

Regular Meeting
Board of Public Works
BPW Conference Room
July 14, 2026

The regular meeting of the Board of Public Works Commission was held at the BPW Water Warehouse, 350 E. Washington, Tuesday, July 14, 2026. Chairperson Boerman called the meeting to order at 3:31 p.m.

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

ABSENT: Commissioners – VanAst, Walters

Staff Present: BPW General Manager Boatright; Power Supply & Market Operations Manager/Utilities Manager Designee Mulder; Water Operations Manager Postma, Electrical Transmission & Distribution Manager Coots, City of Zeeland
ACM/Finance Director Plockmeyer, City of Zeeland IT Director Maloney, City of Zeeland Clerk DeVerney

Motion was made by Commissioner Query and seconded by Commissioner Cooney to approve the minutes of June 9, 2026, Regular Meeting and the minutes of June 11, 2026, BPW Board – Zeeland City Council Joint Work/Study Session. Motion carried. All voting aye.

Public Comment

None.

Electrical Transmission & Distribution Manager Coots introduced Nick Lanting. Nick joined the Zeeland Board of Public Works in May 2026 as a GIS Intern through the American Public Power Association's Demonstration of Energy & Efficiency Developments (DEED) Grant Program. A senior at Grand Valley State University majoring in Geography with an emphasis in Sustainable Urban and Regional Planning, Nick is also pursuing a minor in Geographic Information Systems (GIS) and a certificate in Remote Sensing. Working under the direction of Electrical Transmission & Distribution Manager Coots, Nick is assisting GIS Analyst Chris Pillsbury with utility asset verification, system mapping, and GIS data management while helping develop tools and processes that support field operations and future infrastructure planning.

Safety Minute

Significantly reduce the risk of injury by preventing slips, trips, and falls

26.041 Approve Cash Disbursements and Recommended Cash Transfers

Motion was made by Commissioner Query and seconded by Commissioner Cooney to approve the May 2026 cash disbursements and the regular monthly transfers for the month of May 2026 as follows:

Cash and Investments as of: May 31, 2026

	<u>Electric</u>	<u>Water</u>
Receiving	\$ 4,265,588	\$ 394,707
Accumulated Debt Service (In Receiving Fund)	-	-
Plant Improvements and Contingencies	12,799,284	11,993,109
Bond and Interest Payment Reserve*	-	-
Totals	\$ 17,064,873	\$ 12,387,817

*Reserve required per electric and water revenue bond ordinances.

Recommended Transfers for the Month:

May-26

	<u>Electric</u>	<u>Water</u>
Receiving	(523,245)	-
Accumulated Debt Service	-	-
Plant Improvements and Contingency	465,600	-
General Fund (per charter provision)	57,645	-

Notes on Recommended Transfers:

1. The annual operating transfer for FY 25-26 from the Electric Fund to the General Fund is a combination of 1% of net fixed assets as of June 30, 2024, and 1% of gross sales, less sales tax, for the year ended June 30, 2024, less any franchise payments. The annual operating transfer is divided into twelve monthly payments.
2. Assumed carrying amounts (minimum) in Receiving accounts are established at approximately 10% of budgeted operating expenses, before depreciation.

Electric = 10% of \$ 37,423,451 or approximately \$ 3,742,345

Water = 10% of \$ 4,721,757 or approximately \$ 472,176

3. Further surpluses of \$465,600 in the Electric Fund is recommended for transfer to the Plant Improvements and Contingencies Reserve.

Motion carried. All voting aye.

Accounting, Finance & Customer Service Report

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

May 2026 Customer Metrics

- Overdue/Disconnect Notices = 187
- Active Accounts = 8,054
- Total Bills Sent = 8,087
- Paperless Bills = 2,797
- Pre-Authorized Payment Customers = 2,239
- Invoice Cloud = 3,150
 - Credit Card = 2,368
 - EFT = 782

April 2026 Customer Metrics

- Overdue/Disconnect Notices = 231
- Active Accounts = 8,050
- Total Bills Sent = 8,077
- Paperless Bills = 2,812
- Pre-Authorized Payment Customers = 2,240
- Invoice Cloud = 3,123
 - o Credit Card = 2,338
 - o EFT = 785

Commercial & Industrial Customer Read Dates

We were able to meet our goal of migrating all C&I customers to an end-of-month read date by the end of June. Thank you to all of the team members who helped make this goal possible. As we have previously shared with the Board, this change will allow us to better monitor and track data. We look forward to seeing the full effect of these changes in the July financial statements.

