

**UTILITY ADVISORY BOARD**

**Thursday, July 17, 2025**

**8:30 – 9:30 am**

**1300 Market Ave SW**

**AGENDA**

1. Approval of Minutes – May 15, 2025
2. Public Comments on Agenda Items
3. Approval of Agenda
4. PFAS Drinking Water Settlements - Jernberg
5. Accessory Dwelling Units - Jernberg
6. Updates
  - a. 2025 Water/Sewer Report (May/June) – McCaul
  - b. RNG Sales Agreements - Ouzts
  - c. Founders Concentrated Waste Agreement - Ouzts
  - d. Wyoming Sludge Update – Ouzts
  - e. Kent County Community Action 1<sup>st</sup> Quarter – Giffel
  - f. CMP Update - Jernberg
7. Public Comments
8. Items from Members
9. Next Meeting – August 21, 2025
10. Adjournment

**UTILITY ADVISORY BOARD**  
**Thursday, May 15, 2025**  
**MINUTES**

Members Present

Tim Burkman (chair), Mark Bennett, Tiffany Berry, Mike DeVries, Samarhia Giffel, Jared Grabinski, James Kirkwood, Wayne Jernberg, 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, Carly Aller, Rachael Brower, Hillary Caron, Alexia Hall, and Andrew Meyer

Call to Order

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

Approval of Minutes – April 17, 2025

Motion to approve the minutes by members by Mr. Jernberg and seconded by Mr. Grabinski.

MOTION CARRIED.

Public Comments on Agenda Items

There were no public comments.

Approval of Agenda

Motion to approve the agenda with addition of Hydrant Fee Billing Option made by Ms. Giffel and seconded by Mr. Jernberg.

MOTION CARRIED.

Water Education and Outreach

Ms. Caron presented on the City's water education and outreach efforts. She gave an overview of her work as the City's Water Education and Programs Coordinator and discussed opportunities to partner with the City and get involved. She highlighted an upcoming event on June 7, 2025 called Water Pool-ooza and said that there are opportunities to be a part of the event. She also gave information about two upcoming Water Career Camps in July, as well as the next cohort of the Water Career Program for 2025-2026. She encouraged members to get involved by partnering, volunteering, and spreading the word about the events and program.

Hydrant Fee Billing

Ms. Giffel gave information about the option for customer communities to opt in to pay a hydrant fee for the operation, maintenance, and use of each hydrant withing their Utility Service District. If communities choose to opt in, they must let her know in writing by June 23, 2025.

### Add-to-Tax Collection

Ms. Giffel gave an overview of how the Utility Business Office processes delinquent accounts that are eligible to be added to the property tax roll bi-annually. She also explained that there are times when customers outside our retail communities are connected to the system as retail customers and permitted the rate changes of the closet retail community. The UBO is currently discussing options and changes to the contract to incorporate the outliers in partner municipalities.

Mr. Verbrugge said that it might be appropriate to create an MOU that can be rolled into the next contract agreements in four years. As an example, Mr. DeVries said that if residents are paying Grand Rapids Township rates, Ada Township can't recoup the costs for delinquent taxes because they can't control the tax bill for residents in Ada Township. As a result, the issue becomes trying to figure out how Grand Rapids Township bills Ada Township to recoup those costs. The rule would clarify that the wholesale customers are responsible for delinquent fees that are based on rates from neighboring communities. If anyone has questions or wants to discuss further, they should reach out to Ms. Giffel.

The City can draft an MOU or create a new policy. We will discuss the best path forward and bring something to the board in a few months.

### 2025 Water/Sewer Rate Study

- Schedule  
Mr. Verbrugge gave the 2025 Water/Sewer Rate Study schedule. He pointed out that we he would give a presentation the preliminary rate study at the meeting on November 6, 2025.
- USD Size Recommendations  
Mr. Verbrugge reported that minor changes were submitted for the City of Grand Rapids, Grand Rapids Township, East Grand Rapids, and Kentwood. Caledonia Township is being added to the Water supply system in phases in 2025 and 2026. This is due to some construction occurring in the township.

