

UTILITY ADVISORY BOARD
Thursday, October 19, 2023
8:30 – 9:30 am
1300 Market Ave SW
AGENDA

1. Approval of Minutes – August 17, 2023
2. Public Comments on Agenda Items
3. Approval of Agenda
4. Introduction of Environmental Services Manager & Utility Financial Officer – James Hurt
5. Fiscal Year 2023 Preliminary Financials – Tai Verbrugge
6. Add-to-Tax (ATT) Winter Tax Option – Samarhia Giffel
7. 2023 Water Rate Study Task 30 – Samarhia Giffel
8. Kent County Community Action Contract Renewal – Samarhia Giffel
9. Updates
 - a. Water/Sewer Legislation – Samarhia Giffel
 - b. Kent County Community Action Quarterly Update – Samarhia Giffel
 - c. August Awards (No Awards for September)– Jeff McCaul
 - d. 2023 Lead and Copper Sampling - Wayne Jernberg
 - e. Biodigester – Jared Grabinski
10. Public Comments
11. Items from Members
12. Next Meeting – November 9, 2023
13. Adjournment

UTILITY ADVISORY BOARD
Thursday, August 17, 2023
8:30 – 9:30 am
1300 Market Ave SW
MINUTES

Call to Order

The meeting was called to order at 8:35 a.m. by Mr.Hurt.

Members Present

Tai Verbrugge, Kolene Allen, Wayne Jernberg, James Hurt, Alex Fleet, Darrel Schmalzel, James Ouzts, Jared Grabinski, Jeff McCaul, Molly Clarin, Mark Bennett, Jim Kirkwood, Sam Giffel, Aric Thorne, Brian Bradley

Approval of Minutes – June 15, 2023

Motion to approve the minutes by Mr. Schmalzel, second by Mr. Jernberg.

MOTION CARRIED.

Public Comments on Agenda Items

None

Approval of Agenda

Motion to approve the agenda by Mr. Jernberg, second by Mr. Ouzts.

MOTION CARRIED.

2023 Water/Sewer Rate Study

Mrs. Clarin presented the Utility Service District (USD) Size Recommendation Memo for the 2023 Water/Sewer Rate Study to the board. There are no changes to the current USD areas, but it needs to be approved by the board for the 2023 Rate Study.

Motion to adopt the 2023 USD Size areas by Mr. Jernberg, second by Mr. Verbrugge.

MOTION CARRIED.

Updates

July Awards

Three projects were awarded in July 2023. The first is for the Low Lift Crib Line Repair at the Lake Michigan Filtration Plant for \$178k; the project was awarded to Freedom Construction and Consulting Inc. The second project is for the reconstruction of Milton Street for \$6.3 million; the project was awarded to Lodestar Construction. The third project is for replacing the North Header

Flowmeter at the Market Avenue Pump Station for \$500k; the project was awarded to Allied Mechanical Services.

The report incorrectly listed the substantial completion date for replacing the North Header Flowmeter at Market Avenue Pump Station. The correct date is 1/3/2024.

Mr. Hurt asked if the engineer's estimates are now closer to the final bids being received. Mr. Kirkwood said yes, but the delivery time for the watermain has improved.

Kent County Community Action(KCCA) Q2

Mrs. Giffel updated the board on the Water/Sewer Assistance Program; year-to-date, \$39K has been expended, and 108 households have been assisted. The average assistance is \$329.

Mrs. Giffel has been working with a legislative committee led by Senator Chang; they are working on establishing a permanent assistance program in Michigan. The program will assist the asset-limited, income-constrained, and employed (ALICE) population. Once the program is approved, she will recommend an amendment to the water/sewer assistance program with Kent County Community Action to broaden the assistance eligibility, including the ALICE population.

She will be bringing more information to the board about the new program in the future.

Partner Community Service Agreements

Mr. Hurt reminded partner communities that the 5th Extension to the Water and Sanitary Water and Sewer Service Agreements expires at the end of the year. The service agreements must be approved by each partner community governing body and the City of Grand Rapids's Commission.

Mrs. Clarin asked partner communities to contact her if they have questions about the service agreements. The signed agreements can be emailed to Mrs. Clarin or Mrs. Contreras.

GRCC Water Career Program

GRCC and the Water System held three summer water camps for 3rd-9th graders. The camps exposed campers to various jobs in the water and public service industry. They also toured both the water and wastewater plants. Roughly 30 students attended the camps.

The internship for the 1st cohort of students is ending soon; he is happy to announce that all five interns have been offered a job with the City of GR or the City of Wyoming. The recruitment and hiring for the 2nd cohort has ended; this year, 27 people applied and 10 interviewed for the program. Due to funding not being utilized for the 1st cohort, the City could hire eight instead of six interns.

He is very proud of the work that has gone into making the success of the program. GRCC is in discussion with the Environmental Protection Agency for an extension to the grant; they are also exploring a grant from the Kellogg Foundation.

2023 Lead and Copper Rule Sampling

The Lake Plant's lab staff continues collecting water samples for its annual LCR. As of right now, the Action Level for lead is nine ppb.

Kent County Health Department Filter Distribution

The Water System participated in the water distribution events held in the City limits. The Kent County Health Department and the Michigan Department of Human Services distributed 2,000 filters to Kent County residents. The City continues to work on a filter distribution site for the 3rd Ward.

Public Comments

None.

Items from Members

Mr. Bennett said that PFAS was detected at a daycare in Tallmadge. He asked if the board is aware of funding for PFAS testing. Mr. Jernberg said he is unaware, but it should be coordinated with the Ottawa County Health Department and Michigan PFAS Action Response Team (MPART). Tallmadge will be notifying the subdivision near the daycare of the PFAS results. Mr. Bennett said the next step is to extend a watermain to that area, which is a bigger conversation with the Water team.

Mr. Vergrugee will have the year-end financials for FY2023 at the next meeting.

Next Meeting – September 21, 2023

Adjournment

The meeting was adjourned at 9:18 by Mr. Hurt.



City of Grand Rapids

Water & Sewer Systems

**Preliminary Overview
Fiscal Year 2023**

Water Supply System – Operating Fund

<i>Description</i>	<i>Q4FYTD-FY22</i>	<i>Preliminary Q4FYTD-FY23</i>	<i>FY23/FY22 VARIANCE</i>
Retail Service Charges	\$ 41,342,724	\$ 44,580,258	\$ 3,237,535
Wholesale Service Charges	\$ 4,586,264	\$ 5,099,327	\$ 513,063
Front Footage Fees	\$ 446,693	\$ 374,734	\$ (71,958)
Integrated Connection Fees	\$ 347,095	\$ 365,459	\$ 18,364
Sewage Disposal Fund-Customer Service	\$ 2,489,516	\$ 2,467,057	\$ (22,459)
Penalties	\$ 1,043,564	\$ 1,165,294	\$ 121,730
Miscellaneous	\$ 2,284,426	\$ 3,291,921	\$ 1,007,495
Total Revenue	\$ 52,540,280	\$ 57,344,050	\$ 4,803,769
Personnel Services	\$ 12,116,185	\$ 12,858,220	\$ 742,035
Supplies	\$ 3,338,283	\$ 4,109,197	\$ 770,914
Other Services and Charges	\$ 13,148,704	\$ 14,053,819	\$ 905,114
Capital Outlay	\$ 354,053	\$ 833,335	\$ 479,282
Transfers Out	\$ 23,557	\$ 24,207	\$ 650
Total Expenses	\$ 28,980,782	\$ 31,878,778	\$ 2,897,996
Net Income (Loss)	\$ 23,559,498	\$ 25,465,272	\$ 1,905,774
*Operating financial report excludes debt service, cash capital transfers, & GASB 31 Market Adjustments			

