

Regular Meeting
Board of Public Works
BPW Conference Room
August 18, 2026

The regular meeting of the Board of Public Works Commission was held at the BPW Water Warehouse, 350 E. Washington, Tuesday, August 18, 2026. Chairperson Boerman called the meeting to order at 3:30 p.m.

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

ABSENT: Commissioners - None

Staff Present: BPW General Manager Boatright; Water Operations Manager Postma, Electrical Transmission & Distribution Manager Coots, City of Zeeland ICM/Finance Director Plockmeyer, City of Zeeland IT Director Maloney, City of Zeeland Attorney Donkersloot, City of Zeeland Clerk DeVerney

Motion was made by Commissioner Cooney and seconded by Commissioner Query to approve the minutes of July 14, 2026, Regular Meeting. Motion carried. All voting aye.

Public Comment

None.

Safety Minute

Lightning Safety: When Thunder Roars, Go Indoors!

26.047 Approve Cash Disbursements and Recommended Cash Transfers

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

Cash and Investments as of: June 30, 2026

	<u>Electric</u>	<u>Water</u>
Receiving	\$ 4,465,125	\$ 773,498
Accumulated Debt Service (In Receiving Fund)	-	-
Plant Improvements and Contingencies	12,682,363	11,432,036
Bond and Interest Payment Reserve*	-	-
Totals	\$ 17,147,487	\$ 12,205,534

*Reserve required per electric and water revenue bond ordinances.

Recommended Transfers for the Month: June-26

	<u>Electric</u>	<u>Water</u>
Receiving	(722,745)	(301,300)
Accumulated Debt Service	-	-
Plant Improvements and Contingency	665,100	301,300
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 \$665,100 in the Electric Fund and \$301,300 in the Water Fund is recommended for transfer to the Plant Improvements and Contingencies Reserve.

Motion carried. All voting aye.

Accounting, Finance & Customer Service Report

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

June 2026 Customer Metrics

- Overdue/Disconnect Notices = 216
- Active Accounts = 8,072
- Total Bills Sent = 8,133
- Paperless Bills = 2,570
- Pre-Authorized Payment Customers = 2,270
- Invoice Cloud = 3,110
 - Credit Card = 2,338
 - EFT = 772

June 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
 - o Credit Card = 2,368
 - o EFT = 782

Fiscal Year End

June 30 marked the end of the fiscal year and based on the preliminary financial statements, Fiscal Year 2026 is expected to finish better than anticipated. Staff will now transition to preparations for the annual audit, which is scheduled for the week of September 28. Auditing services will again be provided by Brickley DeLong, now in the fourth year of its five-year contract with the City.

As staff continue to complete final year-end entries and prepare for the audit, the figures presented in the financial statements should be considered preliminary. While additional adjustment entries will be made, the final results are not expected to change materially.

Following completion of the audit, staff anticipate providing the Board with an overview of Fiscal Year 2026 financial performance at the October Board meeting.

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:

- Near Term Projects
- Long Term Projects
- Outage Statistics

26.048 Approve Bid Recommendation: 750MCM Aluminum Cable Purchase

Underground 750MCM Aluminum cable is used as primary conductor for our distribution system backbone. Traditionally copper cables have been used on our system, but due to material lead times and overall cost, aluminum cable was selected to construct new distribution circuit backbone. Aluminum cable is roughly half the cost of copper cable to purchase the material, with installation cost being equal. Electrically, ampacity between 500 Cu and 750 Al is negligible, with the larger aluminum cable being lighter and more flexible for training conductor into pad mounted equipment.

This project will underground the RY-1 and RY-2 distribution circuits along Riley Street between 88th and 84th Streets, establish a new feed from the NS-4 substation, and remove the existing overhead pole line. The additional substation feed will provide greater operational flexibility for paralleling circuits in the field and help balance substation loading, reducing equipment wear and extending asset life. By eliminating this overhead infrastructure, the project will reduce system exposure, improve reliability and resiliency, and advance our ongoing goal of hardening and modernizing the distribution system.

The items listed above are included in the FY2027 Capital Improvement Plan for Riley Street Undergrounding Project.

Motion was made by Commissioner Query and seconded by Commissioner VanAst to award purchase of 18,000 ft of Underground 750MCM Aluminum Cable to Irby with LS Cable for \$218,880 with the potential for appropriate added cost due to the escalation clause on material costs. Motion carried. All voting aye.

