

SPECIAL MEETING

The HBPW Board of Directors met
April 27, 2026
at 4:00 p.m.
49 W Third St.
Holland, Michigan

Chair Thompson called the meeting to order at 4:01 p.m.

Members Present: PJ Thompson, Carolyn Maalouf, Paul Lilly, Brian Lynn, Kyle Engbers (arrived late), Scott Corbin (arrived late)

Members Absent: Keith VanBeek, Dave Couch

Staff Present: Dave Koster, Janet Lemson, Ted Siler, Becky Lehman, Jenessa Carter, Joel Davenport, Amy Yost, Tracy York, Rebecca Cuellar, Liz Maciag-Lankherd, Ron VanderVeen, Vince Duckworth (Cunningham Dalman)

26.199 **Approval of Agenda**

Board Member Lynn made a motion to approve the agenda. The motion was seconded by Board Member Lilly.

26.200 **Communications From the Audience**

None

STUDY ITEM

26.201 **Customer Satisfaction Survey Results Fiscal Year 2026**

Sofia Vigeant and Katherine Bolmer

Great Blue Research was again contracted by HBPW to conduct a survey of residential and business customers regarding satisfaction of various aspects of their utility services and relationship with HBPW. This is the second survey that we have conducted with Great Blue and allows us to use state and national benchmarks for comparison of our performance.

The survey resulted in overall satisfaction ratings of 94.3% better than neutral for residential customers and 91.7% better than neutral for business customers.

Great Blue Research will review the methodology and high-level results of the survey. Included in the study are considerations and actionable insights for continuous improvement measures.

Item presented for information. No Board action required.

QUARTERLY MONITORING REPORTS

26.202 **Insurance Claims Received During FY 2026 Third Quarter**

The following claims were received between January 1 - March 31, 2026. Please note that claims filed during this period may include losses incurred in prior periods.

** Red italics indicate information or discussion added during the meeting and/or action taken.*

Claim Number	Date Of Loss	Incurred Total	Paid Total	Accident Description
P011-25-00598	12/16/2025	6,852.00	6,852.00	Lift Station Failure
P011-25-00599	12/16/2025	47,300.00	47,300.00	Lift Station Failure
P011-25-00610	11/13/2025	1,000.00	0.00	Faulty water meter caused water damage
P011-25-00612	11/19/2025	500.00	0.00	Damage while installing Fiber
P011-26-00601	1/7/2026	100.00	0.00	Driveway and lawn damage
P011-26-00602	1/8/2026	1,964.68	1,964.68	Water damage caused by water meter replacement
P011-26-00605	1/31/2026	5,853.88	5,728.88	Sewer backup from blocked sewer main
Total		\$ 63,570.56	\$ 61,845.56	

The Board accepted the report of damage claims received during FY 2026 Third Quarter.

26.203

Meeder Public Funds Investment Strategy Update as of March 31, 2026

Highlights:

- Geopolitical risks, particularly the Iran conflict and related energy price volatility, have reemerged as key macroeconomic themes alongside ongoing fiscal and trade uncertainty.
- After a 0.25% cut in December 2025, the Federal Reserve held rates steady during their January and March 2026 meetings.
 - The Fed's "dot plot" projects one additional 25 basis point rate cut later in 2026, though futures markets reflect uncertainty, ranging from a possible hike to a modest cut.
- Inflation year-over-year was 3.3% as of March 2026, remaining above the Fed's 2% target.
 - One year forward inflation expectations rose materially in early 2026 to 3.1% due to rising energy costs.
- Economic growth data through March 2026 shows fairly robust consumer spending, which comprises about 70% of GDP, particularly among upper-income households.
- The labor market has continued to cool gradually, with the unemployment rate increasing to 4.3% as of March 2026. While this is a climb from previous lows, jobless claims remain extremely low, reflecting a “no hire, no fire” labor market.
- Interest rates continued to decline across the yield curve, including a decline of the 2-year Treasury yield to 3.71% as of April 17, 2026.
- While rates have declined alongside lower job growth, they remain materially higher than the average of the past 20+ years.