Note – Preliminary FY23 is unaudited and not final

Sewer Disposal System – Operating Fund

<i>Description</i>	<i>Q4FYTD-FY22</i>	<i>Preliminary Q4FYTD-FY23</i>	<i>FY23/FY22 VARIANCE</i>
Retail Service Charges	\$ 58,603,464	\$ 59,907,223	\$ 1,303,759
Wholesale Service Charges	\$ 3,301,466	\$ 3,449,417	\$ 147,951
Sewer Surcharges	\$ 3,718,914	\$ 2,731,720	\$ (987,194)
Renewable Natural Gas Sales	\$ 52,072	\$ 1,314,199	\$ 1,262,127
Front Footage Fees	\$ 299,829	\$ 263,878	\$ (35,951)
Integrated Connection Fees	\$ 517,239	\$ 23,806	\$ (493,433)
Miscellaneous	\$ 1,948,613	\$ 2,542,946	\$ 594,333
Total Revenue	\$ 68,441,597	\$ 70,233,188	\$ 1,791,591
Personal Services	\$ 11,480,128	\$ 11,942,132	\$ 462,005
Supplies	\$ 2,681,956	\$ 3,024,010	\$ 342,054
Other Services and Charges	\$ 18,848,359	\$ 18,946,157	\$ 97,798
Capital Outlay	\$ 363,867	\$ 957,727	\$ 593,860
Total Expenses	\$ 33,374,310	\$ 34,870,026	\$ 1,495,716
Net Income (Loss)	\$ 35,067,287	\$ 35,363,162	\$ 295,875

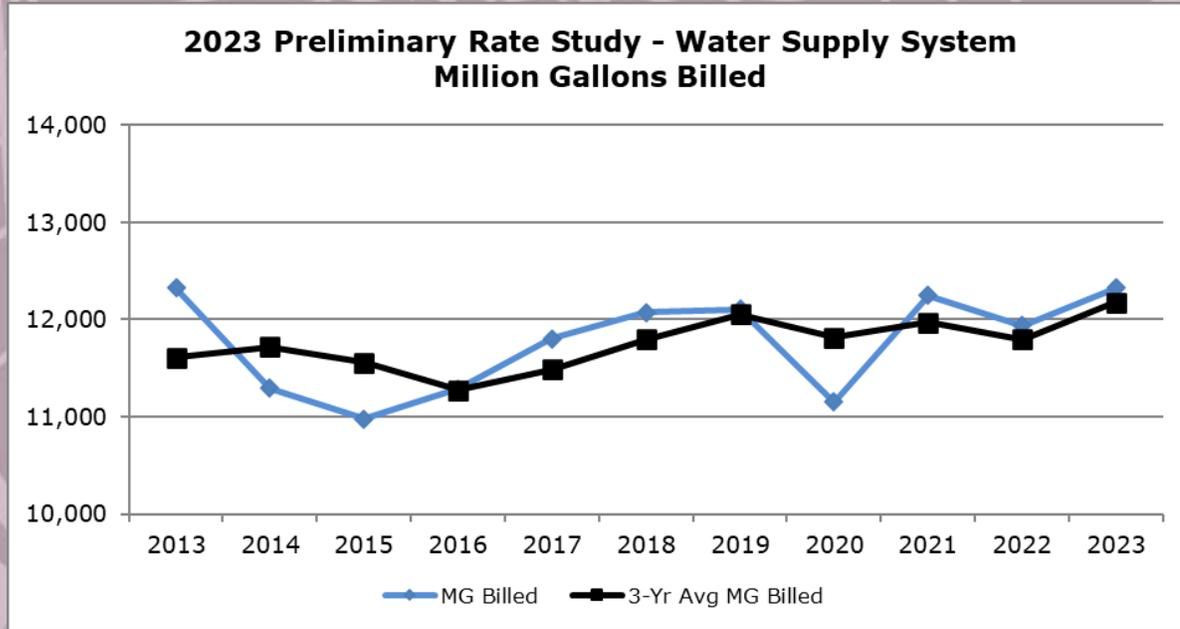
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Billed Volume

