF WATER & LIGHT

By: _____
Richard R. Peffley
General Manager

By: _____
Lavella J. Todd
Corporate Secretary

Approved as to form only:

Approved as to form:

City Attorney

Board of Water & Light
Legal Counsel

Approved as availability of funds:
Account No. 101-674100

Controller

RESOLUTION 2024-XX-XX
Return on Equity (ROE) Renewal

WHEREAS, the City of Lansing has expressed a desire to continue the Agreement Between the City of Lansing and The Board of Water & Light dated June 30, 1992 (the Agreement), which has been subsequently extended by means of six Amendments thereto in 2001, 2012, 2013, 2018, 2020 and 2022, respectively;

WHEREAS, the Board of Commissioners Committee of the Whole (COW) considered the City of Lansing's request on July 16, 2024;

WHEREAS, the General Manager recommended the Agreement be amended and extended by ___ year(s) at a rate of ___% of total budgeted Board operating revenues, excluding inter-utility sales, effective July 1, 2023, which would be memorialized as Amendment No. 7;

WHEREAS, the COW has considered the proposed Amendment No. 7, agreed with the General Manager's recommendation and approved the Amendment, including authorization for the General Manager to execute the Amendment, and the Amendment shall be forwarded to the Board of Commissioners for approval at the July 23, 2024 meeting.

RESOLVED, the proposed Amendment No. 7 to the Agreement Between the City of Lansing and The Board of Water & Light dated June 30, 1992 is approved by the COW, including authorization for the General Manager to execute the Amendment, and shall be forwarded to the Board of Commissioners for approval at the July 23, 2024 meeting.

Motion by Commissioner _____, Seconded by Commissioner _____, to approve the Return on Equity (ROE) Renewal at a meeting held on _____.

Attachment A

Code of Conduct and Ethics

This Code of Conduct and Ethics is intended to satisfy the requirements of the Michigan Public Employee Retirement System Investment Act (Public Act 314 of 1965), as amended. When appointed as a Trustee or Member of the Retirement Plan Committee (“RPC”), Trustees and RPC members agree to perform significant activities on behalf of the Lansing Board of Water and Light Defined Contribution Plan and Trust 1; Lansing Board of Water and Light Defined Contribution Plan and Trust 2; Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust; Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees’ Pensions; and Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light (collectively “Covered Plans”). As a result, they are held to high ethical standards when performing such activities. The standards to which Trustees, RPC members and other fiduciaries of the Covered Plans (collectively, “Fiduciaries”) are held are outlined below.

1. **Duty of Loyalty.** Fiduciaries shall discharge their duties solely in the interest of the participants and beneficiaries of the Covered Plans, for the exclusive purpose of providing benefits to participants and beneficiaries and defraying reasonable expenses of administering the Covered Plans.
2. **Duty of Care.** Fiduciaries must discharge their duties with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with those matters would use in the conduct of an enterprise of a like character and with like aims.
3. **Informed Decision Making.** Fiduciaries must be knowledgeable of and understand their obligations with respect to applicable state and federal laws, rules, regulations, expectations and other matters relating to their duties. Fiduciaries shall abide by all applicable laws, rules and regulations, including the terms of the Covered Plan documents.
4. **Impartiality.** Fiduciaries shall deal fairly, objectively, and impartially with all participants and beneficiaries of the Covered Plans. They shall act in a way that serves the overall best interests of the Covered Plans’ participants and beneficiaries as a whole, with the appreciation that a decision may not serve the best interests of all participants and beneficiaries.
5. **Avoidance of Conflicts of Interest.** Fiduciaries must avoid all conflicts of interest and otherwise abide by the City of Lansing Ethics Ordinance and Manual. A conflict of interest is a situation where a relationship exists that could diminish independent or impartial judgment in the performance of duties for or on behalf of the Covered Plans. Specifically, Fiduciaries must follow the rules outlined below.
 - a. There must be no self-dealing or conduct of any private business between any Fiduciary and the Covered Plans or their service providers.
 - b. No Fiduciary shall receive any gain or profit from any assets or activities of the Covered Plans except benefits arising from participation in the Covered Plans.
 - c. Fiduciaries shall disclose in writing (i) any outside business or financial interest that creates a conflict with respect to the discharge of the Fiduciary’s responsibilities and duties, or (ii) any circumstance which would result in such Fiduciary being in violation of this Code of Conduct and Ethics.