Mr. Jernberg discussed the proposed changes to East Grand Rapids. Calvin University will likely remain on the City's system as they are on a private system and master metered.

Motion to approve the proposed changes to the USD maps as presented made by Mr. Jernberg and seconded by Mr. DeVries.

MOTION CARRIED.

### FY2026 Budget

Mr. Verbrugge gave the financial overview for the City's FY2026 budget.

Water's operating budget is increasing by 6.25%. Projected revenue is increasing by 4.77%. The capital budget is increasing by 3.71%

Sewer's operating budget is increasing by \$14.34%. Projected revenue is increasing by 2.09%. The capital budget is increasing 4.98%.

Overall, the current projected changes for the FY2026 water/sewer rates are 2.4

### Updates

#### 2025 Water/Sewer Report (April)

Mr. McCaul presented the Water/Sewer report for April 2025. The report included two projects; both are non-integrated.

- Replacement of lead service lines at various locations in the amount of approximately \$3.5M.
- Replacement of variable frequency drives for the pumps at the Market Avenue Pumping Station in the amount of \$1.1M.

### Public Comments

There were no public comments.

### Items from Members

- Mr. DeVries asked if work has begun on the water main extension at Leanord Street and Crahen Avenue. Mr. McCaul stated that work would start in mid-June.

Mr. DeVries also inquired about the City's Accessory Dwelling Unit policy. Mr. Jernberg let him know that we would be presenting on that in July. Mr. DeVries stated that Grand Rapids Township does not allow dwelling units to be built but is allowing plumbing fixtures in accessory building.

- Mr. Grabinski reported that Ms. Caron is doing an excellent job with the City's education and outreach efforts.

### Next Meeting

The next meeting is scheduled for July 17, 2025.

### Adjournment

Mr. Burkman adjourned the meeting at 9:24 am.

# MEMORANDUM

CITY OF GRAND RAPIDS

DATE: July 17, 2025

TO: Utility Advisory Board

FROM: Wayne Jernberg, P.E., Water System Manager

**SUBJECT: PFAS Settlement**

In October 2023, the City of Grand Rapids Water System (the City) was notified and invited to participate in a class action lawsuit concerning the presence of PFAS chemicals in drinking water. Given the City's ongoing participation in PFAS testing of both its source water and finished water, the City's legal team recommended joining the lawsuit. The companies named in the suit include 3M, DuPont, Tyco, and BASF.

Over the past two years, the City and its legal team have responded to numerous requests for information and testing data, providing all pertinent materials as required by the class action lawsuit. In May 2025, the City was notified that it would receive \$1,716,112.95 as part of the 3M settlement. To date, the City has received an initial payment of \$343,222.58, with the remaining funds to be distributed in installments through 2033. Settlement amounts related to Tyco, BASF, and DuPont have not yet been finalized; however, the City anticipates receiving approximately \$300,000 in total from those cases. Similar to the 3M payout, these funds will also be disbursed over a period ending in 2033. All settlement funds are being deposited into the Water fund's retained cash earnings to support potential future PFAS treatment needs.

By opting into this class action lawsuit, the City has waived its right to pursue future legal action against these companies—3M, DuPont, Tyco, and BASF—for PFAS-related issues specifically tied to drinking water. However, the City may still pursue damages for PFAS contamination related to stormwater or sanitary sewer systems, should such issues arise. As of now, the City's legal team is not aware of any class action lawsuits pertaining to PFAS in stormwater or sanitary systems.