26.049 Approve Bid Recommendation: Distribution and Transmission Pole Testing

Zeeland BPW's distribution wood pole system was last tested in 2016 and is due for retesting in 2026, consistent with the recommended maximum ten-year testing interval. Additionally, the utility's transmission wood poles have not previously undergone system-wide testing, leaving no documented baseline of their condition. Although Zeeland BPW is actively pursuing undergrounding of its electric system, existing overhead poles will remain in service until individual segments are retired and must continue to safely support energized equipment. A qualified contractor would evaluate and document the condition of both distribution and transmission poles, identify needed corrective actions, and help staff prioritize maintenance and replacement work. This program would establish a transmission-system baseline and support an ongoing testing cycle, helping protect public safety and maintain reliable electric service throughout the transition to a more underground system.

This project is currently budgeted in the FY2027 Operations and Maintenance budget for both transmission and distribution system maintenance. American Energy Services is a Michigan based company with very good recommendations.

Motion was made by Commissioner Cooney and seconded by Commissioner Walters to approve the awarding of the contract to American Energy Services to conduct transmission and distribution pole testing for the Zeeland BPW electric system. The system includes approximately 1,445 poles. Assuming all testing services are required, the estimated project cost is \$24,565.

Staff requests authorization to award the contract to American Energy Services for an amount not to exceed \$30,000, allowing for any additional testing that may be necessary during the project. Motion carried. All voting aye.

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:

- Operations & Power Supply – June 2026
- Renewable Energy Credits (RECS): June 2026
- Projects & Department Updates
 - New Generation & MPPA BTMG / Resources Adequacy Project Update
 - Lead Electric System Operator Position Posting
 - Power Supply & Market Operations Manager Posting
- Buildings & Grounds
 - BPW Office Remodel & Expansion Project
 - BPW Facilities Services & Supplies RFP
 - Buildings & Grounds Responsibility Transition

26.050 Approve Resolution: Adopt the 2026 Integrated Resource Plan

Staff requests that the Board of Commissioners recommend that the Zeeland City Council formally adopt the Zeeland Board of Public Works 2026 Integrated Resource Plan (IRP) prepared by nFront Consulting LLC.

The IRP was developed to evaluate long-term resource options for meeting customer electric needs while balancing reliability, economics, regulatory compliance, and sustainability objectives. It evaluated alternative resource strategies under both Business-as-Usual and Public Act 235 (PA 235) scenarios and identifies near term actions intended to preserve flexibility while addressing future capacity needs.

Among its principal conclusions, the IRP identifies participation in larger shared thermal generating resources as an important source of economic value, finds that portfolios relying exclusively on local generation typically result in higher costs, delaying an aggressive near-term buildout of renewable resources to meet the requirements of PA 235 results in lower incremental cost exposure, and emphasizes maintaining flexibility as regulatory requirements, market conditions, and resource availability continue to evolve.

The proposed resolution would adopt the IRP as the City's and BPW's current long-term electric resource planning framework. Adoption would not authorize any specific generation project, ownership structure, financing, procurement, or contractual commitment. Those matters would be brought forward separately as appropriate.

Motion was made by Commissioner Query and seconded by Commissioner Walters to adopt the Zeeland Board of Public Works 2026 Integrated Resource Plan and forward the accompanying resolution to City Council for consideration at its September 8, 2026, meeting. Motion carried. All voting aye.

Informational Update – New Generation Capacity Implementation Plan

At its July 10, 2026, meeting, staff updated the Board on the Michigan Public Power Agency's (MPPA) Resource Adequacy Project and efforts to preserve the option of developing behind-the-meter generation (BTMG) on the BPW's system. The BPW's Integrated Resource Plan identified additional resource adequacy needs beginning in the 2030/31 MISO Planning Year as demand grows, existing capacity contracts expire, and generation resources retire.

Since then, MPPA has provided preliminary project economics, vendor information, and a recommended portfolio and BPW staff have continued environmental, interconnection, siting, ownership, and procurement reviews. Discussions with equipment vendors, contractors, and consultants indicate that independent procurement would be difficult and likely more costly. Staff therefore believe participation in the MPPA initiative, in some form, remains the BPW's best available path to address its projected capacity shortfall in 2030/31.

MPPA is advancing final due diligence for a portfolio of up to 150 MW of natural-gas generation across several participating Member communities, including Zeeland. The portfolio is expected to provide approximately 126 MW of accredited capacity, with allowance for project attrition, site limitations, and other uncertainties. The multi-site approach is intended to provide economies of scale, geographic and operational diversification, and coordinated project development.

