

**UTILITY ADVISORY BOARD**

**Thursday, April 17, 2025**

**8:30 – 9:30 am**

**1300 Market Ave SW**

**AGENDA**

1. Approval of Minutes – March 20, 2025
2. Public Comments on Agenda Items
3. Approval of Agenda
4. Quarterly Financials (Q3) – Verbrugge
5. Add-to-Tax Summer Tax Option – Giffel
6. USD Map Updates / June meeting – Verbrugge
7. Updates
  - a. 2025 Water/Sewer Report (March) – McCaul
  - b. Biogas Regulatory Reform Rule (BRRR) update – Ouzts
8. Public Comments
9. Items from Members
10. Next Meeting – May 14, 2025
11. Adjournment

**UTILITY ADVISORY BOARD**  
**Thursday, March 20, 2025**  
**MINUTES**

Members Present

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

Alternates Present

Alan Avitia, Brian Bradley, and Kieran Kelley

Others Present

Kolene Allen, Rachael Brower, Alexia Hall, Andrew Meyer, and Pat Staskiewicz

Call to Order

Mr. Burkman called the meeting to order at 8:30 am.

Approval of Minutes – February 20, 2025

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

MOTION CARRIED.

Public Comments on Agenda Items

Pat Staskiewicz from Ottawa County presented two maps that showed the wastewater and water service areas for Ottawa County to discuss during Public Comments.

Approval of Agenda

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

Updates

a. 2025 Water/Sewer Report

Mr. McCaul presented the Water/Sewer report for February 2025. Only one new project was awarded in February, the reconstruction of Boston Street from Fuller Avenue to Plymouth Avenue started the prior week. 40 lead service lines will be replaced during this project. It is funded by the Drinking Water State Revolving Fund. It's one of four projects that make up this loan for around \$19M with around \$4M in principal forgiveness.

b. Biogas Regulatory Reform Rule (BRRR) update

Ms. Brower stated the BRRR rule went into effect in January. The City successfully completed one full month of reporting on this. Working with the finance team, the invoicing process was created and the City collaborated with STX on some marketing. For January, revenue was generated on par with what the City was generating with DTE.

Ms. Brower then gave some background information and overview of the EPA's Renewable Fuel Standard Program and how Renewable Identification Numbers (RINs) credit are used in the program.

Additionally, the City is working on creating a new revenue stream from feedstock on the City's two non-concentrated waste digester tanks. Adding a feedstock stream would produce more gas and increase the quality of the gas from those two tanks.

c. Caledonia Wholesale Water Contract

Mr. Jernberg stated that a meeting is planned with Jessica Wood, an outside attorney from Dickinson-Wright, who would represent the Utility Advisory Board to finalize the contract with Caledonia. The City is also making progress on construction of the pump station on 60th Street. It should go into service in late 2025/early 2026 which is why the contract needs to be finalized soon to switch them over to a wholesale customer. The City expects the contract to be like the ones we have with Ada and East Grand Rapids, as we try to keep all the contracts as standard as possible.

d. Comprehensive Master Plan

i. Zonegating changes

Mr. Jernberg said that Zonegating uses the hydraulic model and billed volume to track percentages of flows in various pipes across the system and how they serve the various communities. The City is working towards completing this so that we can calculate what the estimated revenue requirement would be for Caledonia Township. The Zonegating assessment is part of the City's Comprehensive Master Plan and the goal is to have it completed by the end of the calendar year.

This will affect every community that is part of UAB. There are only two changes to expect on the water side of things. The hydraulic model will now include 8 inch and larger pipes instead of what is currently done which is 10 inch and larger. Adding those 8-inch pipes in is creating some different flow patterns in the system. The other factor affecting change in Kentwood is the addition of Caledonia Township and the syphon at the far south end. This is changing how things flow through some of the larger transmission mains in the system.

To give an example of how things might change, Kentwood was receiving a large amount of flow from the East Paris Service Center. The new model shows that a portion of that flow is going further south towards Caledonia and down the flow path towards the old Steelcase location and from Franklin and Cambridge towards Breton. This means the new model is shifting things so some percentages will change in both directions. It may have an impact on other communities in terms of revenue requirements because some of the water may go through older pipes. The new model is also showing more of an impact on Dean Lake pumping a little further to the south. There shouldn't be many changes on the west side of the river for Tallmadge and Walker. Preliminarily, we

expect to see changes for Kentwood, Ada, Grand Rapids Township and Cascade. Most of this is being driven by the growth occurring in Caledonia.

e. USD map updates

Mr. Verbrugge asked members to ensure that their USD maps are up to date. Any changes need to occur before June because that is when the City starts working on the Rate Study. He reiterated that if you would like changes to your USD maps that members should get those to Mr. Jernberg before June or they will be left out of the Rate Study process. If you're unsure what your USD map looks like, members should look at them now so they can request changes by June.