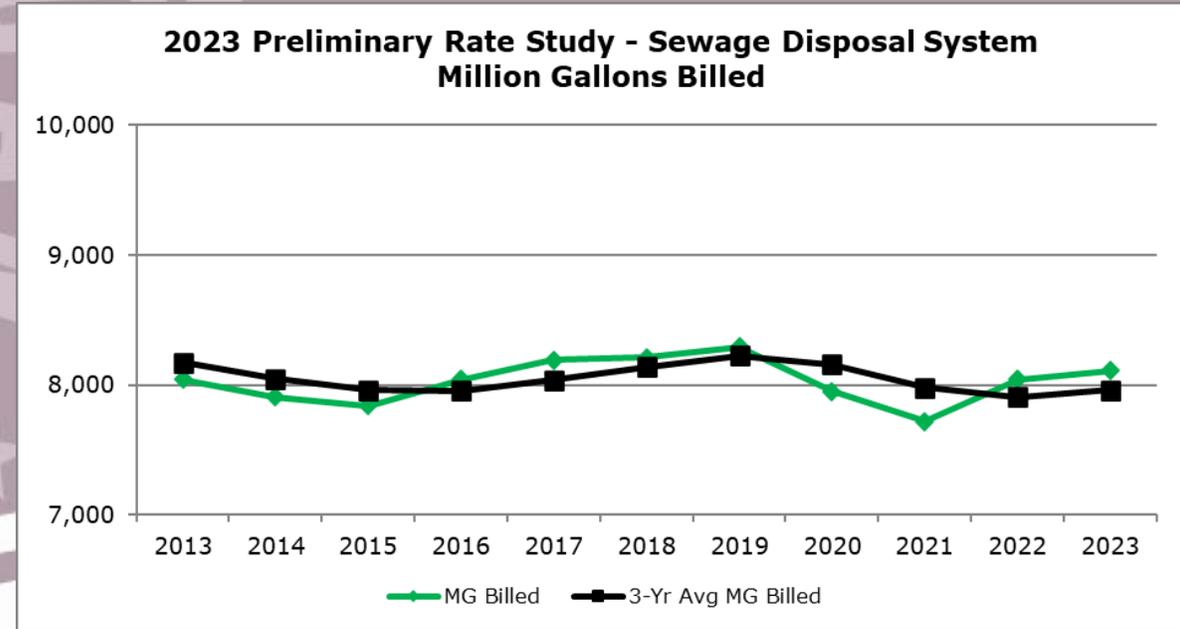
Water Supply System

2023 Water volume up 3.24% over 2022
3-Yr Avg Water volume **up** 3.22%



Sewer Disposal System

2023 Sewer Volume up 0.88% over 2022
3-Yr Avg Sewer Volume **up** 0.70%



Partner Communities - Water Billed Volume

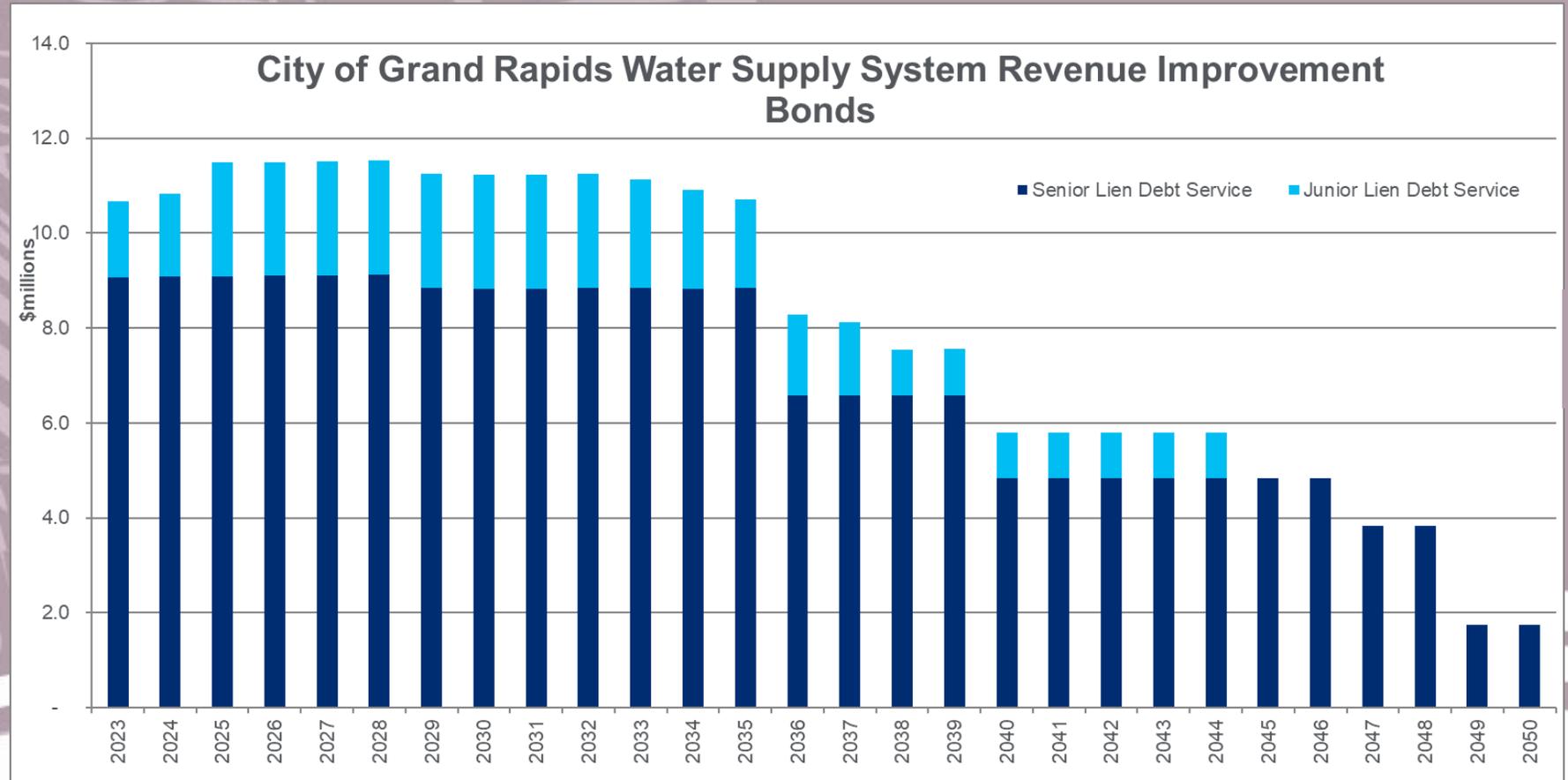
<i>MUNICIPALITY</i>	<i>FY19 VOL BILLED</i>	<i>FY20 VOL BILLED</i>	<i>% CHANGE</i>	<i>FY21 VOL BILLED</i>	<i>% CHANGE</i>	<i>FY22 VOL BILLED</i>	<i>% CHANGE</i>	<i>FY23 VOL BILLED</i>	<i>% CHANGE</i>	<i>FY19 - FY23 % CHANGE</i>
GRAND RAPIDS	6,417,706	5,899,570	-8.07%	6,288,343	6.59%	6,151,371	-2.18%	6,325,990	2.84%	-1.43%
WALKER	929,719	835,703	-10.11%	952,327	13.96%	923,869	-2.99%	943,276	2.10%	1.46%
KENTWOOD	1,342,574	1,190,449	-11.33%	1,305,704	9.68%	1,270,170	-2.72%	1,270,658	0.04%	-5.36%
CASCADE TWP	695,896	585,011	-15.93%	686,898	17.42%	697,931	1.61%	716,807	2.70%	3.00%
GRAND RAPIDS TWP	545,871	462,801	-15.22%	573,570	23.93%	528,741	-7.82%	579,069	9.52%	6.08%
TALLMADGE TWP	41,592	37,831	-9.04%	48,587	28.43%	52,057	7.14%	53,593	2.95%	28.85%
EAST GRAND RAPIDS**	413,246	422,907	2.34%	430,073	1.69%	429,664	-0.10%	479,864	11.68%	16.12%
OTTAWA COUNTY***	1,280,873	1,299,136	1.43%	1,492,668	14.90%	1,426,225	-4.45%	1,471,115	3.15%	14.85%
ADA TWP	438,337	417,313	-4.80%	466,832	11.87%	461,794	-1.08%	487,813	5.63%	11.29%
TOTAL	12,105,814	11,150,721	-7.89%	12,245,001	9.81%	11,941,820	-2.48%	12,328,184	3.24%	1.84%

Partner Communities - Sewer Billed Volume

MUNICIPALITY	FY19	FY20		FY21		FY22		FY23		FY19 - FY23
	VOL BILLED	VOL BILLED	% CHANGE	VOL BILLED	% CHANGE	VOL BILLED	% CHANGE	VOL BILLED	% CHANGE	% CHANGE
GRAND RAPIDS	4,998,134	4,782,754	-4.31%	4,706,480	-1.59%	4,848,898	3.03%	4,889,314	0.83%	-2.18%
WALKER	637,561	596,412	-6.45%	604,510	1.36%	628,004	3.89%	634,824	1.09%	-0.43%
KENTWOOD	1,060,147	976,528	-7.89%	1,001,673	2.57%	991,359	-1.03%	999,662	0.84%	-5.71%
CASCADE	357,434	330,505	-7.53%	335,188	1.42%	351,062	4.74%	358,418	2.10%	0.28%
GRAND RAPIDS TWP	293,245	278,126	-5.16%	284,929	2.45%	291,121	2.17%	301,740	3.65%	2.90%
TALLMADGE	27,276	25,812	-5.37%	27,089	4.95%	29,628	9.37%	36,870	24.45%	35.17%
WRIGHT TWP	19,834	20,025	0.96%	12,023	-39.96%	15,037	25.07%	17,363	15.47%	-12.46%
EAST GRAND RAPIDS	461,287	498,507	8.07%	359,057	-27.97%	459,754	28.04%	447,512	-2.66%	-2.99%
ADA TWP	291,737	292,738	0.34%	264,616	-9.61%	276,776	4.60%	276,304	-0.17%	-5.29%
CALEDONIA TWP	28,715	25,910	-9.77%	21,012	-18.90%	30,777	46.47%	31,098	1.04%	8.30%
GAINES TWP	115,345	122,183	5.93%	103,780	-15.06%	116,742	12.49%	116,500	-0.21%	1.00%
TOTAL	8,290,715	7,949,500	-4.12%	7,720,357	-2.88%	8,039,158	4.13%	8,109,605	0.88%	-2.18%