Portfolio overview (as of March 31, 2026):

- Current Portfolio (shorter term operating expense needs)
 - Total Balance: \$40.82 million
 - Weighted average maturity: 1.42 years (slightly shorter than this time last year)
 - Weighted average yield: 4.14%
 - Portfolio remains conservatively positioned with high liquidity to meet operating needs.
- Long Term Portfolio
 - Total Balance: \$27.20 million
 - Weighted average maturity: 2.42 years (expected to continue to increase as investments mature and are reinvested)
 - Weighted average yield: 4.14%
 - Maturity profile continues to extend modestly as investments are reinvested in a declining rate environment.
- 2024 Project Funds Portfolio
 - Total Balance: \$4.68 million
 - Weighted average maturity: 0.00 years
 - Weighted average yield: 3.52%
 - Portfolio positioned for near-term project liquidity, with a majority held in cash and very short-term Treasuries.

** Red italics indicate information or discussion added during the meeting and/or action taken.*

The Board accepted for information the Meeder Public Funds Investment Strategy Update dated April 2026.

26.204 **Energy Risk Management Policy Performance Summary for Third Quarter FY 2026**

HBPW's Delegation Policy D015-1 outlines the organization's framework for electric market activities including hedging requirements and counterparty credit risk management. Each quarter, HBPW staff prepares a report that highlights the organization's performance relative to the policy. A copy of the report for the third quarter of FY26 is attached for the Board's information and will be discussed at the April 27, 2026, Special Meeting. Highlights from the quarter include:

- All hedge program requirements were met throughout the quarter
- No new natural gas hedge transactions were entered into during the quarter
- Natural gas hedge transactions in place as of 3/31/2026 total 18,209,650 MMBtu at a cost of \$68,953,867
- Mark to Market on existing natural gas hedge transactions is currently unfavorable by \$5,368,608
- There were no capacity transactions during the quarter
- HBPW sold 11,826 New Jersey Class I Renewable Energy Certificates during the quarter for a total of \$325,215
- All counterparties are within their approved credit limits

The Board accepted for information the Energy Risk Management performance summary.

26.205 **Third Quarter Key Performance Indicators (KPI) FY 2026**

As per Governance Policy G002, Key Performance Indicators are reported to the Board of Directors as a quarterly agenda item. KPI reporting supports the Results Policies that came out of the Strategic Planning process.

The quarterly monitoring report was presented. No Board action needed.

26.206 **Financial Update – FY 2026 Third Quarter**

For information only

26.207 **Closed Door Session**

A Closed Session is necessary to consult with the City Attorney regarding trial or settlement strategy in connection with Davis Construction, Inc. v. City of Holland and CB&I Storage Tank Solutions, Inc., Ottawa County Circuit Court, Case No. 2026-000008794-CB because an open meeting would have a detrimental financial effect on the litigating or settlement position of the City.

Motion to enter Closed Session @ 4:44 p.m.	<Name>
Made by Lilly	<Name>
Second: Engbers	
Favor 5	
Oppose 0	
<i>ROLL CALL: Thompson, Maalouf, Lilly, Engbers, Lynn</i>	
Motion to re-enter Open Session @ 5:19 p.m.	<Name>
Made by Lilly	<Name>
Second Engbers	
Favor 5	<#>
Oppose 0	<#>

** Red italics indicate information or discussion added during the meeting and/or action taken.*

HOLLAND BOARD OF PUBLIC WORKS (HBPW)
MINUTES of the BOARD of DIRECTORS

ADJOURNMENT

A motion to adjourn the meeting of *April 27, 2026*, was made by *Engbers* supported by *Lilly* and agreed upon by the Board of Directors present.

The Board Meeting of April 27, 2026, adjourned at *5:55 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board