Public Comments

Mr. Jernberg pointed the board's attention to the two maps that Mr. Staskiewicz gave to the City. These are the most current maps they have and are from December 2022. There are portions that are not accurate, especially in terms of the areas near Tallmadge and Wright Townships.

The four major systems on the maps all have interconnects between them for water.

On the sewer map, there are less areas since some of the communities have their own plants.

The maps need to be cleaned up. The boundaries aren't quite right.

The less populated areas are having challenges in terms of affordability, especially in terms of groundwater, PFAS, and affordable housing, so they are trying to find options for those residents.

Ottawa County is updating its contract with Wyoming. The Grand Rapids contract has this concept that once an area is served its exclusive which they understand, but then there's non-exclusive areas, they are first come, first serve. Ottawa County wants to get these maps and boundaries updated and is hoping that Wyoming, Grand Rapids, and Northwest Ottawa are all in line so there is currently a bit of a grey area with them not being cleaned up and correct.

The squiggly lines are things that Mr. Staskiewicz is suggesting be up for discussion.

Mr. Staskiewicz will be proposing a change in the boundary at some point. There are also some potential changes coming to Grand Haven Township with some potential changes that will connect them to the Grand Rapids system because their demand is growing.

Mr. Jernberg said that Ottawa County will not qualify for the DWSRF. That fund is currently at 2%, but it may increase slightly in FY2026. The other issue with the DWSRF is that while Grand Rapids has received these funds in the past for many facility projects, like integrated and non-integrated pump stations with Zoned project costs but that has changed in recent years to

only serve significantly overburdened communities, the City didn't receive as many funds as they have in the past because of the demographics of the communities we serve. Because of this, Grand Rapids is now using cash funds for capital projects happening at the filtration plant and pump stations, which is making it difficult for Grand Rapids to effectively capitalize or budget for these large projects. On the other hand, it's allowing Grand Rapids to fund water main and lead service line replacement projects but that is not allowing us to impact our partner community projects like we have in the past.

Mr. Staskiewicz also added that Ottawa County has been discussing rates with Wyoming. Ottawa is moving towards the base model under AWWA M1 rates. There is an incentive to control Wyoming's peak and delaying some capital improvements are front and center right now. Holland is in a similar position where they don't want to expand but they've had some peak days that have pushed them towards a tiered rate structure to try to control those peaks.

Northwest Ottawa also has similar issues and is trying to do public outreach to residents to reduce their water usage during peak days to keep their rates down.

Regarding Biosolids, Ottawa County is also currently testing a dryer in Holland, Grand Haven, Zeeland, and Grandville that would treat around 70 wet tons a day and is in the \$28-29M range. They are also looking at solar energy to produce energy in the summer and that has morphed into a pelletized bioboiler idea. This would help supplement heat during the winter that would create an internal loop to help dispose of some of the biosolids. Then once in the pelletized state it could be marketed or disposed of easier since it would be 90% solid at that point.

Mr. Burkman added that the City's partnership with Wyoming (GVRBA) is also having issues with increased landfill costs.

Mr. Staskiewicz also stated that he would like to attend these meetings regularly but he has another conflict at the same time. However, he is going to try to make as many as he can.

Mr. Jernberg said that Ottawa County brings a unique vision and there is a desire to make Ottawa County part of the UAB. He'd like to see Ottawa County become a voting partner once their contract expires towards the end of 2028. They have been discussing getting them as a partner community for some time and they have been looking at our rate study to understand how it works.

#### Items from Members

Mr. Verbrugge mentioned that next month's meeting will include the quarterly financial report. He also stated that if there is something left out of their quarterly reports that any members want to see, let him know and they will add the information.

Mr. Meyer said that the draft permit for the wastewater system is still in draft and has been submitted to the state and they are waiting on a response.

