

UTILITY ADVISORY BOARD
Thursday, February 20, 2025
8:30 – 9:30 am
1300 Market Ave SW
AGENDA

1. Approval of Minutes – January 16, 2025
2. Public Comments on Agenda Items
3. Approval of Agenda
4. Chairperson Appointment
5. Updates
 - a. 2025 Water/Sewer Report (January) – Jeff McCaul
6. Public Comments
7. Items from Members
8. Next Meeting – March 20, 2025
9. Adjournment

UTILITY ADVISORY BOARD
Thursday, January 16, 2025
MINUTES

Members Present

James Hurt (chair), Mark Bennett, Tiffany Berry, Samarhia Giffel, Jared Grabinski, Wayne Jernberg, James Kirkwood, Doug La Fave, James Ouzts, Jeff McCaul, Darrel Schmalzel, and Tai Verbrugge

Alternates Present

Alan Avitia and Kieran Kelley

Others Present

Kolene Allen, Rachael Brower, Alexia Hall, and Kurt Anderson

Call to Order

Mr. Hurt called the meeting to order at 8:33 am.

Approval of Minutes – December 19, 2024

Motion to approve the agenda by Ms. Giffel and seconded by Mr. Jernberg.

MOTION CARRIED.

Public Comments on Agenda Items

None.

Approval of Agenda

Motion to approve the agenda by Mr. Jernberg and seconded by Mr. Kirkwood.

MOTION CARRIED.

Quarterly Financial Update

Mr. Verbrugge gave the financial report. The new rates have only been in effect for 16 days, so we aren't going to see the impact of the new rates yet.

Water's revenue is at \$27.5M. At this time last year Water's revenue was about \$1M less. This increase is mostly due to the rate increase.

Sewer's revenue is a little lower than it was at this time last year. This is partially because Sewer's rates didn't increase as much this year. This should level out towards the end of the year.

Ms. Hall gave the report on the expenses for both Water and Sewer. Sewer's expenses are up about 4%. Major drivers for this has been the increased cost in charges from DTE relative to RNG sales as well as personnel costs.

Mr. Verbrugge added that much of this was anticipated and not a surprise. If you look at where Sewer is at halfway through the fiscal year, their expenses are only 43% of the total for the year.

Mr. Verbrugge also discussed the graphs that were in his report. These were regarding:

- Sewer – Treated Flow
- Water - Pumped Flow
- Sewer – Treated Flow compared to Rainfall
- Water – Pumped Flow compared to Rainfall
- Water – Pumped Flow compared to Temperature
- Water – YTD Billed Flow
- Sewer – YTD Billed Flow
- Natural Gas Revenues

Updates

- 2024 Water/Sewer Report

Mr. McCaul presented the Water/Sewer report which included Year to Date projects through December 2024. The Caledonia Pump Station project has begun but there have been some delays due to some of the materials needed having a long lead time. This may cause the project to be delayed past the fall of 2025 when it is supposed to be completed.

2025. The Burger-Goodwood project in Cascade is about 30% completed and should be completed in full by October 2025.

- Biogas Regulatory Reform Rule update

Mr. Ouzts presented a memo that was given to the City Commission by the City Manager on January 14th regarding Renewable Natural Gas (RNG) and Environmental Attributes for the month of December. It stated that current RNG production is expected to remain steady as it has in previous months. Rates have also remained steady.

RNG sales are expected to remain steady as they have in the previous few months. Reliable is still waiting for documents from DTE to close out December and should see an update from them by mid to late January.

The Environmental Attributes will take longer to process. Going forward, the RNG process will be more noticeable than it was when working with DTE. DTE streamlined the process for all phases of production and there was little to no City involvement. The City is more involved in the process now and there is an employee overseeing the program and contracts.

Mr. Verbrugge added that one difference we may see going forward is that instead of a steady stream of income, we may store gas until rates rise to maximize revenue.

Mr. Hurt added that it's still uncertain what the future looks like with the current landscape in the EPA.

Member Updates

- Mr. Jernberg stated that he gave a presentation to the City Commission on Tuesday about Water's asset management and the history of the water system. He also said that the Comprehensive Master Plan process that is currently occurring, as well as the new hydraulic modeling software will help us identify high risk assets. Mr. Hurt added that part of the driving factor regarding this presentation was caused by some current main breaks that occurred in the City.
- Mr. Anderson gave an update on local limits. The PFAS local limit evaluation was submitted in the fall of 2024. The state approved a 47 nanogram per liter local limit for PFOS. We were also required to report on 5 other compounds and those numbers were so high that the state is not requiring a local limit. Our compatible pollutant local limit was completed and will be submitted to the state soon. Those pollutants are biochemical oxygen demand (BOD), total suspended solids (TSS), ammonia and total phosphorus. The summary is that the pounds per day that we can treat has increased for BOD and TSS, ammonia remains the same, and total phosphorus will decrease. Once it's submitted, the state will need to approve it which could take some time. The last time we did this it took the state four years to respond.

Next Meeting

The next meeting is scheduled for February 20, 2025.

Adjournment

Mr. Hurt adjourned the meeting at 8:58 am.

**Water/Sewer UAB Report
January 2025**

Project Name	Contractor	Award Date	Substantial Completion Date	Final Completion Date	Water Fund Authorized NTE Amt	Sewer Fund Authorized NTE Amt	Est. Year for Rates	Integrated (Y/N)
Installation of Water Main in LEONARD STREET from Winterwood Drive (PVT) to Crahen Avenue and in CRAHEN AVENUE from Bradford Street to Leonard Street	Dykema Excavators, Inc.	1/14/2025	8/15/2025	11/21/2025	\$1,880,451	N/A	2026	N (GR Twp)
Reconstruction of GARFIELD AVENUE from Butterworth Street to Fulton Street	Kamminga & Roodvoets, Inc.	1/14/2025	8/21/2026	5/7/2026	\$1,088,500	N/A	2027	N (GR)