# MEMORANDUM

CITY OF GRAND RAPIDS

DATE: July 17, 2025

TO: Utility Advisory Board

FROM: Wayne Jernberg, P.E., Water System Manager

**SUBJECT: Accessory Dwelling Units**

An Accessory Dwelling Unit (ADU) is a secondary housing unit on a single-family residential lot. It can be attached to the house, or it can be a separate structure. ADUs go by many names, including in-law suites, granny flats, casitas, and laneway houses. ADUs increase housing diversity in already developed residential neighborhoods, often adding much needed affordable housing solutions. ADUs have their own entrance, full kitchen, bath, living and sleeping space, but on a much smaller scale than a primary residence. The City recently established a task force to review all policies associated with ADU's, in which Water and Environmental Services are represented. Any modifications to the current policy to follow will be shared with the UAB.

With regard to water and sewer services for a separate ADU, a new section has been added to the City of Grand Rapids Water System Rules and Regulations:

- **7.17 Accessory Dwelling Unit Utility Service**

In order for a second residential dwelling on a parcel to be considered an Accessory Dwelling Unit (ADU), it must meet all of the criteria set forth in Title V, Chapter 61, Article 9, Section 5.9.03 of the City Ordinance see attached. If the secondary dwelling meets these criteria, then the ADU will be permitted to be served for water downstream of the water meter of the primary residence on this parcel:

1. At no time is the property allowed to be split per a recorded deed restriction.
2. Water Service line materials from the public water system to the building structures must conform to current Michigan Plumbing Code specifications.
3. The Michigan Plumbing Code allows multiple buildings on a single parcel to share a common building sewer, back to the public sewer system. The ADU may connect to the common building sewer back to the public sewer system but not connect to the primary residence building drainage system, building to building, per Michigan Plumbing Code 2021 section 701.3 Separate Sewer Connection.

Should the separate structure not adhere to the definition of an ADU we defer back to the City of Grand Rapids Water System Rules and Regulations:

- **7.10 Multiple Buildings**

Each building or structure must have its own water service from the water main unless the Water System has approved special arrangements. However, properties having two single family residential dwellings supplied by the same water service may continue to be supplied by one pipe if they existed and were served in this manner prior to January 1, 1983.

When shared services are discovered by the City of Grand Rapids, owners are required to submit any necessary registered private easements within 30 days of discovery, City of Grand Rapids will attempt to notify owners via certified mail to the billing address on file. Owners shall notify potential buyers of the conditions.

In the event of failure of the pipe, sale of the property, or if a billing dispute arises in these services existing before 1983, the owner(s) will be required to replace the single service with two separate services for each single-family residential dwelling and/or commercial building. Billing disputes include, but are not limited to, a dispute between one or more parties and the Water System, or a civil matter between two parties including interruption of service due to non-payment by either party if shutoff status is reached (see Section 4.1). No front footage charges will be assessed for the additional source line. However, connection charges may be assessed. If there is a requirement to separate the services, the City will be responsible for providing service stubs from the Utility Main to the Right-of-way at its expense. Connection fees will be due for the back home utility connections if there has never been a water meter in the back home. If the back home has a water meter, then no connection fees are due. (See also Section 7.16 for site piping).

Should you have any questions or would like additional clarification please contact Wayne Jernberg at email [wjernberg@gricty.us](mailto:wjernberg@gricty.us) or by telephone at 616-456-4055.



# MEMORANDUM

CITY OF GRAND RAPIDS

DATE: July 17, 2025

TO: Utility Advisory Board

FROM: James Ouzts  
Environmental Services Manager

**SUBJECT: Biogas RINs Year to Date update**

As seen in the attached table, the City of Grand Rapids has been participating in the updated EPA Biogas Regulatory Reform Rule RINs market since the beginning of 2025. To date we have completed five months and have invoiced for those months, with the month June currently in progress.