Mr. Jernberg brought up federal appropriations. The City's legislature team is looking at trying to seed some federal appropriations. On the water side that would be lead service line based. On the wastewater side it's UV driven.

Next Meeting

The next meeting is scheduled for April 17, 2025.

Adjournment

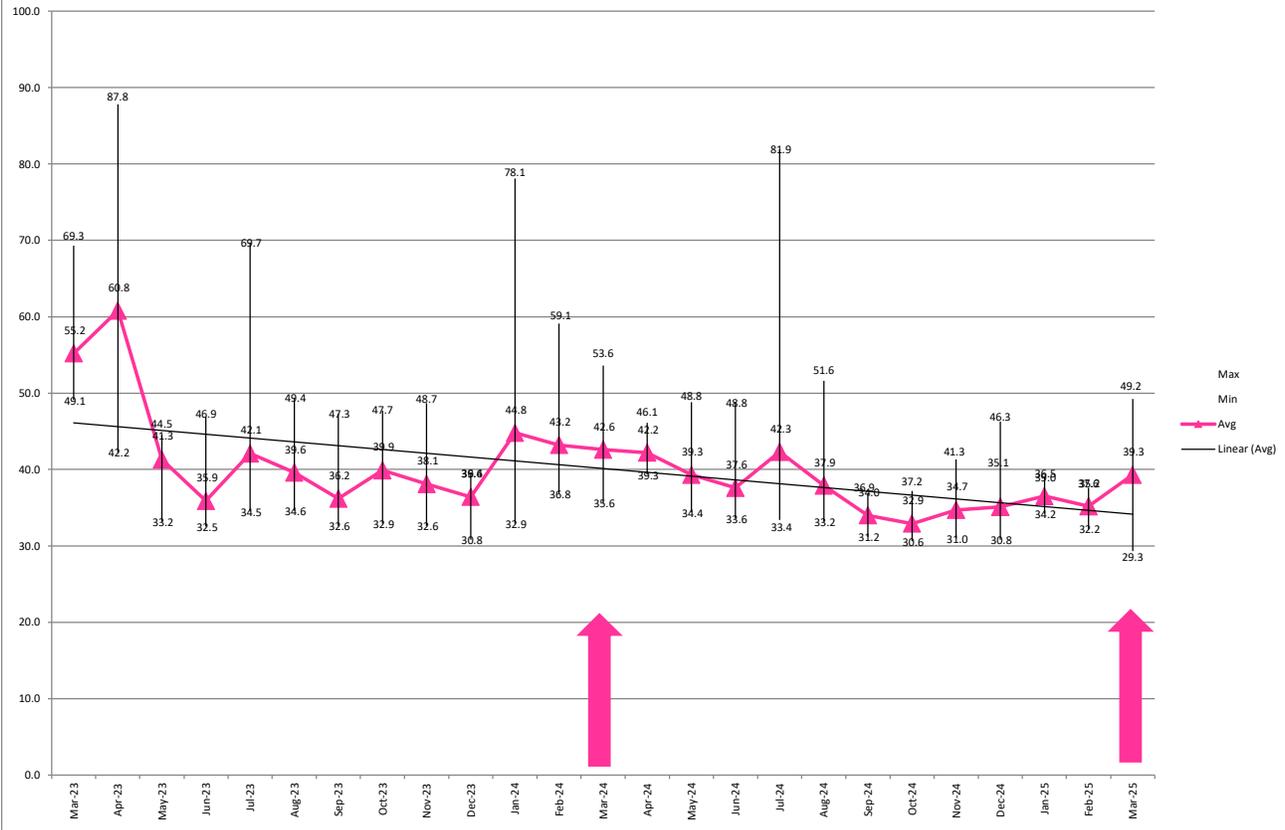
Mr. Burkman adjourned the meeting at 9:22 am.