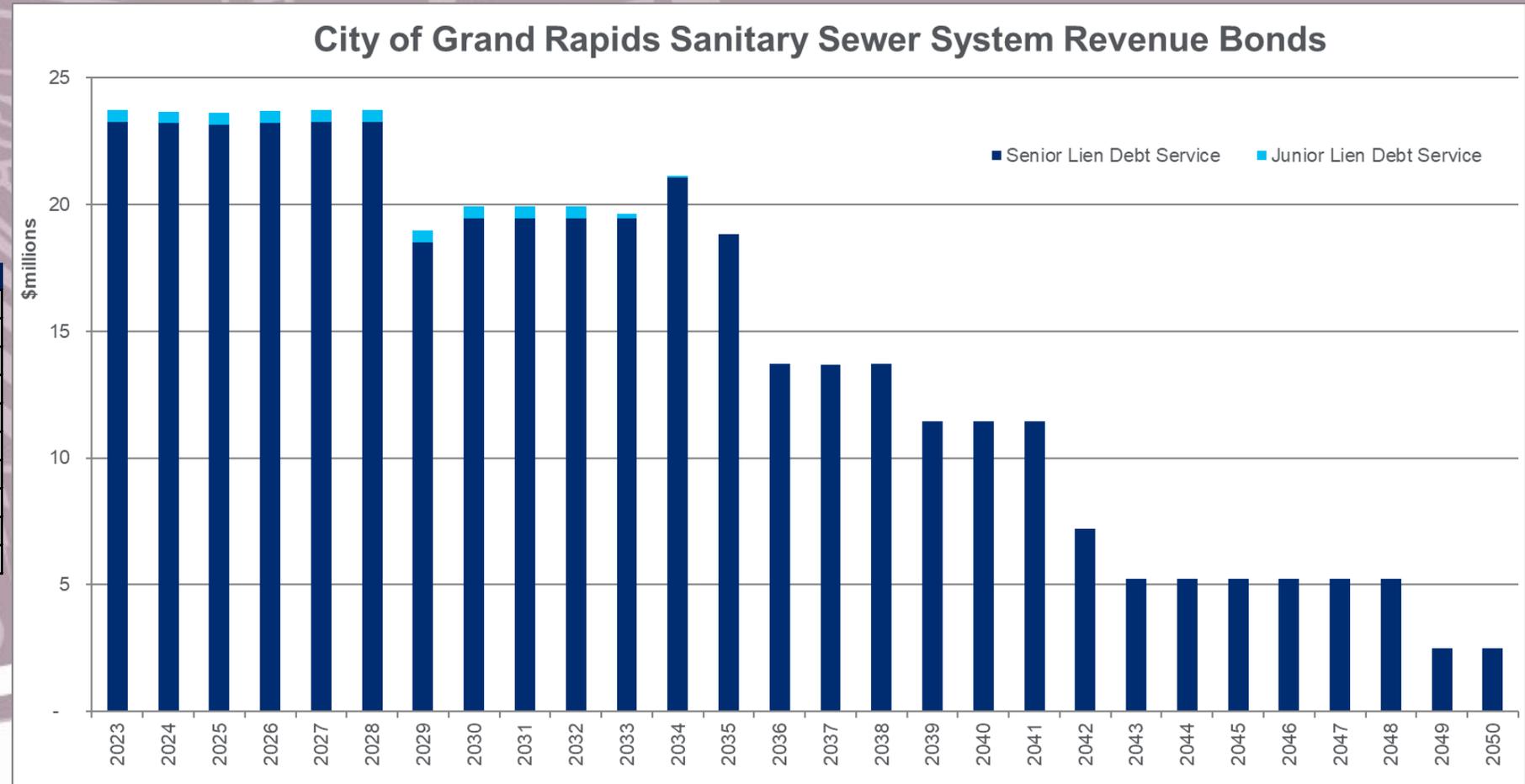
Water Debt Profile

Series	Amount Outstanding	Final Maturity
2013	\$1,390,000	1/1/2028
2015	\$21,135,000	1/1/2035
2016	\$33,525,000	1/1/2046
2018	\$30,220,000	1/1/2048
2020	\$26,020,000	1/1/2050
Total	\$112,290,000	



Sewer Debt Profile

Series	Amount Outstanding	Final Maturity
2010	\$29,625,000	1/1/2028
2010A (BABs)	\$21,330,000	1/1/2041
2012	\$25,000	1/1/2042
2013	\$2,100,000	1/1/2034
2014	\$4,260,000	1/1/2044
2016	\$42,090,000	1/1/2038
2018	\$39,715,000	1/1/2048
2020	\$34,545,000	1/1/2050
2021	\$99,885,000	1/1/2042
Total	\$273,575,000	



Individual Circuit Breaker - Calendar Year 2023

Sources:	
Penalty Revenue (12.5%)	\$130,446
Other Non-op Revenue	80,000
Total ICB for 2023	\$210,446
Uses:	
Reimbursements for 2023	(\$39,125)
Total Remaining Individual Circuit Breaker Funds CY23	\$91,321
Remaining Supplemental Funding CY23	\$80,000

Note – In Calendar Year 2022 we moved to a reimbursement model for KCCA draws.

System Investment – Preliminary Asset Additions June 30, 2023

Water Supply System: \$18.4M	
Integrated System: \$4.5M	
LMFP Switchgear Replacements	\$2.75M
LMFP Accelerator Conversion & Residual Improvement	\$989k
LMFP South Clearwell Improvements	\$613k
Non-Integrated System: \$18.0M	
Grand Rapids:	
-Water Mains	\$15.2M
-PRV Replacements (Alger & West Regulated)	\$1.38M
-Storage	\$640k
Walker:	
-Water Mains	\$202k
-Auxiliary Equipment	\$149k
Kentwood:	
-Water Mains	\$823k
GR Township:	
-Water Mains	\$215k

Sewer Disposal System: \$13.6M	
Integrated System: \$2.3M	
FEW Supply Lines	\$1.24M
WRRF – Biodigestion	\$732k
WRRF – Primary Tank Refurbishment	\$251k
WRRF – RNG & Phosphorous	\$83k
Non-Integrated System: \$12.3M	
Sewer Mains:	
-Grand Rapids	\$11.2M
-Kentwood	\$530k
-Walker	\$184k
-GR Township	\$53k
Process Equipment:	\$251k
Easements:	\$89k

2023 Water & Sewer Rate Study Schedule



MEMORANDUM

CITY OF GRAND RAPIDS

DATE: October 19, 2023

TO: Utility Advisory Board (UAB), Members

FROM: Samarhia Giffel, Administrative Service Officer

SUBJECT: Add-to-Tax (ATT) Winter Tax Option

The City of Grand Rapids Utility Business Office has processed delinquent accounts eligible to be added to the property tax roll. The accounts have been sent an add-to-tax (ATT) letter with bill payment information and educational information on the ATT process. Customers are referred to the City's website for additional information.