RIN and RNG values have declined some as our Marketers had predicted but are still not outside of our anticipated range. Our Marketer STX has found us a fixed buyer for August through December RINs that will bring us a layer of security at a fixed price of \$19.00 per EA, providing reliable, income month over month with less volatility. We are looking at renewing our 1 year contract with STX so we're able to discuss longer term buy agreements for 2026 and beyond. Fixed Price Structure makes the most sense with the concern that D3 pricing could go down if there is an aggressive (SRE) Small Refinery Exemption ruling which would cause RIN shares to move lower as more RNG facilities come online able to produce RINs and there be an oversupply in the market, causing a sell at prices lower than the fixed price. Moving to the fixed price of \$19.00 per EA will put our gross RINs income around 160,000/month depending on volumes. This income paired with the brown gas sales should keep us close to 2 million per year income after commission fees going forward at our current RNG volume.

Brown Gas (seen in column C – price/MMBtu) has slid in the past few months due to higher than average inventories – 7% above 5 year average in June – which has suppressed prices for the near term but we should see Brown Gas prices creep back up to the \$3.30-3.50 range around the end of Q3, and Q4 closer to \$3.60-3.80 as is driven by higher seasonal demand and declining inventories.

Month	RNG MMBtu	price/ MMBtu	RNG/ Income	RNG Commission	RNG Allocated (MMBtu)	RIN Conversion	Producer Share	GROSS RINS Quantity	NET RINS Quantity	RINS price	RINS Income	RINS Commission	Gross Revenue	Net Revenue
Jan-25	9539	\$ 3.5475	\$ 33,839.45	\$ 3,383.95	8398	11.6935	83%	98202	81508	\$ 2.37200	\$ 193,336.20	\$ 19,333.62	\$ 227,175.65	\$ 204,458.09
Feb-25	9165	\$ 3.8160	\$ 34,973.49	\$ 3,497.35	8389	11.6935	83%	98096	81420	\$ 2.47110	\$ 201,196.96	\$ 20,119.70	\$ 236,170.45	\$ 212,553.41
Mar-25	10242	\$ 3.3727	\$ 34,543.64	\$ 3,454.36	9360	11.6935	83%	109451	90844	\$ 2.44036	\$ 221,692.06	\$ 22,168.20	\$ 256,235.70	\$ 230,613.14
Apr-25	8897	\$ 2.9701	\$ 26,424.98	\$ 2,642.51	8622	11.6935	83%	100833	83682	\$ 2.47260	\$ 206,912.11	\$ 20,691.21	\$ 233,337.09	\$ 210,003.37
May-25	9218	\$ 2.6674	\$ 24,588.15	\$ 2,458.82	8565	11.6935	83%	100154	83127	\$ 2.38030	\$ 197,867.20	\$ 19,786.71	\$ 222,455.35	\$ 200,209.82
Jun-25	8573												\$ -	\$ -
	55634	\$ 3.2747	\$ 154,369.71	\$ 15,436.99	8667	11.6935	83%	506736	420581	\$ 2.42727	\$ 1,021,004.53	\$ 102,099.44	\$ 1,175,374.24	\$ 1,057,837.82
		AVG			AVG					AVG				

# MEMORANDUM

CITY OF GRAND RAPIDS

DATE: July 17, 2025

TO: Utility Advisory Board

FROM: James Ouzts  
Environmental Services Manager

**SUBJECT: City of Grand Rapids & Founders Concentrated Waste Agreement**

The City has entered into an agreement with Founders Brewing Company to accept their Concentrated Waste (CW). This agreement was presented to and approved by the City Commission on July 15.

Founders' concentrated waste stream will be discharged to the City's CW storage tank via a dedicated force main. The wastewater will be held in the storage tank and gradually introduced into the Water Resource Recovery Facility (WRRF) during off-peak hours, as determined appropriate by the City.

Surcharges for Founders' discharges to the WRRF will be based on the Recommended Surcharge Rates established in the City's 2024 Rate Study. These rates will be adjusted in accordance with the Concentrated Waste Adjustments adopted in the City's 2023 Rate Study, as detailed in the table below. The Recommended Surcharge Rates, prior to any adjustments, will continue to be evaluated and set annually by the City as part of its ongoing sanitary sewer system rate study. The Concentrated Waste Adjustments will remain fixed at the levels established in the 2023 Rate Study.