- d. No Fiduciary shall accept any gift, favor, or business for themselves or for any other person from any actual, prospective, or potential service provider to the Covered Plans.
- 6. **Confidentiality and Communication.** Fiduciaries shall maintain the confidentiality of all business, discussions, activities and decisions, as well as all information about participants and beneficiaries of the Covered Plans. They shall communicate with participants and beneficiaries of the Covered Plans and report to the Board in a timely, accurate and transparent manner.

Any breach of this Code of Conduct and Ethics shall be reported to the Board Chair, who shall appoint a subcommittee to investigate and report its findings to the Trustees or RPC, along with a recommended course of action. Any such report must also be shared with the Board, who may take any and all disciplinary action that it determines to be necessary, including removal of the Fiduciary found to be in breach.

Retirement System Code of Conduct and Ethics

WHEREAS, the Lansing Board of Water & Light's Retirement System ("Retirement System") , which consist of the Defined Benefit Plan, Defined Contribution Plan and the Retiree Benefit Plan (also known as VEBA) is administered in accordance with the provisions of Public Act 314 of 1965, as amended ("Act 314"), applicable plan documents, and local, state and federal laws, and

WHEREAS, the Lansing Board of Water & Light Board of Commissioners ("Board") is vested with the general administration, management, and operation of the Retirement System, and has a fiduciary responsibility to make decisions solely in the interest of plan members and beneficiaries, and

WHEREAS, the Board recognizes that it is subject to the provisions of the Public Employee Retirement System Investment Act, Michigan Public Act 314 of 1965 ("Act 314"), as amended [MCL 38.1132 *et seq.*], wherein the Board and its appointed Trustees is required to act as a prudent investor in all transactions related to Retirement System funds and assets by discharging its duties solely in the interests of the participants and beneficiaries, and shall act with the same care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims; and with due regard for the management, reputation, and stability of the issuer and the character of the particular investments being considered, and

WHEREAS, the Board recognizes that in order for the participants and beneficiaries of the Retirement System to have the best representation it is imperative for the representatives of the Retirement System to participate in Board business, including Board meetings, continuing education programs, and due diligence evaluations of current and potential investments, and

WHEREAS, due to the fiduciary responsibilities entrusted to the Board, all Retirement System representatives are encouraged to participate in Board business and maintain the highest standards of conduct and ethics above the minimum requirements of applicable law and policy, and

WHEREAS, while the Lansing Board of Water & Light adheres to the City of Lansing's Ethics Policy, the Board desires to state its policy with regard conduct and ethics as it specifically pertains to administration, management and operation of the Retirement System, therefore be it

RESOLVED, that the Board, its appointed Trustees and all Retirement System representatives shall conduct official and private affairs so as to avoid giving rise to a reasonable conclusion that he or she can be improperly influenced in the performance of his or her public duty or that he or she is using his or her position and/or role as it relates to the Retirement System to further his or her own financial interests, and further

RESOLVED, the Board, its appointed Trustees and all Retirement System representatives shall

not do any of the following:

- (a) accept or solicit any gift, favor, or service that may reasonably tend to influence the discharge of official duties or that he or she knows, or should know, is being offered with the intent to influence his or her official conduct;
- (b) accept other employment or compensation that could reasonably be expected to impair the independence of judgment in the performance of official duties;
- (c) intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised official powers or for having performed the official duties in favor of another;
- (d) transact any business in the his or her official capacity with any entity or person in which he or she has an economic interest;
- (e) appear before the Board or Board of Trustees while acting as an advocate for themselves or any other person, group, or entity;
- (f) represent any business entity before the Board or Board of Trustees, for pay;
- (g) use his or her position and/or role to secure a special privilege or exemption for themselves or others, or to secure confidential information for any purpose other than official duties; and
- (h) intentionally or knowingly disclose any confidential information gained by reason of his or her position and/or role concerning the property, operations, policies or affairs of the Retirement System, or use such confidential information for pecuniary gain,

and it is further

RESOLVED, that the Board and its appointed Trustees shall provide fair and equal treatment to all persons and matters coming before the Board or Board of Trustees, and it is further