Section 13 of the retail water and sanitary sewer service agreement provides for the collection of delinquent water or sanitary sewer accounts. Per the agreement, the City of Grand Rapids is allowed to certify and assign any account that is delinquent for a period of at least ninety (90) days. For the 2023 Winter Tax Roll, the City desires to certify and assign to each respective partner community all eligible accounts that have been reviewed and processed for collection. The City of Grand Rapids respectfully requests each retail partner community to use the annual (winter) add-to-tax collection cycle to collect significantly delinquent (currently defined as 203 days or more) water and/or sanitary sewer charges.

Customers are able to pay the ATT amounts through the close of storefront business on October 27, 2023. On Wednesday, November 1, 2023, the debt will be transferred to the partner community account and the official certification list will be sent along with a bill for the community ATT debt. UAB retail partners are reminded to review Michigan's water/sewer charges immediate lien provisions and how to best communicate outstanding delinquent utility balances during the period of time between City of Grand Rapids certification to the community and the community's assignment to the tax roll.

The ATT winter tax timeline for 2023 and a data table of eligibility and collections are presented hereafter.



1. 10/19 2023 ATT Winter Presentment to UAB (Memo)
2. 10/27 Final Day to Pay Water at Storefront
3. 11/1 Certification List Sent to Community (E-mail and Formal Letter)
4. 11/1 ATT Bill Sent to Partner Communities
5. 12/1 ATT Bill Due Date

ATT WINTER PRELIMINARY ELIGIBLE ACCOUNTS

Customer Community	Accounts Processed	Amount Processed
Cascade	56	\$27,643.80
G.R. Township	85	\$33,742.73
City of Grand Rapids	2436	\$1,150,080.67
Kentwood	183	\$75,863.72
Tallmadge	7	\$1,618.87
Walker	137	\$71,432.82
Wright Township	15	\$22,793.45

If you have additional questions on the ATT Winter Tax Option, please send an email to sgiffel@grcity.us or call (616) 456-4531.

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: October 19, 2023

TO: Tai Verbrugge
Utility Financial Officer

FROM: Samarhia Giffel
Administrative Services Officer

SUBJECT: 2023 WATER RATE STUDY TASK #30
FEES, CHARGES, and PENALTIES

Fees, charges, and penalties have been reviewed and determined in accordance with the Water System Rules and Regulations and are approved for use beginning January 1, 2024.

The following are recommended changes in fee amounts, aligned to support resource requirements and cost recovery:

Fire Protection Monthly

- Fee increases 3.677% for all sizes based on Bond Buyer Index (BBI) referenced from Task 19.

Meter Set/Installation and Service On/Off Requests

- Meter installations for all sizes increased 7.14% from \$70 to \$75 to account for associated administrative costs for clerical tasks and field work including city vehicle mileage and fuel.
- Inspection/Repair increased 7.14% from \$70 to \$75 to account for associated administrative costs for clerical tasks and field work including city vehicle mileage and fuel.

Meter Replacement

- Fee increases 31% for 3" meters.

Miscellaneous

- Fees increased and aligned to support Water Engineering resource requirements and cost recovery.

Please see the attached fee, charges, and penalties schedule in entirety.

SG

Cc: Wayne Jernberg, Water System Manager

Jay Ouzts, Environmental Services Manager
Arden Postma, Hydraulic Engineer
Chad Reul, Utility Field Operations Superintendent

CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
FEES, CHARGES, AND PENALTIES
TASK NO. 30

Fees, Charges, and Penalties	2023 Fee (\$)	2024 Fee (\$)	% Change
Fire Protection Monthly (based on pipe size)			
6"	\$21.35	\$22.14	3.70%
8"	\$37.88	\$39.28	3.70%
10"	\$59.35	\$61.55	3.70%
12"	\$85.41	\$88.57	3.70%

**BBI referenced from Task 19*

Hydrant Use Per Season			
Hydrant Use Permit Fee (Non-Metered Hydrant Connection - Residential Customers)	\$50	\$50	0%
Hydrant Use Permit Fee (Metered Hydrant Connection)	\$300	\$300	0%
Non-Metered Hydrant Connection Use Fee (pool filling per connection)	\$100 (RD) + \$75/week	\$100 (RD) + \$75/week	0%
Metered Hydrant Connection Use Fee * (per connection)	\$500 (RD) + \$25/week	\$500 (RD) + \$25/week	0%

RD=Refundable Deposit

**Plus metered volume (Commodity Charges at City of Grand Rapids Rate)*

A \$100 Services fee applies for all hydrant connection assistance requests

Tapping Permits			
All sizes	\$375	\$375	0%

Meter Set/Installation and Service On/Off Requests			
<i>All non-emergency service requests must be scheduled (normal service Hours 8am - 7pm M-F)</i>			
All sizes	\$70	\$75	7.14%
Inspection/Repair Scheduled On & Off Request (may also need meter set/install)	\$70	\$75	7.14%

Meter Reading			
Final or Actual Reading	\$60	\$60	0%
Meter Interface Unit Replacement (includes Smart Endpoint Device)	\$170	\$170	0%

Meter Testing			
<i>Meter Testing Fee: Charged and paid by customer prior to test, if test results find the meter to read in error beyond AWWA acceptance and in the benefit of the Water System, the fee will be refunded, and a new meter will be set.</i>			
<i>*In addition to the Meter Testing fee a Service On/Off Requests fee applies.</i>			
¾" and 1"	\$150	\$150	0%
1 ½"	\$200	\$200	0%
2"	\$350	\$350	0%
3"	\$500	\$500	0%
4" or larger	Cost	Cost	0%

**Ultrasonic Meters charged at costs*

Security Deposit			
Minimum Deposit Amount	\$500	\$500	0%

CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
FEES, CHARGES, AND PENALTIES
TASK NO. 30

Fees, Charges, and Penalties

2023 Fee (\$) **2024 Fee (\$)** **% Change**

Meter Replacement (Non-System Planned/Scheduled Replacement)

Meter Replacement Fee: Charged to customer at time of discovery of a system known meter that requires replacement outside of Water System planned replacement program scheduling as a result of infrastructure loss (Frozen/Missing/Stolen/Damaged), unnecessary replacement, and/or customer request. Customer requested meter replacement requires meter testing prior to approval. In addition to the Meter Replacement fee a Meter Set/Installation fee applies. Note: If standard meter is unavailable, Ultrasonic meters will be charged at cost.