Fiscal Year End

June 30 marked the end of the fiscal year and, based on the May financial statements, Fiscal Year 2026 appears to be shaping up to be better than expected. That being said, staff will now transition to preparations for our annual audit, which will occur the week of September 28. Auditing services will again be provided by Brickley DeLong. This is the fourth year of a five-year contract with Brickley DeLong.

Water Department Report

Water Operations Manager Postma updated the Board on activities, current operations status, and projects which include:

- Meter replacement program
- Galvanized Service Line Replacement Program
- Other work projects
- Water Administration Projects

Transmission & Distribution Department Projects Update

Electrical Transmission & Distribution Manager Coots updated the Board on current activities including:

- Riley St. U/G Project
- Near Term Projects
- Storm Events
- Outage Statistics

Power Production and Buildings & Grounds Department Report

Power Supply & Market Operations Manager/Utilities Manager Designee Mulder updated the Board on activities, current operations status, and projects which include:

- Executive Summary
- Operations & Power Supply – May 2026
- Renewable Energy Credits (RECS): April 2026
- Projects & Department Updates
 - o Integrated Resource Plan (IRP) Update & MPPA BTMG / Resource Adequacy Project Initiative
 - o Power Plant Cooling Tower PLC Upgrade
 - o Lead Electric System Operator Position Posting
 - o Power Supply & Market Operations Manager Posting
- Buildings & Grounds
 - o BPW Office Remodel & Expansion Project
 - o Office HVAC Unit Replacement

26.042 MPPA Capacity Purchase Recommendation, Planning Year 2030/2031

The Zeeland Board of Public Works (BPW) participates in the wholesale power market through the Michigan Public Power Agency (MPPA). Beyond the near-term requirements of the BPW's Risk Management and Hedging Policy, staff, in coordination with MPPA, periodically review the BPW's long-term capacity resources in conjunction with its load forecast and changes in market conditions to assess long-term resource adequacy.

The State's Public Act 341 requires electric utilities to annually demonstrate sufficient capacity resources to meet 95% of their forecasted peak load plus reserves for the upcoming four (4) MISO Planning Years. As staff have noted for some time, the bilateral capacity market is constrained, prompting the BPW and MPPA, on behalf of its members, to pursue the development of new generation resources to meet a portion of our future resource adequacy needs.

In conjunction with this initiative, MPPA recommended that the BPW participate in a 4,500 kW bilateral capacity transaction for MISO Planning Year 2030/2031, which represents approximately 4.5% of the BPW's

forecasted capacity requirement for that Planning Year. This transaction will secure approximately 25% of the BPW's anticipated open position, reducing our exposure should the proposed generation project be delayed or not be completed as planned.

This recommendation was consistent with the BPW's recently completed Integrated Resource Plan (IRP), which identified the early procurement of future capacity resources as a prudent strategy for managing market risk while longer-term generation resources are developed.

Motion was made by Commissioner Query and seconded by Commissioner Cooney to approve the authorization of the General Manager to execute a capacity purchase commitment through the Michigan Public Power Agency, up to 4,500 kW of electric capacity deliverable to MISO Local Resource Zone 7 for Planning Year 2030/2031.

Due to the timing requirements of this transaction, the resolution was adopted by City Council at its July 6, 2026, meeting, contingent upon approval by the BPW Purchase Power Committee or full Board.

MPPA will execute this transaction on Zeeland's behalf for a financial commitment not to exceed \$486,000.00.

Informational Update – New Generation Capacity Implementation Plan

At the June 11, 2026 joint meeting of the BPW Board and City Council, staff, nFront Consulting, and the Michigan Public Power Agency (MPPA) presented the results of the BPW's Integrated Resource Plan (IRP) and outlined the next steps associated with MPPA's Resource Adequacy Project. The IRP concluded that Zeeland and most MPPA Members will require additional resource adequacy beginning in 2030 as electric demand grows and existing generation resources retire.

Since that meeting, BPW staff have continued working with MPPA and its consultants while advancing local activities necessary to preserve the option of developing behind-the-meter generation resources on our system.

Project Update **Economic Update**

MPPA continues refining the technical and economic evaluation of the proposed Resource Adequacy Project. Recent efforts have focused on validating dispatch and financial modeling assumptions, including fuel price forecasts, renewable penetration, capacity pricing, and projected resource dispatch. MPPA has retained 1898 & Co. to independently review the revised modeling before recommendations are presented to participating Members in late July. This work is intended to validate the project's long-term economics before participating Members are asked to consider implementation decisions.

Based on MPPA's evaluation to date, the primary economic benefits of joint action are expected to result from coordinated equipment procurement, reduced construction costs through standardized project design and execution, and lower long-term operations and maintenance costs through fleet-level service agreements and operational support.