MPPA's Request for Information (RFI) evaluation includes project economics and vendor-specific information. Because the evaluation and related negotiations remain active, bidder identities and pricing have not been disclosed. Final vendor and technology recommendations will depend on best-and-final pricing, vendor support, and completion of technical, environmental, fuel, interconnection, and operational reviews.

MPPA recommends continued evaluation of a 50 MW natural gas project in Zeeland as part of the proposed 150 MW portfolio. Zeeland's proposed 28.1% entitlement equals 42.2 MW of project offtake and approximately 35.4 MW of accredited capacity which is forecast to meet approximately 33.6% of Zeeland's PY 34/35 resource adequacy need. Because entitlements apply to the entire portfolio, the project hosted in Zeeland would be larger than Zeeland's individual share. It is currently the largest proposed host project, reflecting favorable utility infrastructure availability, interconnection requirements, and other site-specific construction factors.

The projects must achieve commercial operation by the fall of 2029 to ensure participation in the 2030/31 MISO Planning Year. The schedule is driven by equipment availability, engineering, permitting, interconnection, fuel infrastructure, and timely Member decisions. Delays in due diligence or procurement could reduce available options and increase schedule risk.

The regulatory schedule creates earlier decision points; due diligence and the applicable operating and power sales agreements must be substantially completed by year-end 2026. Project plans and supporting documentation must then be finalized by the end of the first quarter of 2027 in preparation for the BPW's capacity demonstration filing with the Michigan Public Service Commission (MPSC) under Michigan Public Act 341 of 2016. The filing will address the BPW's load obligations and capacity resources over the applicable four-year planning horizon, including the 2030/31 projected capacity shortfall.

BPW staff are working with environmental consultants to complete Phase II evaluations of potential generation sites, including air dispersion modeling, to define site-specific environmental and permitting requirements.

Staff are also working with Power System Engineering (PSE) to evaluate interconnection capability, potential Bulk Electric System (BES) and North American Electric Reliability Corporation (NERC) implications and thresholds, and estimated interconnection capital costs. Staff continue evaluating additional sites to preserve development flexibility.

Given the schedule, staff do not recommend contracting an owner's engineer at this stage to duplicate MPPA's evaluation or fully assess a self-build alternative. Staff have instead engaged nFront Consulting, which prepared BPW's Integrated Resource Plan, to discuss an independent reasonableness review of MPPA's cost projections against current market benchmarks.

BPW staff have met with Key Accounts to discuss the Integrated Resource Plan and plans for new natural-gas fired, reciprocating, on-system, behind-the-meter generation. Feedback has been supportive, emphasizing reliability and rates while recognizing sustainability and environmental goals.

MPPA and participating Members anticipate the following schedule:

- August: Conduct vendor site visits, advance Phase II environmental assessments, and update distribution system models and mapping.
- September-October: Obtain best-and-final pricing; complete Phase II environmental work and distribution system impact studies; and verify natural gas availability, interconnection costs, contract requirements, and timing.
- November: Develop final recommendations for Member and MPPA Board consideration in the fourth quarter of 2026.
- By year-end: Substantially complete due diligence and applicable operating and power sales agreements so project plans and supporting documentation can be finalized during the first quarter of 2027 for the BPW's PA 341 capacity demonstration filing with the MPSC.

Zeeland is working with MPPA to evaluate the various project ownership models and coordinated procurement alternatives. MPPA is also assessing the effects of each ownership model on financing, Member step-up provisions, and the like. A timely decision will be required to preserve flexibility for ownership, procurement, construction, and long-term operations.

Staff expect to return to the Board in September with a resolution authorizing continued participation in the MPPA BTMG / Resource Adequacy Project. The authorization may involve an ownership model under evaluation or a coordinated procurement path, subject to the ongoing legal, commercial, and technical review.

No formal action is requested at this time. Staff recommend continuing project due diligence and coordination with MPPA and participating Members. Staff will return to the Board in September with a proposed resolution to preserve BPW's ability to advance this capacity resource.

Other BPW Business

26.051 Accept Ottawa County Community Action Agency Community Energy Management Grant

The Ottawa County Community Action Agency (OCCAA), in partnership with Zeeland Board of Public Works (BPW), submitted an application to the Michigan Department of Environment, Great Lakes, and Energy (EGLE) Community Energy Management Program and has secured grant funding to bring a Home Energy 101-style program to customers within the ZBPW service area. The program will supplement the virtual energy education currently available to ZBPW customers with personalized, in-home energy education and practical energy-efficiency improvements.