	2023 Fee (\$)	2024 Fee (\$)	% Change
¾"	\$210	\$210	0%
1"	\$300	\$300	0%
1 ½"	\$750	\$750	0%
2"	\$880	\$880	0%
3"	\$1,650	\$2,162	31%
4" or larger	Cost	Cost	0%

Miscellaneous

	2023 Fee (\$)	2024 Fee (\$)	% Change
Street Opening Permit (Water/ESD, City Engineering, Streets)	\$300	\$300	0%
Water Inspection Permit (Within City Limits)	\$85	\$90	5.88%
Water Inspection Permit (Outside City Limits)	\$100	\$105	5%
Sanitary Service Line Inspection Permit (Within City Limits)	\$85	\$90	5.88%
Sanitary Service Line Inspection Permit (Outside City Limits)	\$100	\$105	5%
Storm Service Line Inspection Permit (Within City Limits)	\$85	\$90	5.88%
Storm Service Line Inspection Permit (Outside City Limits)	\$100	\$105	5%
Footing Drain Lateral Inspection Permit (Within City Limits)	\$85	\$90	5.88%
Footing Drain Lateral Inspection Permit (Outside City Limits)	\$100	\$105	5%
Sewer Lateral Service Demolition/Cap off Inspection Fee (Within City Limits)	\$85	\$90	5.88%
Sewer Later Service Demolition/Cap off Inspection Fee (Outside City Limits)	\$100	\$105	5%
Plumbing Service Re-inspection Fee	\$85	\$90	5.88%
Cross Connection Re-inspection Fee	\$75	\$75	0%

CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
FEES, CHARGES, AND PENALTIES
TASK NO. 30

Fees, Charges, and Penalties	2023 Fee (\$)	2024 Fee (\$)	% Change
Miscellaneous Cont...			
Irrigation Service Cut/Cap Administrative Fee	\$70	\$70	0%
Delinquent Commercial Backflow Test Fee (Test fees will be applied, per device, upon the dues dates of the 1 st notice and final notice)	\$25	\$35	40%
Hydrant Flow Test	\$200	\$200	0%

Services			
Customer requested on-site service visit (hydrant connection assistance requests, internal plumbing, customer issue)	\$100	\$100	0%

Penalties			
Late Payment Penalty	10% of Net	10% of Net	0%
Return check or payment charge (City Treasurer processing fee)	\$30	\$30	0%
Administrative/Research Fee (Review or processing of account for non-payment, returned payment, shut-off, posting of property, and/or backflow non-compliance) (Documentation creation for account of location information- FOIA request may still be required)	\$70	\$70	0%
Missed Appointment	\$50	\$50	0%
Unauthorized operation, tampering, or removal of any Water or Sanitary Sewer System owned or maintained, valve, asset, infrastructure, or equipment (for example, but not limited to, valves, meters, meter reading equipment, hydrants, and curb stops & box) ** & ***	\$500	\$500	0%
Unauthorized or Illegal connection to any Water or Sanitary Sewer System owned pipe, property, and/or private plumbing system served by the Water and/or Sanitary Sewer System ** & ***	\$500	\$500	0%
Failure to return or return of damaged beyond repair/ repairable hydrant connection equipment	Cost + 10%	Cost + 10%	0%
Repair/Replace damage to a fire hydrant	Cost + 10%	Cost + 10%	0%
Permit infractions/violations ** & ***	\$100	\$100	0%
Unauthorized service tap of Water or Sewer main** & ***	\$500	\$500	0%

**** Plus double the commodity rate for estimated volume and any unbilled readiness to serve charges that may apply**

***** Penalties shall double with each subsequent infraction**

Miscellaneous Damage or Loss			
Any cost recovery due to damage caused or undue oversight of any location, account, or infrastructure of the Water and/or Sanitary Sewer System will be charged in accordance with cost recovery methodology for time and materials, including a 10% administrative charge for processing	Cost + 10%	Cost +10%	0%

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: October 19, 2023

TO: Utility Advisory Board (UAB), Members

FROM: Samarhia Giffel, Administrative Services Officer

SUBJECT: Kent County Community Action (KCCA)- Individual Circuit Breaker (ICB) Contract Renewal for January 1, 2024- December 31, 2026

In 2007, with the third amendment to the Water and Sanitary Sewer Service Agreement, the City of Grand Rapids and its retail Customer Community partners agreed to include an Individual Circuit Breaker (ICB) for a water/sewer payment assistance program. The program entailed that 12.5% of the estimated penalty fees collected are used to support customers requiring support in paying water/sewer utility bills.

Through the duration of the ICB, the Water System has contracted with Kent County Community Action (KCCA) to administer the program on the City's behalf. The partnership with KCCA has been very positive, allowing the Water System to understand the needs of the community and collaborate with other assistance programs. Over the life span of the program, we have helped over 5,500 households within the City of Grand Rapids and its partner communities of Cascade Charter Township, Grand Rapids Charter Township, the City of Kentwood, Tallmadge Charter Township, The City of Walker, and Wright Township.

In collaboration with KCCA, the Water System reviewed the payment assistance contract and affordability of the services we provide to our customers. Emphasis was focused on the increase in rates and the Asset Limited, Income Constrained, Employed population. To address the needs of our citizens and customers, we recommend the following changes to the payment assistance contract:

- Section II B.
 - Delete 'face to face contact' and replace it with 'In collaboration with the client'.
- Section IV D.
 - KCCA will report the first Monday of the following quarter and a specific date will be deleted.
- Section IV E.
 - Educational and marketing outreach materials will be distributed creatively and not limited to bill inserts.
- Attachment A
 - The word applicants and clients are updated according to those who are applying for the program and those who are approved to utilize the program.
 - Added Wording
 - Assistance may be provided to clients who may not have the bill in their name but are responsible for the usage.

- Applicants must be delinquent and seeking assistance and not necessarily in shut off status.
- Yearly assistance has been increased for all approved clients up to \$500 per program year.

The intent of the program is to aid customers in preventing service from being interrupted or to restore service that has been interrupted due to non-payment.

All recommended changes are adjustments to client assistance criteria within the ICB contract and will not affect the Water and Sanitary Sewer Agreement. Approved changes will be presented to the Kent County Community Action Governing Board and Grand Rapids City Commission for final approval.

If you have additional questions on the KCCA-ICB contract, please send me an email sgiffel@grcity.us or call (616) 456-4531.

KENT COUNTY COMMUNITY ACTION – INDIVIDUAL CIRCUIT BREAKER CONTRACT

THIS CONTRACT is approved as of **January 1, 2024**, by and between the CITY OF GRAND RAPIDS, a Michigan Municipal Corporation, whose principal office is located at 300 Monroe Avenue, N.W., Grand Rapids, Michigan, 49503, hereinafter referred to as the "City," and KENT COUNTY COMMUNITY ACTION (KCCA), a Michigan Council, whose principal office is located at 121 Franklin Street, Southeast, Grand Rapids, Michigan 49507, hereinafter referred to as the "Contractor."

IT IS AGREED by and between the parties as follows:

I. PERIOD OF PERFORMANCE

The various activities described in this Contract are to begin on **January 1, 2024** and are to continue through **December 31, 2026**, with adjusted funding as determined annually in the Water/Sewer Rate Study. All eligible program activities and related eligible expenses are limited to the above time period.