RESOLVED, that the Board, its appointed Trustees or designees are expected to and may provide general information to participants, however, the Board, its appointed Trustees or designees shall also be aware of the risk of communicating inaccurate information to participants, and the possible harm to participants that may result from any such miscommunications, and it is further

RESOLVED, that the Board, its appointed Trustees or designees shall mitigate the risk of miscommunication with participants by refraining from providing specific detail, advice or counsel with respect to the rights or benefits to which a participant may be entitled, and where explicit advice or counsel is needed, the Board, its appointed Trustees or designees will refer inquiries to the appropriate Retirement System representative, and it is further

RESOLVED, that upon becoming aware of a violation of this Policy, the Board, its appointed Trustees, designees or Retirement System representatives shall have a duty to disclose said violation(s) in writing to the Corporate Secretary prior to the next regularly scheduled meeting of the Board, and it is further

RESOLVED, that violation of this Policy by any member of the Board, its appointed Trustees, designees or Retirement System representatives may result in disciplinary action as determined by the remaining Board members, up to and including terminate of employment, removal from service as an officer and or disqualification from service as an officer for the duration of their service on the Board or Board of Trustees, or as otherwise provided by applicable law, and it is further

RESOLVED, that the Board shall make this policy resolution available to all current and prospective service providers, as well as the appropriate City, Union, and Departmental Representatives.

Motion by Commissioner Bossenbery, Seconded by Commissioner Mullen, to approve the Resolution for the Retirement System Code of Conduct and Ethics policy.

Action: Motion Carried

RESOLUTION 2024-XX-XX

Code of Conduct and Ethics for Retirement Plan Fiduciaries

WHEREAS, the Lansing Board of Water & Light (the “Sponsor” or “BWL”) sponsors the (a) Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees’ Pensions; (b) Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light; (c) Lansing Board of Water and Light Defined Contribution Plan and Trust 1; (d) Lansing Board of Water and Light Defined Contribution Plan and Trust 2; and (e) Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust (collectively the “Plans”), which are administered in accordance with the provisions of the Public Employee Retirement System Investment Act, Michigan Public Act 314 of 1965, as amended (“Act 314”), applicable plan documents, and local, state and federal laws; and

WHEREAS, the Board of Commissioners (“Board”) and Retirement Plan Committee (the “Committee”) are vested with the general administration, management, and operation of the Plans, and have a fiduciary responsibility to make decisions solely in the interest of plan participants and beneficiaries; and

WHEREAS, the Board and the Committee recognize that they are subject to the provisions of Act 314 as amended, wherein the Board and its appointed Trustees and the Committee is required to act as a prudent investor in all transactions related to the Plans’ funds and assets by discharging their duties solely in the interests of the participants and beneficiaries, and shall act with the same care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims; and with due regard for the management, reputation, and stability of the issuer and the character of the particular investments being considered; and

WHEREAS, due to the fiduciary responsibilities entrusted to the Board and the Committee, they are encouraged to maintain the highest standards of conduct and ethics above the minimum requirements of applicable law and policy; and

WHEREAS, while the BWL adheres to the City of Lansing’s Ethics Policy, the Board desired to state its policy with regard to conduct and ethics as it specifically pertains to administration, management and operation of the Plans; and

WHEREAS, the Board adopted a Retirement System Code of Conduct and Ethics policy in November 2014 by Resolution #2014-11-01; and

WHEREAS, the Board desires to update the Retirement System Code of Conduct and Ethics policy and replace it with the Code of Conduct and Ethics set forth in Attachment A.

THEREFORE, it is:

RESOLVED, that the Code of Conduct and Ethics is approved as set forth in Attachment A; and

FURTHER RESOLVED, that this Resolution supersedes Resolution #2014-11-01.

Motion by Commissioner _____, **Seconded** by Commissioner _____ to approve the Resolution for Code of Conduct and Ethics for Retirement Plan Fiduciaries at a Board meeting held on _____.