	<b>BOD</b>	<b>TSS</b>	<b>Phos</b>	<b>NH3</b>
Recommended Surcharge Rate (2024 RS)	\$0.482	\$0.647	\$5.032	\$0.575
Concentrated Waste Adjustment (2023 RS)	(\$0.239)	N/A	(\$9.301)	(\$32.640)
<b><u>Surcharge with Adjustment</u></b>	<b><u>\$0.243</u></b>	<b><u>\$0.647</u></b>	<b><u>\$0.00</u></b>	<b><u>\$0.00</u></b>

# MEMORANDUM

CITY OF GRAND RAPIDS

DATE: July 17, 2025

TO: Utility Advisory Board

FROM: James Ouzts  
Environmental Services Manager

**SUBJECT: City of Grand Rapids & City of Wyoming Sludge Waste Agreement**

The City of Grand Rapids is drafting an agreement to enter into a six-month (180 day) agreement with the City of Wyoming to accept wastewater sludge for processing through the digesters at the Water Resource Recovery Facility (WRRF). This intergovernmental arrangement supports efficient regional wastewater management and provides an opportunity for both municipalities to maximize digester capacity and sustainable biosolids handling.

#### Term of Agreement:

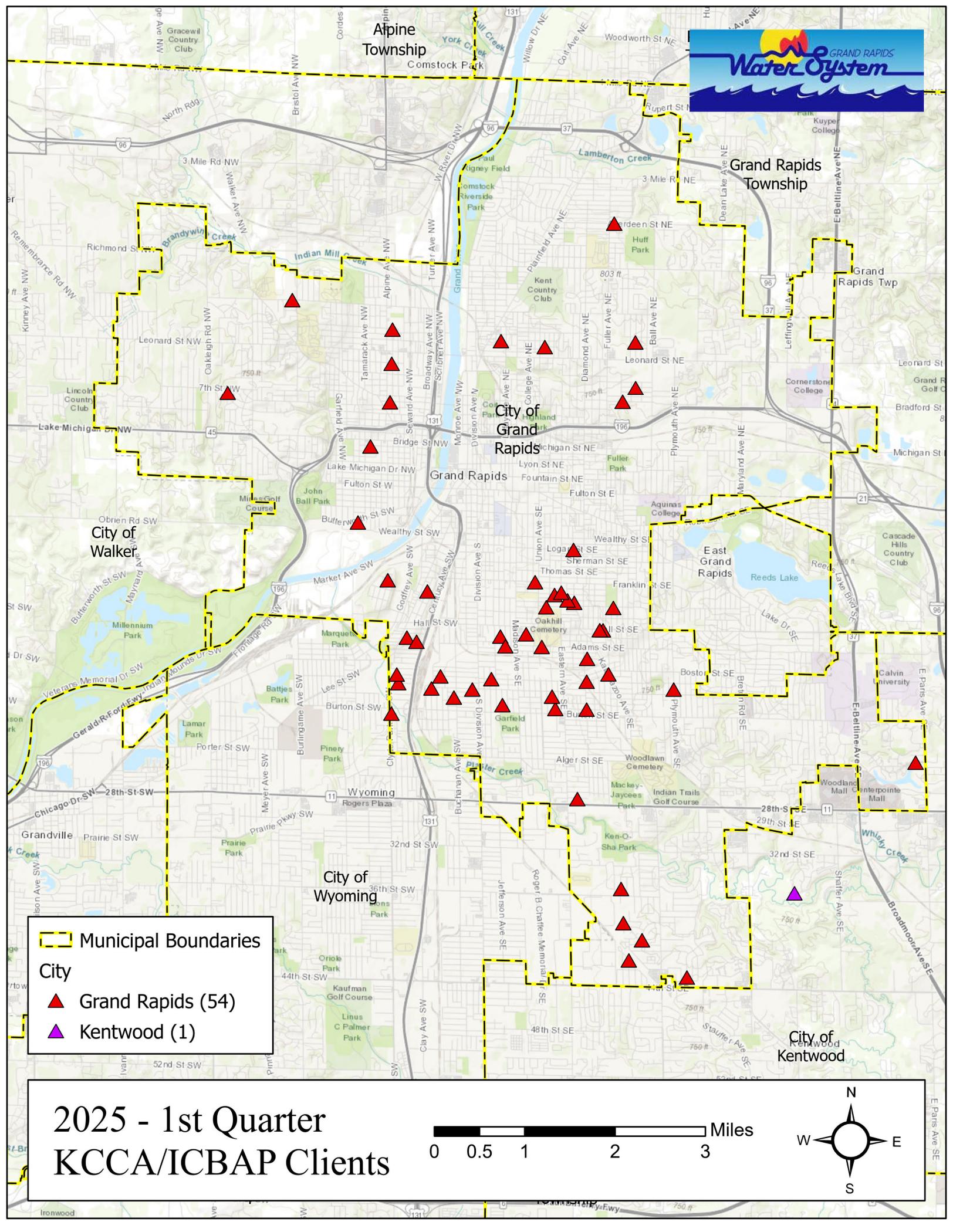
The initial term is six months from the effective date.