II. CONTRACT ACTIVITIES AND DEFINITIONS

- A. The purpose of this Contract is to provide funding for the Individual Circuit Breaker program. As a part of the Third Amendment to the Water and Sanitary Sewer Service Agreement with Customer Communities, each year up to 12.5% of the penalty fees paid by retail water and sewer customers during the prior year will be set aside to support a program to assist retail customers requiring assistance in paying their water and sewer bills. Any balance remaining at the end of the year will be returned to the fund balance to offset the next year's revenue requirements.
- B. Intake and Assessment: ~~A face-to-face contact between Contractor's staff and an applicant.~~ **In collaboration with the client,** the Contractor staff conducts an analysis and a review of the client's request for assistance with the water and sewer bill and develops a service plan to resolve or ameliorate the issue. An Agency Application for Assistance with the water and sewer bill is completed, the client is assigned an Agency ID number; income information is verified. Direct assistance with the water and sewer bill is provided by the Contractor, in addition to being referred to other appropriate resources.

- C. The City of Grand Rapids reserves the right to add additional non-operating revenue if available from the Water and Sanitary Sewer Systems to support the program and if all of the funding supplied as part of the Third Amendment to the Water and Sanitary Sewer Service Agreement with Customer Communities, is expended prior to the end of the calendar year. Supplemental funding from non-operating revenue will be handled in the same manner as primary funding pursuant to this Contract with the exception that the original support amount must be expended in order to request additional funds and any balance remaining of the supplemental funding at the end of the year will be carried over for future use as secondary funds.

III. SPECIAL CONDITIONS

- A. All clients served shall meet the poverty level eligibility criteria as provided in Attachment A.
- B. Contract funds shall be used for water and sewer bill payment assistance. An administrative fee not to exceed 10% of the available funding will be charged for Contractor's administrative and operational support.
- C. The Third Amendment to the Water and Sanitary Sewer Service Agreement with Customer Communities and the Individual Circuit Breaker Assistance Program General Framework become a part of this Contract.

IV. BUDGET AND METHOD OF PAYMENT

- A. Funding provided for assistance given to retail customers under this Contract and the administration of this funding, shall be provided by the City to the Contractor on an as requested basis, and based on the available funds, in the amount not to exceed 12.5% of the penalty fees paid by retail water and sewer customers during the prior year.
- B. The City shall furnish advances to the Contractor on an as requested basis after the submission and approval of required documentation based upon prior request period activities.

- C. To request funding, the Contractor shall submit the Request for Payment according to prescribed City procedures.
- D. The Contractor shall report quarterly on the program assistance and the number of clients served to the City. ~~This report is due by the first Monday at close of business after each quarter. with the first report due on April 5, 2021.~~
- E. The Contractor shall work with the City on development of program education and marketing outreach materials to be ~~inserted in utility bills on a one-time basis per contract term.~~ distributed yearly to all retail customers.

V. LIST OF CONTRACT ATTACHMENTS

- 1. Attachment A – Individual Circuit Breaker Assistance Program General Framework
- 2. Attachment B – Insurance and/or Indemnity Clause
- 3. Attachment C – Third Amendment to Water and Sanitary Sewer Service Agreement with Customer Communities

VI. ATTACHMENT PROVISION

Attachment A – Program General Framework may be revised from time to time during the contract period as mutually agreed upon and approved by the Kent County Community Action Governing Board and the Utility Advisory Board at the time of change.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first above written.

CITY OF GRAND RAPIDS, a Michigan Municipal Corporation

By: _____

Rosalynn Bliss

Mayor

Attest: _____

Joel Hondorp

City Clerk

KENT COUNTY COMMUNITY ACTION, a Michigan Council

By: _____

Al Vanderberg

County Administrator

ATTACHMENT A:

KENT COUNTY COMMUNITY ACTION

Individual Circuit Breaker Assistance Program General Framework

Effective 1/1/2024

Eligibility Requirements:

- For the amount allocated each year, at least 85% of funds distributed must be to applicants clients at or below 200% of poverty level and up to 15% of funds may be distributed at 250% of poverty level in accordance with annually adjusted Federal Poverty Income Guidelines as established by the Federal Government and implemented on effective date. Income is calculated using gross income for the preceding 30 days, including the date of application. The determination of eligibility must be completed each time a client requests service, providing the client has not been determined eligible within the prior 30 days. Proof of

household gross income documentation is required. The applicant must be 100% property owner (100% Principal Residence Exemption on the Tax Bill) or legal tenant and must live at the address for which the water bill is issued.

- Assistance does not apply to non-residential properties.
- Applicants may be sent to the Department of Human Services for Water/Sewer Bill Assistance.
- Applicants must be a user of the Water System and/or Sewer System within the City of Grand Rapids and Customer Communities as described in Third Amendment to the Water and Sanitary Sewer Service Agreement with Customer Communities. "Customer Communities" include the following: Cascade Charter Township (Kent County, Michigan, a Michigan charter township), Grand Rapids Charter Township (Kent County, Michigan, a Michigan charter township), parts of City of Kentwood (Kent County, Michigan, a Michigan municipal corporation), Tallmadge Charter Township (Ottawa County, Michigan, a Michigan charter township), the City of Walker (Kent County, Michigan, a Michigan municipal corporation), Wright Township (Ottawa County, Michigan, a Michigan general law township).
- The applicant must have a utility payment responsibility. Assistance will be issued on a first come, first serve basis by appointment.
- The applicant must provide a copy of the City of Grand Rapids Water and Sewer Utility bill. ~~in applicant's name.~~ Assistance can be provided to clients who may not have the bill in their name but who is responsible for the usage (lease or rental agreement verification).
- The applicant must be in ~~shut-off delinquency~~ status and/or ~~service must be off water service disconnected.~~
- If unemployed, the client will be referred to the MI Works Employment Service Center. Proof of registration is not required.
- Funds may be used for households whose emergency needs exceed State Emergency Relief (SER) payment maximums and for households who have not met required payments.
- Funds should be coordinated with local agencies, to the extent possible.
- ~~Funds may be available on a one time basis, subject to individual case evaluation, not to exceed \$250.00 for those above 125% poverty level and \$500.00 for those at or below 125%.~~ Assistance may be provided up to \$500 for all clients for the program year, for clients at or below 200% of the poverty level according to Federal Poverty Income Guidelines as established by the Federal Government and implemented on effective date per calendar year per single household, with

15% provided to clients at or below 250% FPL for the program year. In special hardship cases a household may be considered for additional funds, which cases shall be reviewed with the City prior to fund distribution.

