

Regular Meeting
Board of Public Works
Water Warehouse
September 9, 2025

The regular meeting of the Board of Public Works Commission was held at the BPW Water Warehouse, 330 E. Washington, Tuesday, September 9, 2025. Chairperson Boerman called the meeting to order at 3:30 p.m.

PRESENT: Commissioners – Chairperson Boerman, Vice Chair Cooney, Query, Walters, VanAst

ABSENT: Commissioners – None

Staff Present: BPW General Manager Boatright; Electric Power Supply & Market Operations Manager Mulder; Electric, Transmission and Distribution Manager Coots; Water Operations Manager Postma, City of Zeeland ACM/Finance Director, City of Zeeland IT Director Maloney

Guest Present: Kurt Wassink, HR Solutions

Motion was made by Commissioner Query and seconded by Commissioner Walters to approve the minutes of the August 12, 2025 Regular Meeting. Motion carried. All voting aye.

Public Comment

No public comment given.

Safety Minute

The Safety Minute this month was Distracted Driving.

25.043 Approve Cash Disbursements and Regular Monthly Transfers

Motion was made by Commissioner Cooney and seconded by Commissioner Query to approve the July, 2025 cash disbursements and the regular monthly transfers for the month of July, 2025 as follows:

Cash and Investments as of :	July 31, 2025	
	<u>Electric</u>	<u>Water</u>
Receiving	\$ 4,861,448	\$ 1,524,714
Accumulated Debt Service (in Receiving Fund)	-	-
Plant Improvements and Contingencies	11,895,475	11,265,687
Bond and Interest Payment Reserve*	-	-
Totals	\$ 16,756,923	\$ 12,790,401

* Reserve required per electric and water revenue bond ordinances.

Recommended Transfers for the Month:	July-25	
	<u>Electric</u>	<u>Water</u>
Receiving	(1,119,145)	(1,052,500)
Accumulated Debt Service	-	-
Plant Improvements and Contingency	1,061,500	1,052,500
General Fund (per charter provision)	57,645	-

Motion carried. All voting aye.

Accounting, Finance & Customer Service Report

ACM/Finance Director Plockmeyer updated the Board on current operations status, activities and projects.

Water Department Report

Water Operations Manager Postma updated the Board on activities, current operations status and projects.

Transmission and Distribution Operations Report

Manager Coots updated the Board on current activities including the T & D Department Report.

Electric Power Supply & Market Operations Report

Manager Mulder updated the Board on current operations status, activities, projects and buildings & grounds.

Manager Mulder explained that the BPW Administrative Office Expansion & Renovation project was approved in March with a project budget of \$2,500,000. Because the project is being executed as design-build rather than bid-build, a firm cost could not be finalized until the detailed design was complete. In the months that followed, detailed design drawings were finalized for all aspects of the project, including Architectural & Engineering (A&E) and Mechanical/Electrical/Plumbing (MEP). Staff actively participated in this process, working closely with Lakewood Construction (General Contractor) and InterActive Studio LLC (A&E firm). While certain aspects of the original scope were altered during that process, value-engineering alternatives were also identified, offsetting many of those costs.

After plans were released for permits in late August, Lakewood Construction issued them to numerous skilled trades and service contractors for competitive bid. Excluded from this process were the services provided by the MEP design-build partners, which were included with the General Contractor bid evaluation process in March. The table below provides a summary of the revised project budget as well as the original estimate.