<b>WATER SUPPLY SYSTEM</b>			Fund:		5910
<b>FINANCIAL REPORT*</b>					
<b>QUARTER ENDING 3/31/25</b>					
<i>Description</i>	<i>FINAL FY24 BUDGET</i>	<i>AMENDED FY25 BUDGET</i>	<i>Q3FYTD-FY24</i>	<i>Q3FYTD-FY25</i>	<i>FY25/FY24 VARIANCE</i>
Retail Service Charges	\$ 45,937,543	\$ 47,490,405	\$ 29,537,819	\$ 32,052,409	\$ 2,514,590
Wholesale Service Charges	\$ 5,017,880	\$ 5,367,904	\$ 3,580,410	\$ 3,972,287	\$ 391,877
Front Footage Fees	\$ 225,000	\$ 250,000	\$ 318,513	\$ 589,318	\$ 270,805
Integrated Connection Fees	\$ 350,000	\$ 375,000	\$ 428,555	\$ 321,181	\$ (107,374)
Sewage Disposal Fund-Customer Service	\$ 3,399,828	\$ 3,425,095	\$ 2,549,871	\$ 2,568,809	\$ 18,938
Penalties	\$ 950,000	\$ 1,000,000	\$ 962,567	\$ 1,059,915	\$ 97,348
Miscellaneous	\$ 2,662,461	\$ 3,020,870	\$ 1,584,593	\$ 1,828,144	\$ 243,550
<b>Total Revenue</b>	<b>\$ 58,542,712</b>	<b>\$ 60,929,274</b>	<b>\$ 38,962,329</b>	<b>\$ 42,392,063</b>	<b>\$ 3,429,734</b>
Personnel Services	\$ 14,753,044	\$ 15,148,985	\$ 9,589,539	\$ 9,896,088	\$ 306,550
Supplies	\$ 4,917,664	\$ 5,400,749	\$ 3,069,343	\$ 2,814,786	\$ (254,557)
Other Services and Charges	\$ 17,135,640	\$ 19,182,817	\$ 10,386,218	\$ 11,065,434	\$ 679,216
Capital Outlay	\$ 1,102,027	\$ 1,622,720	\$ 563,348	\$ 257,058	\$ (306,290)
Transfers Out	\$ 22,198	\$ 23,069	\$ 16,648	\$ 26,802	\$ 10,153
<b>Total Expenses</b>	<b>\$ 36,792,573</b>	<b>\$ 40,202,340</b>	<b>\$ 23,625,097</b>	<b>\$ 24,060,169</b>	<b>\$ 435,072</b>
<b>Net Income (Loss)</b>	<b>\$ 21,750,139</b>	<b>\$ 20,726,934</b>	<b>\$ 15,337,232</b>	<b>\$ 18,331,894</b>	<b>\$ 2,994,662</b>
*Operating financial report excludes debt service, cash capital transfers, & GASB 31 Market Adjustments					