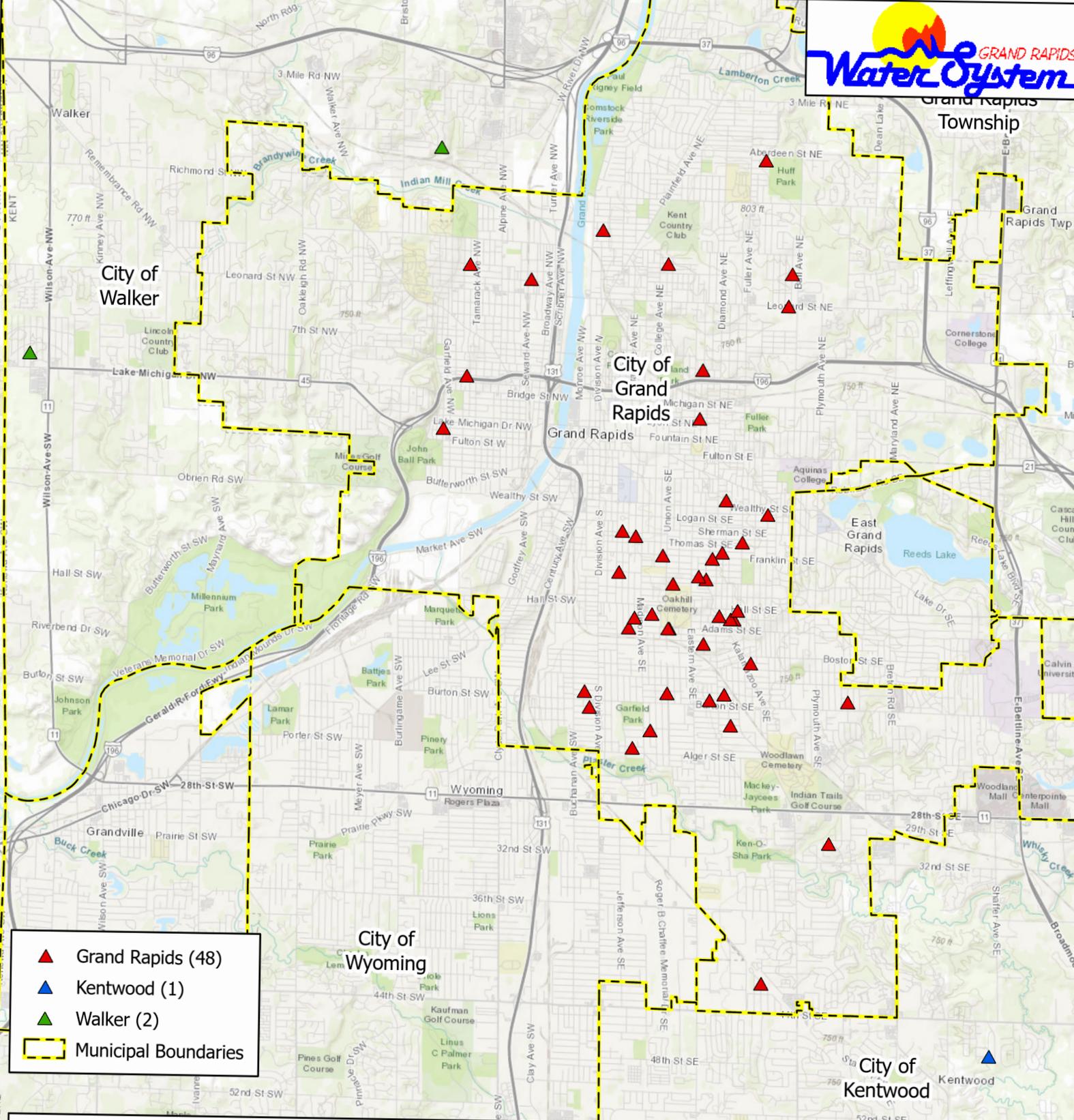
Eligible Activities: Payment of water and/or sewer bills.

Ineligible Activities: Cannot pay reconnect fees or deposits.

*It is the intent of this program that payments are made only if they resolve the household's emergency. Payment will only be authorized when the payment will restore or continue the household's water service for at least 30 days.

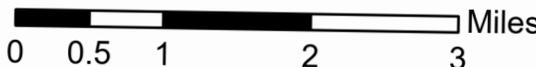
Kent County Community Action (KCCA)
Water/Sewer Payment Assistance Program
Contract Years 2023 & 2022
Third Calendar Quarter - July 1 thru September 30

	2023		2022	
	Q3	YTD	Q3	YTD
City of Grand Rapids				
ICB Authorized		\$ 130,446.00		\$ 132,399.00
Non-Operating Revenue Authorized		\$ 80,000.00		\$ 80,000.00
ICB Total Funding		\$ 210,446.00		\$ 212,399.00
KCCA				
Total Assistance Award(s)	\$ 17,118.27	\$ 52,686.48	\$ 30,679.19	\$ 63,835.68
Total Administrative Fee(s)	1,711.83	5,268.65	3,067.92	6,383.56
Total ICB Used	<u>\$ 18,830.10</u>	<u>\$ 57,955.13</u>	<u>\$ 33,747.11</u>	<u>\$ 70,219.24</u>
Total ICB Reimbursed	\$ 18,830.10	\$ 57,955.13	\$ 33,747.11	\$ 70,219.24
Q1 Reimbursement	\$ (20,485.89)	\$ (20,485.89)	\$ (22,808.08)	\$ (22,808.08)
Q2 Reimbursement	\$ (18,639.14)	\$ (18,639.14)	\$ (13,664.05)	\$ (13,664.05)
Q3 Reimbursement	\$ (18,830.10)	\$ (18,830.10)	\$ (33,747.11)	\$ (33,747.11)
Q4 Reimbursement	\$ -	\$ -	\$ -	\$ -
ICB Remaining Authorized Funds		\$ 72,490.87		\$ 62,179.76
ICB Remaining Non Operating Funds		\$ 80,000.00		\$ 80,000.00
Demographic Summary				
Household(s) Served	51	159	89	195
Person(s) Served	138	421	251	593
Average Household Size	2.71	2.65	2.82	3.04
Single Head of Family Served	14	53	40	115
Average Assistance Amount	(\$335.65)	(\$331.36)	(\$344.71)	(\$327.36)
Failed Screening Process	35	51	0	0
Denied After Completed Process	0	0	0	3
Repeat Household(s) Served	4	5	0	3
Jurisdiction Summary				
Grand Rapids	48	153	86	192
Cascade Township	0	0	1	1
Grand Rapids Township	0	0	1	1
Kentwood	1	2	0	0
Tallmadge Township	0	0	0	0
Walker	2	4	1	1
Wright Township	0	0	0	0

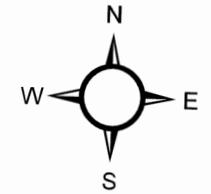


- ▲ Grand Rapids (48)
- ▲ Kentwood (1)
- ▲ Walker (2)
- Municipal Boundaries

2023 - 3rd Quarter
KCCA/ICBAP Clients



0 0.5 1 2 3 Miles



N
W E
S

Township

**Water/Sewer UAB Report
August 2023**

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)
Reconstruction of State Street from Lafayette Avenue to Madison Avenue	Kamminga & Roodvoets, Inc.	8/8/2023	11/4/2024	9/26/2025	\$414,430.00	\$278,320.00	2025	N (GR)
Façade Repairs and Improvements at the Lake Michigan Filtration Plant	McGraw Construction, Inc.	8/8/2023	12/29/2023	2/2/2024	\$201,750.00	N/A	2024	Y
Ash Lagoon Closure & Stormwater Pump Station Improvements at the Water Resource Recovery Facility	HIS Constructors, Inc.	8/8/2023	10/31/2025	12/5/2025	N/A	\$17,404,280	2025	Y