Under the proposed program, approximately 50 participating households would receive an in-home consultation conducted by a trained energy educator, including a walk-through assessment of household energy use and identification of cost-effective efficiency opportunities. Each participating household would also receive up to \$300 in energy-saving materials, which may include LED lighting, low-flow showerheads, faucet aerators, weatherization materials, programmable thermostats and other efficiency products. Participants would also receive information about available BPW rebates and referrals to OCCAA programs, including weatherization and utility assistance. OCCAA would review pre- and post-visit energy usage to estimate program savings and provide each participant with a summary of results.

The program is modeled after Holland's Home Energy 101 initiative. First-year results from that program indicate that 72% of participating homes reduced electricity use, 76% reduced natural gas use and 83% experienced utility cost savings. The program materials also report typical savings of approximately 600 kWh

and 75 therms per participating household, translating to approximately \$200 in annual household savings. Additionally, Home Energy 101 participants demonstrated substantially greater participation in utility rebate programs following their visit, with an 18% rebate participation rate compared with 1.5% among other customers.

The grant-funded program anticipates approximately 50 education and engagement sessions and projects aggregate annual savings of approximately \$10,000, 30,000 kWh of electricity and 3,750 ccf of natural gas. The application requested \$45,515.73 in grant funding, with a project period extending through August 31, 2027. Grant-funded expenses include OCCAA personnel and fringe benefits, assembly and delivery of 50 Home Energy 101 kits, BPW program marketing and promotion, outreach materials, mileage and allowable indirect costs.

Securing this grant provides an opportunity for BPW and OCCAA to offer customers a more accessible, hands-on approach to energy education while increasing awareness and use of existing BPW efficiency and rebate programs. It also creates a pathway to connect qualifying households with OCCAA's Weatherization Assistance Program and other assistance resources that can provide additional long-term energy savings.

Motion was made by Commissioner Cooney and seconded by Commissioner Query to accept the \$45,516.00 Michigan Department of Environment, Great Lakes, and Energy Community Energy Management Program grant and authorize the appropriate City/BPW officials to execute related agreements and documents, administer the Home Energy 101 Program in partnership with the Ottawa County Community Action Agency, and expend grant funds in accordance with the approved grant agreement, budget, and applicable purchasing, financial, and grant-administration requirements. Motion carried. All voting aye.

Informational – New Digger Truck on Display

The new digger truck will be on display in the parking lot at this Board of Commissioners meeting. This truck has a particularly noteworthy procurement history. In July 2019, staff recommended and the Board approved the purchase of this unit for \$230,244 as part of the FY2020 Capital Improvement Plan. At the time, the purchase was intended to replace the 2011 digger truck and maintain the BPW's planned 10-year replacement cycle for large electric distribution vehicles. After an extraordinary delay between approval and final delivery, the truck has now arrived in 2026 - approximately seven years after the original purchase authorization.

Upcoming Events

- **Next Regular ZBPW Board Meeting, Tuesday, September 8, 2026, at 3:30 pm., BPW Conference Room**
- Retirement Luncheon, Wednesday, September 16, 11:30 a.m. - 1:30 p.m., BPW Boardroom
- Retirement Open House, Friday, September 18, 3:00 – 5:00 p.m., BPW Boardroom
- Community Foundation Holland Zeeland Celebration of Philanthropy, Thursday, September 10, 5:30 p.m., ME Yacht Restoration, Holland (information included)
- West Coast Chamber Annual Awards Celebration, Thursday, September 24, 6:00 p.m., The Venues at Third Coast, 6069 Blue Star Hwy, Saugatuck, MI (information included)
- MMEA 2026 Fall Conference, Tuesday, September 29 – Thursday, October 1, Firekeepers Casino Hotel, Battle Creek, MI (information included)
- Public Power Week Open House and New Office Building Ribbon-Cutting, Thursday, October 8, 4:00 – 7:00 p.m., BPW Administrative Offices, 350 E. Washington Ave.

Closed Session

Motion was made by Commissioner Walters and seconded by Commissioner Query to enter into Closed Session at 5:07 pm. for purposes to consider the purchase of real property. Motion carried by all voting aye.

Board of Public Works Commission reconvened from Closed Session at 5:36 pm. with a motion made by Commissioner Walters and seconded by Commissioner Query.

Motion was made and seconded that the regular meeting adjourn at 5:37 pm. Motion carried. All voting aye.

Kristi DeVerney, City Clerk