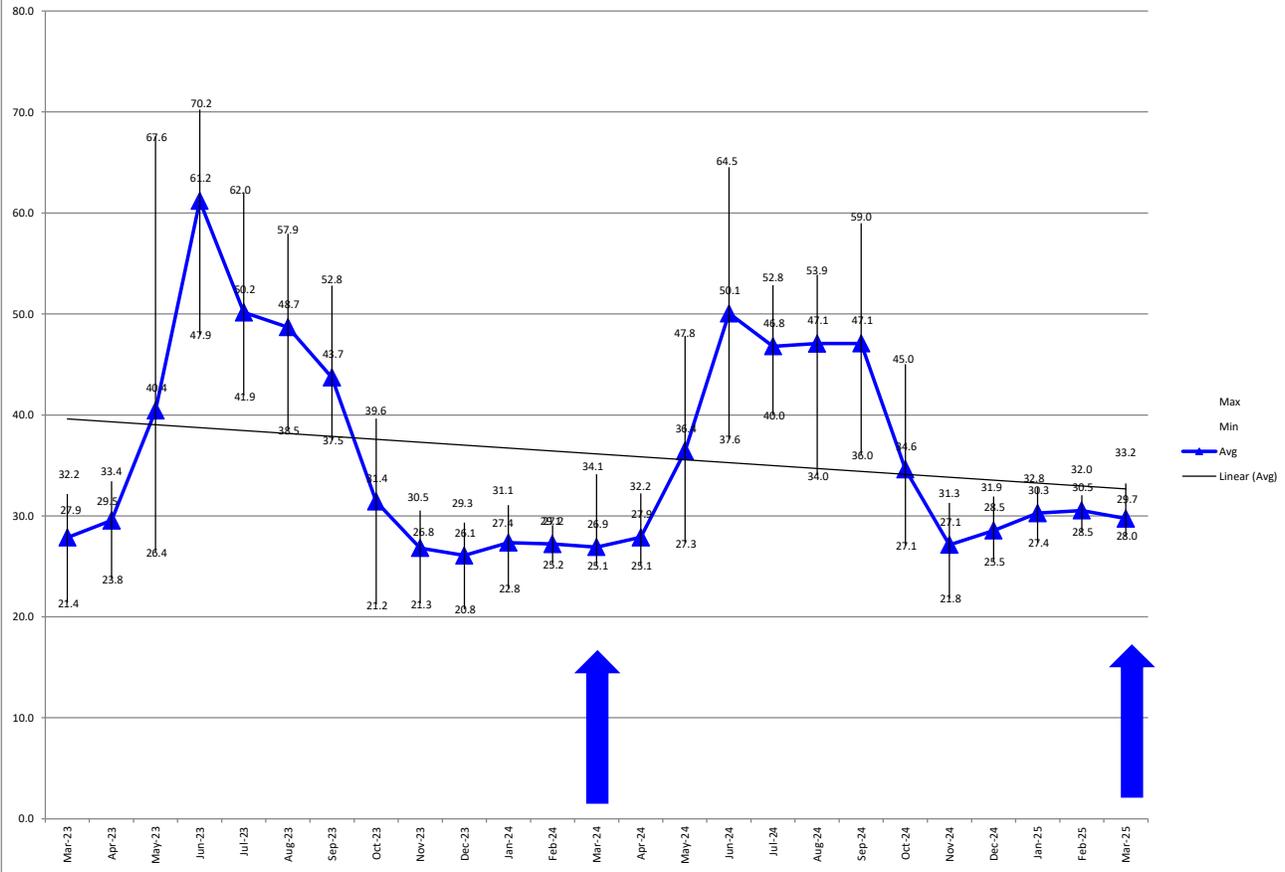
<b>SEWAGE DISPOSAL SYSTEM</b>			Fund:		5900
<b>FINANCIAL REPORT*</b>					
<b>QUARTER ENDING 03/31/25</b>					
<i>Description</i>	<i>FINAL FY24 BUDGET</i>	<i>AMENDED FY25 BUDGET</i>	<i>Q3FYTD-FY24</i>	<i>Q3FYTD-FY25</i>	<i>FY25/FY24 VARIANCE</i>
Retail Service Charges	\$ 60,818,136	\$ 60,850,720	\$ 36,782,429	\$ 37,880,914	\$ 1,098,485
Wholesale Service Charges	\$ 3,614,201	\$ 3,511,605	\$ 2,261,078	\$ 2,280,330	\$ 19,252
Sewer Surcharges	\$ 3,000,000	\$ 2,500,000	\$ 1,075,924	\$ 1,297,448	\$ 221,524
Renewable Natural Gas Sales	\$ 3,000,000	\$ 3,000,000	\$ 1,975,347	\$ 2,229,664	\$ 254,318
Front Footage Fees	\$ 150,000	\$ 200,000	\$ 272,000	\$ 102,797	\$ (169,203)
Integrated Connection Fees	\$ 250,000	\$ 250,000	\$ 135,372	\$ 106,816	\$ (28,556)
Miscellaneous	\$ 2,187,188	\$ 2,494,794	\$ 1,131,447	\$ 1,413,678	\$ 282,231
Total Revenue	\$ 73,019,525	\$ 72,807,119	\$ 43,633,596	\$ 45,311,647	\$ 1,678,051
Personal Services	\$ 14,053,961	\$ 14,842,419	\$ 9,777,320	\$ 10,228,660	\$ 451,339
Supplies	\$ 3,963,650	\$ 3,886,566	\$ 2,090,110	\$ 1,881,775	\$ (208,336)
Other Services and Charges	\$ 22,527,273	\$ 23,740,433	\$ 14,148,804	\$ 15,021,751	\$ 872,947
Capital Outlay	\$ 1,246,650	\$ 1,273,300	\$ 383,564	\$ 333,139	\$ (50,425)
Appropriation Lapse	\$ (1,788,000)	\$ (1,942,000)	\$ -	\$ -	\$ -
Total Expenses	\$ 40,003,534	\$ 41,800,718	\$ 26,399,800	\$ 27,465,325	\$ 1,065,525
<b>Net Income (Loss)</b>	<b>\$ 33,015,991</b>	<b>\$ 31,006,401</b>	<b>\$ 17,233,796</b>	<b>\$ 17,846,322</b>	<b>\$ 612,526</b>

\*Operating financial report excludes debt service, cash capital transfers, & GASB 31 Market Adjustments