Service Description	Revised Estimate (September 2025)	Original Estimate (March 2025)	Variance
Design & Engineering Services	\$108,050	\$108,050	\$0
Construction, CM Services & Fees	\$2,100,161	\$1,857,414	\$242,747
Office Furniture	\$98,186	\$134,756	-\$36,570
Scope Additions / Extras (incl. Bldg. Security/Intrusion System)	\$101,850	\$172,000	-\$70,150
A/V Equipment, Appliances, IT Equipment, Cameras, etc.	\$101,718	\$38,000	\$63,718
Staff Labor	\$0	\$35,000	-\$35,000
Sub-Total:	\$2,509,965	\$2,345,220	\$164,745
Total Project Contingency:	\$240,035	\$185,741	\$54,294
Total:	\$2,750,000	\$2,530,961	\$219,039

In summary, staff would note that the revised total project cost (without contingency) aligns closely with the original estimate (including contingency) prepared prior to the detailed design process. Although the design is substantially complete and bids have been received for nearly all services and trades, staff believe that including a small contingency when undertaking a project of this size and complexity is necessary. Accordingly, staff have allocated a total project contingency of just under 10% (\$240,035). Of this amount, \$105,009 is allocated towards the construction cost for a total project budget of \$2,750,000, as estimated by Lakewood Construction.

Furthermore, staff would note that other office technology systems have been added or enhanced beyond what was included in the original estimate, including: a more advanced audio/video system for the Board Room, a replacement building security/intrusion system, and additional security cameras throughout.

Staff recommend a \$250,000 budget amendment, increasing the total project budget to \$2,750,000 (including contingency). This budget covers A&E services, office furniture, IT and AV equipment, intrusion detection, and other materials in addition to construction costs and management fees.

Staff also request that a contract totaling \$98,186.28 be awarded to West Michigan Office Interiors to design, furnish, and install office furniture per their proposal. This service is being sole sourced due to their partnership in the design/build process. Although this service has been included in the project budget for some time, staff have not previously requested formal approval for this expenditure.

If approved, this expenditure will be realized against the FY2026 CIP budget as anticipated and allocated on a 75% / 25% basis between the Electric and Water Departments.

25.044 Approve BPW Administrative Office Expansion & Renovation Budget Amendment

Motion was made by Commissioner Cooney and seconded by Commissioner Walters to approve the BPW Administrative Office Expansion & Renovation project budget amendment in the amount of \$250,000 for a total project budget of \$2,750,000 subject to approval by Zeeland City Council.

Motion carried. All voting aye.

25.045 Approve Sole Source Contract to West Michigan Office Interiors

Motion was made by Commissioner Cooney and seconded by Commissioner Query to approve a sole source contract totaling \$98,186.28 to be awarded to West Michigan Office Interiors to design, furnish, and install office furniture.

Motion carried. All voting aye.

Manager Maloney explained that on August 6, 2025, the new BPW conference room audio/video RFP was posted. All vendors were asked to reply by 5:00p on August 29, 2025.

The following vendors replied with solutions they felt would meet or exceed RFP requirements.

Vendor / Proposal	Equipment & Services Total	Shipping / Other	Grand Total
MOSS (Grand Rapids)	\$80,340.84	\$2,410.23	\$82,751.07
RTI (Riverside Technologies)	\$15,464.35	N/A	\$15,464.35
Smart Homes / Smart Offices (SHSO)	\$52,868.15	\$708.00	\$53,576.15
Town & Country Group	\$77,479.13	Included	\$77,479.13
Parkway Electric	\$54,289.00 (AV) + \$11,226.00 (Web Conf.)	N/A	\$65,515.00
Third Coast Option 1	\$61,743.73 (Equipment) + \$10,398.66 (Labor)	N/A	\$72,142.39
Third Coast Option 2	\$48,505.24 (Equipment) + \$10,398.66 (Labor)	N/A	\$58,903.90

After reviewing and comparing vendor proposals for the Zeeland BPW Conference Room 127 A/V system, staff recommend awarding the contract to **Smart Homes / Smart Offices (SHSO)**.

If approved, this expense will be allocated against the BPW Administrative Office Expansion & Renovation project as proposed in the FY2026 CIP budget and allocated on a 75%/25% basis between the Electric and Water Departments.