One six-month extension may be exercised upon mutual written agreement and applicable approvals.

If you have any questions or require additional detail regarding this agreement, please feel free to contact me directly.

**Kent County Community Action (KCCA)**  
**Water/Sewer Payment Assistance Program**  
**Contract Years 2025 & 2024**  
**First Calendar Quarter - January 1 thru March 31**

	2025		2024	
	Q1	YTD	Q1	YTD
<b>City of Grand Rapids</b>				
ICB Authorized		\$ 153,690.00		\$ 145,662.00
Non-Operating Revenue Authorized		\$ 80,000.00		\$ 80,000.00
ICB Total Funding		\$ 233,690.00		\$ 225,662.00
<b>KCCA</b>				
Total Assistance Award(s)	\$ 16,043.21	\$ 16,043.21	\$ 21,171.87	\$ 21,171.87
Total Administrative Fee(s)	1,604.32	1,604.32	2,117.19	2,117.19
Total ICB Used	\$ 17,647.53	\$ 17,647.53	\$ 23,289.06	\$ 23,289.06
Total ICB Reimbursed	\$ 17,647.53	\$ 17,647.53	\$ 23,289.06	\$ 23,289.06
Q1 Reimbursement	\$ (17,647.53)	\$ (17,647.53)	\$ (23,289.06)	\$ (23,289.06)
Q2 Reimbursement	\$ -	\$ -	\$ -	\$ -
Q3 Reimbursement	\$ -	\$ -	\$ -	\$ -
Q4 Reimbursement	\$ -	\$ -	\$ -	\$ -
ICB Remaining Authorized Funds		\$ 136,042.47		\$ 122,372.94
ICB Remaining Non Operating Funds		\$ 80,000.00		\$ 80,000.00
<b>Demographic Summary</b>				
Household(s) Served	55	55	62	62
Person(s) Served	151	151	191	191
Average Household Size	2.75	2.75	3.08	3.08
Single Head of Family Served	27	27	28	28
Average Assistance Amount	(\$291.69)	(\$291.69)	(\$341.48)	(\$341.48)
Failed Screening Process	10	10	17	17
Denied After Completed Process	0	0	0	0
Repeat Household(s) Served	0	0	0	0
<b>Jurisdiction Summary</b>				
Grand Rapids	54	54	60	60
Cascade Township	0	0	0	0
Grand Rapids Township	0	0	1	1
Kentwood	1	1	0	0
Tallmadge Township	0	0	0	0
Walker	0	0	1	1
Wright Township	0	0	0	0



-  Municipal Boundaries
- City**
-  Grand Rapids (54)
-  Kentwood (1)

# 2025 - 1st Quarter KCCA/ICBAP Clients

