NORTHWEST OTTAWA WATER SYSTEM

Administrative Committee Minutes

February 18, 2026

A regular administrative committee meeting of the Northwest Ottawa Water System was called to order by Brady Selner at 9:13 a.m. Wednesday, February 18, 2026, in the Council Chambers at Grand Haven City Hall.

Present:	Craig Bessinger (City of Ferrysburg); Bill Cargo (Grand Haven Charter Township); Brady Selner (Village of Spring Lake); Matt Wade (Grand Haven Charter Township); Karen Underwood (Grand Haven Charter Township); Pat Staskiewicz (Ottawa County); Mike England (City of Grand Haven)
Absent:	Gordon Gallagher (Spring Lake Township)

A motion by Cargo supported by Bessinger to approve the minutes for November 19, 2025, NOWS Committee Meeting passed unanimously.

Manager's Report, Fiscal Year to Date – *By Law*

Pumpage for the previous quarter was provided. Law reminded the group of the expected stability of winter pumpage volume. Law added that heavy snow totals can impact pumpage where usage by the Mulligan's Ski Bowl can be cut by half a million gallons daily during consistent heavy snow events as experienced in January of this year. Year date Law reported pumpage tracking at a plus 6.2% comp. with an additional 100-million gallons pumped over same period last year. System allocation is led by the Northside representing 41% of NOWS total demand, with 112% comp. YTD, and up 74 million gallons over last year. This is followed by Grand Haven Township representing 31% of allocation, with 107% comp. YTD, and up 34 million gallons over last year. The City sits at 28% of allocation YTD with a 99% comp. to last year, and down in pumpage by 7 million gallons.

Financial tracking is at 60% of the year with revenue reporting at 83.2% and expenditures reporting at 40%. Law commented on the offset as a result of the litigation award money. Law commented on the impending impacts of debt payments, depreciation, and two large capital projects will have on leveling the expenditure accounts to plan as the fiscal year draws to conclusion. Cash accounts show the operating account currently at $514K, with the debt account at $1.3 million, and the replacement account at $135K on the year. Another $499K for the replacement fund is held in an M-Class investment along with another separate M-Class account holding $2.5 million in litigation award monies.

Law pointed to changes made to the Board of Light and Power billing methodology as having an outsized impact on the year-to-year increases seen for power costs data. Chemical cost comp. at 10% and power costs comp. at 19% are both trending well above the 6% increase in pumpage. Chemical cost increases were anticipated with new contracts being negotiated and implemented within the West Michigan Coop. An increase of 19% for power cost was not anticipated. Many changes have taken place in the billing format of the BLP however the most significant change is the BLP has made changes to how it bills the demand cycle. Prior to October 2025 the “minimum demand” was capped at 100kW. Post October 2025 the BLP now sets the entire year demand rate at 60% of the highest demand peak within the previous 11-months. This is especially punitive to a large seasonal user like the NOWS filtration plant where peak demand is 3 months of year. In essence NOWS customers are paying 60% summer demand (max demand) surcharges from September to May, resulting in an additional \$5 - \$6K in demand charges being levied each month this past winter in this the first year. These additional demand charges are estimated to increase the annual budget by \$72K. Law added that there was no communication to the City or to NOWS officials prior to this change being made. Law as requested and has been provided the minutes of the BLP meetings where this was discussed, and these are being reviewed currently. Law further discussed his disappointment in how the efforts to minimize operations to gain efficiency will no longer result in seeing this positively reflected in lower cost even when KWH numbers show efficiency. In essence, no matter how energy conscious we are in operation during a winter month, there is very little monetary incentive to continue being that conscientious. Law stated that regardless of the recent changes, NOWS Operators will continue to operate the plant process with efficiency in mind.

Capital projects tracking provided shows the NOWS crew very active with three large capital projects at various stages of completion totaling just under \$500K. Law reviewed the scope and details of each project.

Water quality remains outstanding, meeting all regulatory compliance levels. Turbidity removal efficiency remains above 70% and TOC sampling tracking indicates a downward trend developing. PFAS tracking shows historical norms in place with mostly non-detectable results on most analytes while those that are detected remain below the regulatory compliance limits. DBP results tracking show all communities doing excellent at remaining well under the compliance levels. The next cycle for DBP’s is in March.

Agenda Item 1: *NOWS Fiscal Year 2026-2027 NOWS Pumpage Projection – Law*
A motion by Cargo supported by England to approve the NOWS fiscal year 2024-2025 pumpage projection by Law was unanimously approved. The committee questioned the reasoning for such a change when the BLP no longer produced their own power.

Agenda Item 2: NOWS *Fiscal Year 2026-2027 NOWS Budget Draft – Law*
A motion by England supported by Cargo to approve the NOWS Fiscal Year 2026-2027 NOWS budget draft was unanimously approved.

Agenda Item 3: *NOWS Fiscal Year 2026-2027 CIP – Law*
A motion to accept the 2026-2027 fiscal year meeting schedule by Cargo supported by Gallagher was unanimously approved.

Other: *NOWS Demand Management Discussion – Law*

Law provided a draft copy of a public service announcement in what he describes as the entry messaging into what can be described as an escalating messaging campaign based on severity of need. This message asks customers to help curb the system's daily peak demand cycle by voluntarily shifting lawn irrigation away from the 5a to 11a timeline. Karen will use the base messaging and craft a more astatically version to be shared across all units. Each municipality committed to a one message campaign and will post this in all their individual media outlets.

Reliability Study Estimations – Law

The committee requested Law to reengage with P&N to understand what benefit exists to staying with them and if there is a price cost savings taken in consideration with associated familiarity of the system. There is support within the committee to take this project to bid.

Supplemental Water Discussion – Staskiewicz

Supplemental supply is more complicated than previously understood and *Staskiewicz and Law* see the necessity for engineering as unavoidable. Because of the anticipated complexity *Staskiewicz* recommends this as a standalone study and not include this in a Reliability Study. Cargo requested a continuation of this conversation.

Adjournment: 10:23 a.m. – Submitted by Eric Law