Rationale for Recommendation:

- **Balanced Cost and Capability:** At \$53,576.15, SHSO represents a mid-range solution that provides a strong balance between affordability and functionality.
- **Comprehensive Features:** The proposal includes a Crestron control system with a custom touch panel and a full microphone package (seven tabletop, handheld, and lapel options). This ensures flexibility and scalability to meet varying meeting and presentation needs.
- **Value Compared to Alternatives:** While RTI offered the lowest cost solution (\$15,464.35), its limited microphone coverage and simplified system do not fully meet RFP requirements. Higher- end proposals (MOSS, Town & Country, Third Coast Option 1) deliver enterprise-level systems but at costs approaching or exceeding \$72,000–\$82,000, which is considered beyond the operational needs of BPW. SHSO therefore represents the best balance of value, compliance, and functionality.

To account for potential unforeseen costs such as tariff increases or networking/electrical work not included in the base proposal, a 5% contingency (\$2,679) is recommended. This brings the total recommended authorization to \$56,255.

25.046 Approve New BPW Administrative Office Conference Room Audio / Video Equipment

Motion was made by Commissioner Query and seconded by Commissioner VanAst to award the bid to Smart Homes / Smart Offices in the amount of \$53,576.15, plus a 5% contingency for a total project authorization of \$56,255.

Other Business

Approve MPPA Retail Energy Improvement Program Project Participation Agreement

General Manager Boatright explained that the Zeeland BPW has historically operated its Energy Waste Reduction (EWR) programs with an annual budget of about \$500,000. Under the new 2026 - 2029 MPPA Retail Energy Improvement Program, costs will rise to roughly \$1.13 million annually - a significant increase that reflects the expanded scale of services and compliance obligations under Public Act 229. While higher than our traditional budget, this MPPA program is structured to be more cost-effective than alternatives and ensures we meet the state’s new requirement of achieving 1.5% annual energy savings, with strong oversight and accountability mechanisms.

At your June 2025 meeting, staff recommended to the Commissioners that we adopt the MPPA program for the 2026 - 2029 compliance cycle. A comparison of available compliance options underscores this recommendation. The MPPA program delivers projected annual savings of 6.0 million kWh at \$0.188/kWh, while the State of Michigan’s Efficiency United program is projected to cost considerably more - \$1.57 million annually at \$0.238/kWh for similar savings. In addition, the MPPA model returns a higher share of dollars directly to customers through incentives (70% vs. 54% under the state program) and holds contractors accountable with a 45 - 50% performance holdback. By contrast, the State program involves higher administrative costs (46% vs. 30%) and no guarantee of funds returning to the community if savings targets are missed.

25.047 MPPA Retail Energy Improvement Program Project Participation Agreement

Motion was made by Commissioner Cooney and seconded by Commissioner Walters to approve the Retail Energy Improvement Program Project Participation Agreement for Consideration by Zeeland City Council at the September 15, 2025 Regular Meeting

Motion carried. All voting aye.

Kurt Wassink of HR Solutions facilitated a discussion with the Commissioners concerning the recruitment process for the General Manager position, in anticipation of General Manager Boatright’s planned retirement in September 2026.

Upcoming Events

- Next Regular ZBPW Board Meeting, Tuesday, October 14, 2025, 3:30 p.m., Water Warehouse Meeting Space, 330 E. Washington Ave, Zeeland

- JR Automation Global Headquarters Groundbreaking Ceremony, Wednesday, September 17, 2025, 10:00 a.m., 800 Riley Street, Zeeland
- Gentex Discovery Preschool Ribbon Cutting, Friday, September 19, 2025, 10:00 a.m., 3845 88th Ave., Zeeland
- MMEA Fall Conference, September 23-25, 2025, Delta Hotels Muskegon Convention Center, Muskegon, MI
- Zeeland Pumpkinfest, Thursday, October 2 – Saturday, October 4, Downtown Zeeland

Motion was made and supported that the regular meeting be adjourned at 6:05 p.m. Motion carried. All voting aye.

Andrew Boatright, General Manager