Equipment Procurement & Supply Chain Challenges

A significant development over the past month has been the increasing concern surrounding equipment procurement and project schedule. Demand for generation resources and related equipment continues to increase due to large infrastructure and data center developments. As a result, project schedule is increasingly driven by equipment availability rather than engineering or permitting activities.

To maintain a commercial operation date for the 2030/31 MISO Planning Year, MPPA believes participating Members will need to coordinate equipment procurement regardless of the ultimate ownership structure. Individual utilities generally lack sufficient purchasing volume to secure favorable commercial terms or priority

manufacturing positions, and even MPPA cannot guarantee preferred access. Consequently, MPPA anticipates that reserving manufacturing capacity before all economic analyses and due diligence are complete may be necessary to preserve equipment availability and maintain the project schedule.

Capacity Market

The long-term capacity market is also becoming increasingly constrained. Historically, utilities have relied on bilateral purchases of Zonal Resource Credits (ZRCs) to satisfy future capacity requirements. As generation retires and demand grows, however, bilateral capacity purchases are becoming increasingly limited and uncertain. This trend reinforces the conclusions of the BPW's Integrated Resource Plan and the recent partial 2030/31 capacity purchase recommendation, both of which are intended to reduce the BPW's long-term exposure while additional generation resources are evaluated and developed.

MPPA has also expressed concern regarding the viability of the overall project should one or more prospective host Members elect to independently develop generation resources rather than participate in the joint project. Because the proposed project relies upon multiple host communities to create economies of scale, procurement leverage, and portfolio diversification, reduced participation could diminish these benefits and negatively affect the overall viability of the project.

BPW Project Activities

While MPPA continues evaluating the regional project, BPW staff have advanced several local activities to preserve future development options and maintain schedule flexibility.

The Phase I Environmental Site Assessment performed by NTH Consultants, Ltd., has been completed for BPW-owned properties under consideration for potential generation development. The assessment identified no significant environmental concerns that would preclude future development and supports continued evaluation of two BPW-owned parcels for potential project development.

The electrical interconnection study being performed by Power System Engineering (PSE) has entered the system modeling and evaluation phase, with no significant concerns identified to date.

In parallel with these activities, BPW staff continue evaluating alternative resource adequacy strategies to preserve flexibility should the MPPA project ultimately not proceed as anticipated. These efforts are intended as contingency planning only and do not represent the BPW's preferred long-term approach.

Next Steps

Collectively, these developments indicate the project is transitioning from planning to implementation, with the schedule increasingly driven by equipment procurement, market conditions, and timely Member decisions. MPPA has scheduled a meeting of prospective host Members during the week of July 20, 2026. The meeting is expected to focus on:

- Recommended project sizing and proposed offtake allocations for each potential host community
- Updated project economics and independent modeling validation
- Evaluation of Request for Information (RFI) responses and preliminary technology recommendations
- Current equipment manufacturer availability, procurement strategies, and supply chain constraints
- The proposed path forward necessary to maintain the target commercial operation date for the 2030/31 MISO Planning Year

Following that meeting, BPW staff anticipate having a clearer understanding of the project's economics, recommended participation levels, procurement strategy, and implementation schedule. Depending upon the outcome of those discussions, staff anticipate that a special meeting of the BPW Board may be necessary in late July or early August to review the information received, discuss available implementation options, and provide direction regarding the next phase of project development.

No formal action is requested at this time as this is only informational purposes to update the Board on the status of the BPW's long-term generation capacity planning efforts, summarize recent progress by MPPA and

BPW staff and outline the anticipated activities and decision points over the coming weeks. Staff will continue coordinating with MPPA and return to the Board with recommendations as additional information becomes available.

26.043 Approve MPPA Board of Commissioners Primary and Alternate Representatives

Motion was made by Commissioner Cooney and seconded by Commissioner Query to approve the designation of Bob Mulder, General Manager, as Zeeland BPW's Primary Representative to the Michigan Public Power Agency and Brian Coots, Transmission & Distribution Manager, as the Alternate Representative, effective September 18, 2026.

26.044 Approve MMEA Board of Commissioners Primary and Alternative Representatives

Motion was made by Commissioner Cooney and seconded by Commissioner Query to approve the designation of Bob Mulder, General Manager, as Zeeland BPW's Primary Representative to the Michigan Municipal Electric Association and Brian Coots, Transmission & Distribution Manager, as the Alternate Representative, effective September 18, 2026.