### Sewer - Treated Flow (MGD)



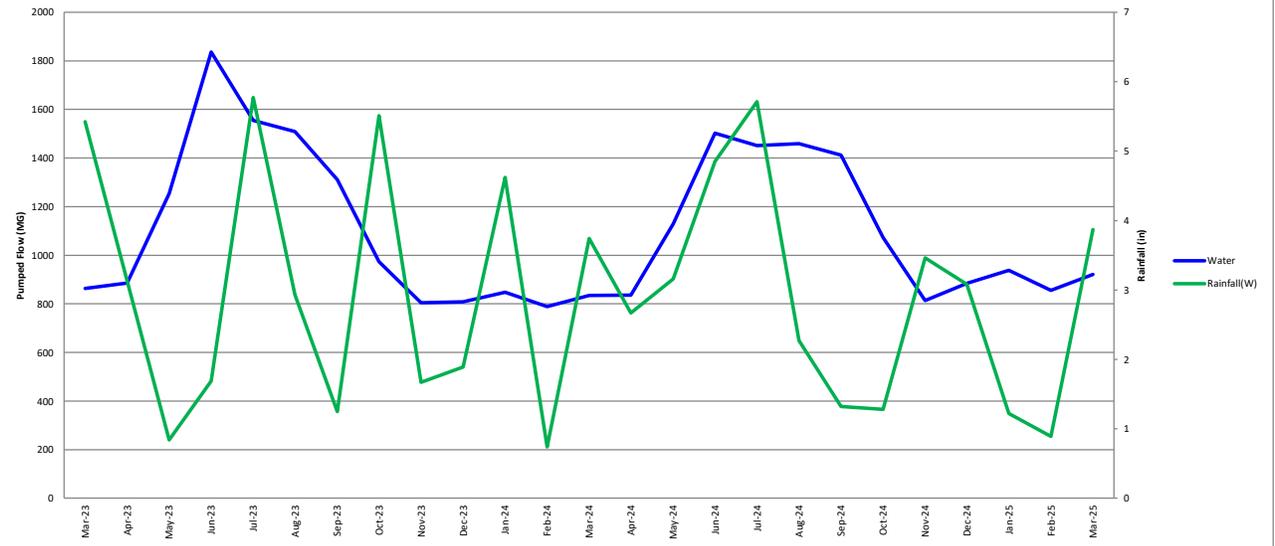
### Water - Pumped Flow (MGD)



