

UTILITY ADVISORY BOARD
Thursday, April 18, 2024
8:30 – 9:30 am
1300 Market Ave SW
AGENDA

1. Approval of Minutes – January 18, 2024
2. Public Comments on Agenda Items
3. Approval of Agenda
4. Quarterly Financials – Tai Verbrugge
5. Add-to-Tax Summer Tax Option – Samarhia Giffel
6. Updates
 - a. February & March Awards – Jeff McCaul
 - b. March Boil Water Advisory – James Hurt
 - c. Kent County Community Action Q4 – Samarhia Giffel
 - d. Biodigester – Jared Grabinski
7. Public Comments
8. Items from Members
9. Next Meeting – May 16, 2024
10. Adjournment

UTILITY ADVISORY BOARD
Thursday, January 18, 2024
MINUTES

Members Present

James Ouzts, Wayne Jernberg, James Hurt, Darrel Schmalzel, Aric Thorne, Alex Fleet, Kolene Allen, Tim Burkman, Tai Verbrugge, Brian Bradley, Kurt Anderson, Sam Giffel, Jared Grabinski, Jeff McCall, D. LaFave, Julius, Allison Nugent, Jim Kirkwood

Others Present

Kieran Kelley (City of GR)

Call to Order

The meeting was adjourned at 8:31 a.m. by Mr. Hurt—a formal introduction of Allison Nugent, followed by introductions from those present.

Approval of Minutes – December 21, 2023

Motion to approve the agenda by Mr. Schmalzel and second by Mr. Jernberg.

MOTION CARRIED.

Public Comments on Agenda Items

None.

Approval of Agenda

Motion to approve agenda by Mr. Jernberg and second by Mr. Bennett.

MOTION CARRIED.

Quarterly Financials

Due to budget work, the financial team has been unable to pull a full financial report to present today, which is expected to be done within the next week. Sewer, through half of the fiscal year, shows revenue up by 5%, mainly due to RNG sales and the rate increase from last year. Expenses have been maintained and only show an increase of 1%. This results in an overall net income up 12% so far in comparison to this time last year. Water through half of the fiscal year shows revenue is up 6%, mainly due to the rate increase from last year. Expenses maintained about a 6% increase. This results in an overall net income increase of 0% compared to last year.

Sanitary Forcemain Projects

East Paris Lift Station, located outside city limits in Grand Rapids Township, is looking to replace the forcemain. This old pipe has had issues and is only a 6" pipe; the option to line the pipe would cause further restriction in the flow. The best option is a full replacement by way of pipe bursting. This process will have very little effect on traffic. It is budgeted to begin work in FY2026.

Mr. Jernberg asked who is impacted by this (zonegated). Mr. Bradley will check and respond. Mr. Fleet asked if lining would be a better solution; Mr. Bradley responded as the age and integrity of the original pipe are deteriorating, full replacement is the best option.

Eastern Avenue Lift Station – The location straddles the City of Grand Rapids and Wyoming. Looking to replace the 10" asbestos-lined force main. A proactive approach is needed to line this section of pipe to avoid potential breaks in the future. This option is forecasted to be the most effective and cost-efficient and budgeted to begin work in FY2027.

Lincoln School Lift Station—This is an asbestos-lined concrete pipe in Grand Rapids Township. This proactive approach to lining this section of pipe with minimal traffic impact was budgeted to begin in FY2028.

Mr. Hurt asked if we had contacted Grand Rapids Townships about the projects. Mr. Bradley responded that they have not at this time but plan to meet to discuss and plan these projects. Mr. Verbrugge asks how long the pipe lining projects will extend the life of the assets. Mr. Bradley explains that it nearly doubles the lifespan as it is essentially a new pipe within the existing pipe.

Updates

2023 Awards

Awards are primarily acknowledged every month, so the focus was on the year-ending award for December. Water Main replacement on Almena Dr. This was a City of Grand Rapids project, so it was a non-integrated cost project.

Kent County Community Action Quarterly

The numbers from Q2 and Q3 are still being worked on. The current update is about \$200,000; we have used about 50% of that amount. A couple of grant opportunities are coming up. Since 2021, we haven't used all our funding. Once the opportunity to update the numbers is completed, Ms. Giffel will share the final number and be able to provide a better update. Mr. Jernberg mentioned a webinar about additional funding that Ms. Giffel attended. Ms. Giffel has pushed for grant opportunities that have not been applied for through DHHS. The State of Michigan authorizes a grant of \$30M for bill assistance and affordability measures. Ms. Giffel has also reached out to Ottawa County to help encourage them to take advantage and apply for these

opportunities. The legislature is back in session. Changes and sidebar conversations are happening currently. There is no solid foundation regarding this to move forward.

Biodigester – Jared Grabinski

Phosphorous Recovery is running, but we are still working with the contractor to get it operating as designed. This includes SCADA and programming upgrades and chemistry testing to verify we are where we need to be. Gas production and revenue are up for the year because the RINS program is fully in place, and the system's efficiency has grown. Electrical issues still exist in the biodigester, and the list has been compiled and shared with the contractor with expectations that they will be fixed. Regarding the concentrated waste digester, many people are talking about how to grow this system (manufacturers, the City of Wyoming, etc.). The hope is to grow feedstock, produce more gas, and boost revenue. This will possibly require adding another CNG upgrading skid. This process may need a capital increase, but the benefit is the revenue created and keeping the waste out of landfills.