26.045 Approve MPPA Member Authorized Representative

Motion was made by Commissioner Cooney and seconded by Commissioner Query to approve the designation of Brian Coots, Transmission & Distribution Manager, as an additional Member Authorized Representative (MAR) for the Zeeland Board of Public Works with the Michigan Public Power Agency, effective September 18, 2026.

26.046 Approve FY2027 Ottawa County Community Action Agency Payment Assistance Administration Agreement

Motion was made by Commissioner Query and seconded by Commissioner Cooney to approve the FY2027 Zeeland Board of Public Works Energy Assistance Grant Program Administration Agreement with the Ottawa County Community Action Agency (OCCAA) for the period of July 1, 2026, through June 30, 2027, and authorize the General Manager to execute the agreement on behalf of the Zeeland Board of Public Works.

Other BPW Business

Informational – Recruitment Update: Key BPW Positions

Recruitment will soon be underway for the **Electric Power Supply & Market Operations Manager**, a Leadership Team position that will become vacant following the appointment of Bob Mulder as General Manager effective September 18, 2026. The position provides strategic and operational leadership for the Electric Power Production Department and is responsible for generation operations, wholesale energy and capacity market participation, resource adequacy planning, power supply procurement, regulatory compliance, and long-term energy portfolio management. The position also serves as a key advisor to the General Manager on power supply strategy and represents Zeeland BPW in regional and industry organizations.

Staff are also preparing to begin recruitment for the newly established **Administrative Assistant** position. Reporting directly to the General Manager, this position will provide broad administrative and operational support across the organization, including Board governance, executive administrative support, records management, communications, community engagement, procurement of administrative resources, and coordination with marketing and media consultants. The position is also designed to strengthen organizational resiliency by providing backup support to Customer Service and assisting with special projects, emergency operations, and business continuity activities.

With the assistance of City of Zeeland Human Resource Specialist Melanie Hellenthal, recruitment activities will soon be underway. Recruitment for both positions will include internal and external advertising through appropriate municipal, utility, and professional channels. Staff anticipate conducting interviews later this summer with the objective of filling both positions in a timely manner to support organizational continuity, knowledge transfer, and the successful implementation of the General Manager transition plan.

Informational – 21 W. Madison Avenue

Staff provided a verbal update regarding a customer dispute involving the water meter underbilling at 21 W. Madison Avenue. An administrative hearing has been scheduled for Tuesday, July 21, 2026, after which staff will provide the Board with an update on the outcome and any anticipated next steps. No Board action is requested at this time.

Informational – Yellow Lime Creative 2025-2026 Year in Review Report

Included, for the Commissioner's information, is the Zeeland BPW 2025–2026 Year in Review, prepared by Yellow Lime Creative, the Board's communications and marketing services consultant. The report highlights the organization's communications, customer engagement, and community outreach accomplishments over the past year, including website and social media performance, new customer initiatives, ongoing community programs, media recognition, and public engagement activities. The report reflects Zeeland BPW's continued commitment to transparent communication, exceptional customer service, and meaningful community engagement.

Thank Yous

Included are recent letters, emails, and notes of appreciation recognizing the outstanding service, professionalism, and community commitment of Zeeland BPW and its employees. These acknowledgments include appreciation from Gentex Corporation for staff's prompt assistance during a facility outage, thanks from community members and event organizers for Zeeland BPW's support of local initiatives such as Chalkfest and the Zeeland Zoom 5K, recognition from State Representative Brad Slagh for Zeeland BPW's receipt of the American Public Power Association's Reliability Award and Safety Award of Excellence, and appreciation from the Children's Advocacy Center for the Board's sponsorship and community partnership. Collectively, these accolades reflect the organization's commitment to exceptional customer service, operational excellence, and meaningful community engagement.

Upcoming Events

- **Next Regular ZBPW Board Meeting, Tuesday, August 18, 2026 (note date change), 3:30 p.m., BPW Conference Room**
- Moving Day, Thursday, July 16, Customer Service Offices Closed (Reopening @ BPW Admin Office, Friday, July 17)
- 2026 Michigan Electric Providers Conference, July 23-24, Shanty Creek Resort (Bob presenting)
- MPPA BoC Meeting, Wednesday, August 12, Marquette, MI (Andy & Bob attending)
- Employee Appreciation Event, Friday, August 14 @ White Caps
- Retirement Luncheon, Wednesday, September 16, 11:30 a.m. - 1:30 p.m., BPW Board Conference Room
- Retirement Open House, Friday, September 18, 3:00 – 5:00 p.m., BPW Board Conference Room

Motion was made and seconded that the regular meeting adjourned at 4:53p.m. Motion carried. All voting aye.

Kristi DeVerney, City Clerk