### Sewer - Treated Flow (MG) Compared to Rainfall (IN)



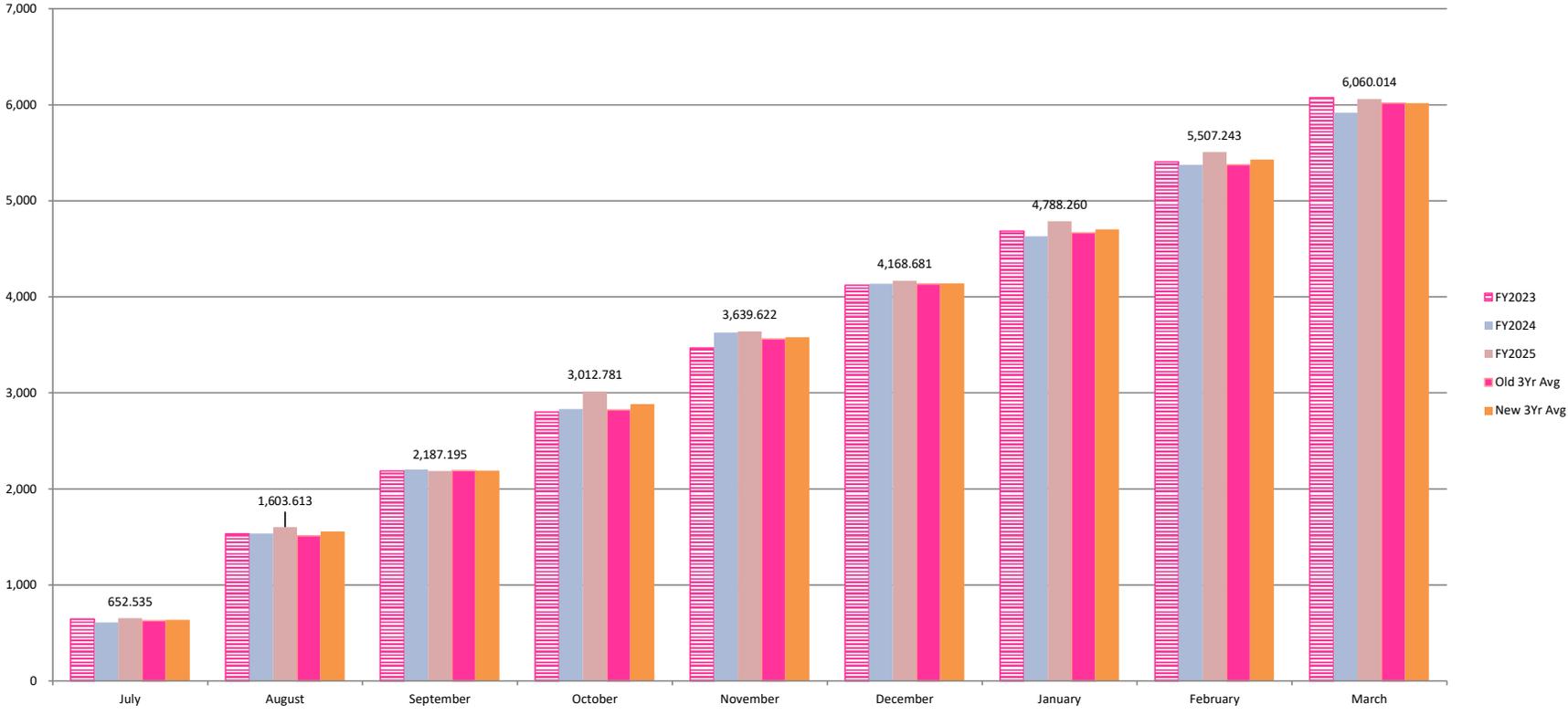
### Water - Pumped Flow (MG) Compared to Rainfall (IN)



### Water - Pumped Flow (MG) Compared to Temp (Deg Farenheit)

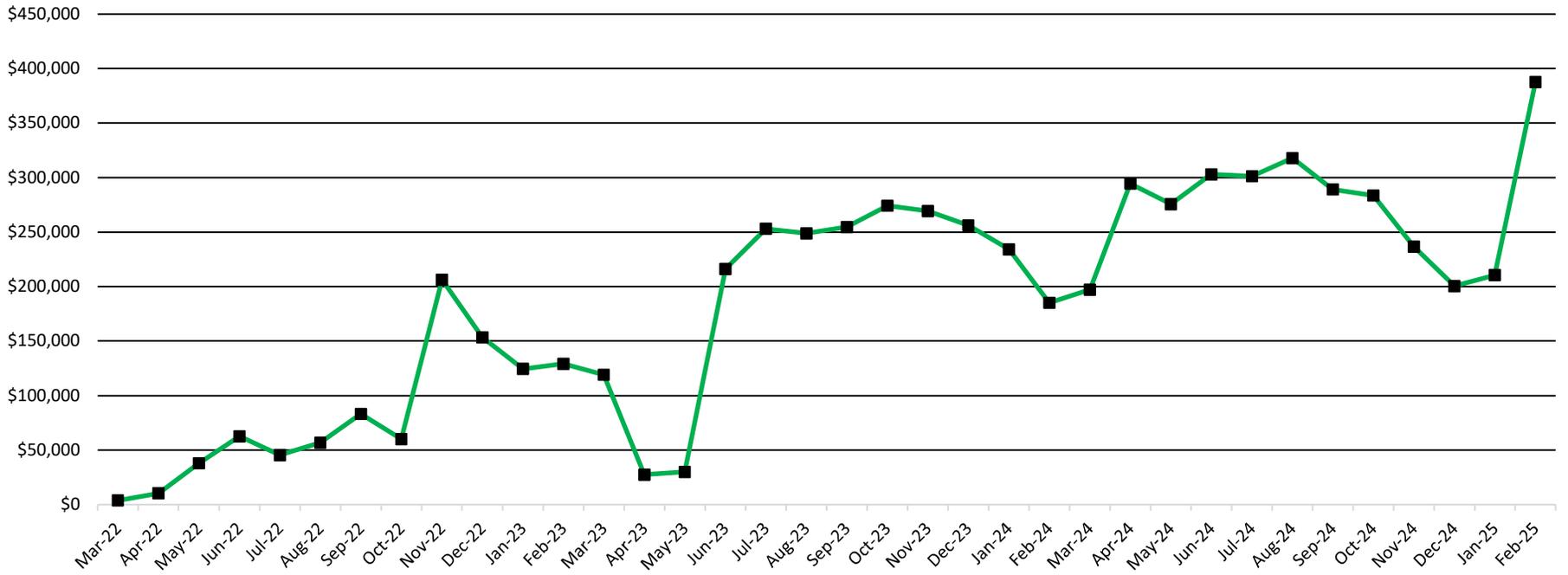


### Sewer - YTD Billed Flow (MG)





**Natural Gas Revenues (\$)**



# MEMORANDUM

CITY OF GRAND RAPIDS

**DATE:** April 17, 2025

**TO:** Utility Advisory Board (UAB), Members

**FROM:** Samarhia Giffel, Administrative Services Officer II

**SUBJECT:** Add-to-Tax (ATT) Summer Tax Option

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 2025 Summer 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 the voluntary agreement of each retail partner community for the use of the annual (summer) 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 close of storefront business on May 30, 2025. On Monday, June 2, 2025, 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 summer tax timeline for 2025 and a data table of eligibility and collections are presented hereafter.



1. 4/17 2025 ATT Summer Presentment to UAB (Memo)
2. 5/16 Partner Community Decision to Participate Deadline
3. 5/30 Final Day to Pay Water & Sewer at Storefront
4. 6/2 Certification List Sent to Partner Community (E-mail and Formal Letter)
5. 6/2 ATT Bill Sent to Partner Community
6. 7/2 ATT Bill Due Date

2025 ATT SUMMER PRELIMINARY ELIGIBLE ACCOUNTS (As of 4/07/2025)

Partner Community	Accounts Eligible	ATT Amount
Cascade	4	\$463.15
G.R. Township	11	\$2,327.28
Kentwood	13	\$1,966.77
Tallmadge Township	0	\$0
Walker	13	\$1,772.33
Wright Township	0	\$0

At this time, the City of Grand Rapids is allowing its retail partners *optional* certification/assignment to the 2025 Summer Tax Roll. Please consider the summer add-to-tax collection cycle and advise of your community's respective voluntary agreement to add delinquent water/sewer utilities balance to its summer tax rolls in writing to [sgiffel@grcity.us](mailto:sgiffel@grcity.us), no later than May 16, 2025. I can also be reached at (616) 456-4531 if you have additional questions.

**Samarhia Giffel**

*Administrative Services Officer II*

Utility Business Office

Ph: 616.456.4531 Email: [sgiffel@grcity.us](mailto:sgiffel@grcity.us)

**Water/Sewer UAB Report  
March 2025**

<b>Project Name</b>	<b>Contractor</b>	<b>Award Date</b>	<b>Substantial Completion Date</b>	<b>Final Completion Date</b>	<b>Water Fund Authorized NTE Amt</b>	<b>Sewer Fund Authorized NTE Amt</b>	<b>Est. Year for Rates</b>	<b>Integrated (Y/N)</b>
Reconstruction of FULLER AVENUE from Kalamazoo Avenue to Boston Street and from Ramona Street to Adams Street AND Rotomill/Resurfacing of FULLER AVENUE from Boston Street to Ramona Street	Anlaan Corporation	3/11/2025	10/15/2025	10/2/2026	\$698,000.00	\$100,000	2026	N (GR)
Reconstruction of KENDALL STREET from Kalamazoo Avenue to Kentridge Drive AND Reconstruction of FRUITWOOD DRIVE from Covell Avenue to Woodcrest Drive	Ponstein Enterprises LLC dba Georgetown Construction	3/25/2025	10/30/2026	5/7/2027	\$1,641,621.00	N/A	2027	N (GR)
Water Main Replacement, Reconstruction, and Resurfacing in BURTON STREET from 120' East of Division Avenue to Giddings Avenue	Kamminga & Roodvoets, Inc.	3/25/2025	10/30/2026	11/6/2026	\$ 8,529,987.00	N/A	2027	N (GR)
Replacement of Lead Service Lines at VARIOUS LOCATIONS - Contract 2025-1	SPS Pro Plumbing LLC	3/25/2025	10/30/2026	11/14/2026	\$ 3,510,860.00	N/A	2027	N (GR)