Public Comments

None.

Items from Members

Tai Verbrugge – The Utility Finance team added two new analysts.

Kolene Allen – Tiffany Berry welcomed her new baby boy.

Kurt Anderson – Sewer use ordinance update. Three local limits exist: toxins (metals), organics, and PFAS. Toxic local limits are submitted to the State and are “approved.” We are resubmitting the compatibles because the State did not like the submitted model. We expect the compatible local limit report from the engineering firm by the end of January. PFAS local limit development has been started but has not yet been completed. Once the local limits are added to the ordinance, the ordinance process can be started back up. There are no changes to the original ordinance; the local limits have just been added. Appreciation and thanks to the wholesale communities for responding to our request for their non-domestic user lists.

Samarhia Giffel – Account reviews will happen in March. Don't hesitate to contact the local assessors to ensure the property is annexed to the correct community. This will help with zoning.

Jared Grabinski—GVRBA is facing potential issues due to one landfill losing its Municipal Solids Contract and not accepting our sludge. We are fine now, but it could become a potential issue. We are looking at adding GVRBA to maintain our sustainability proactively.

Next Meeting - February 15, 2024.

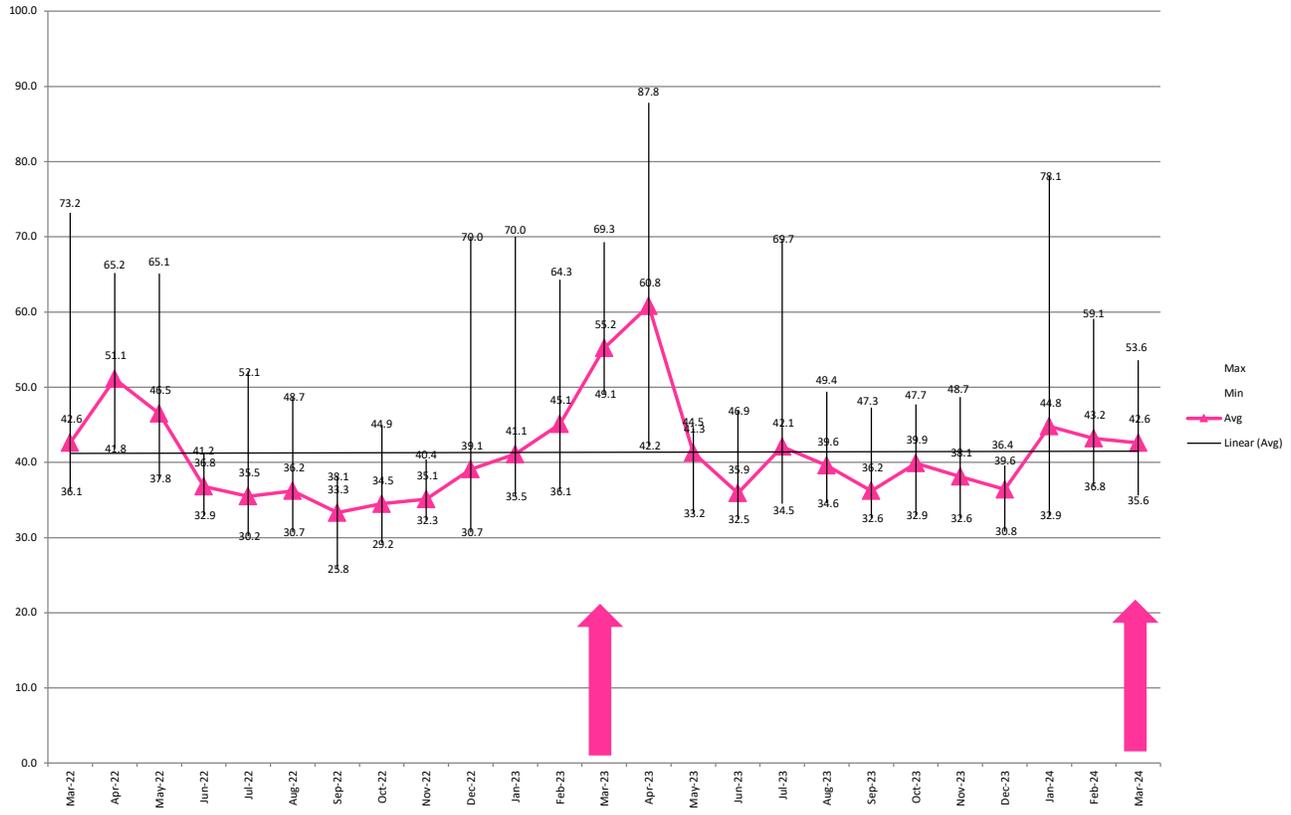
Adjournment

Mr. Hurt adjourned the meeting at 8:59 a.m.

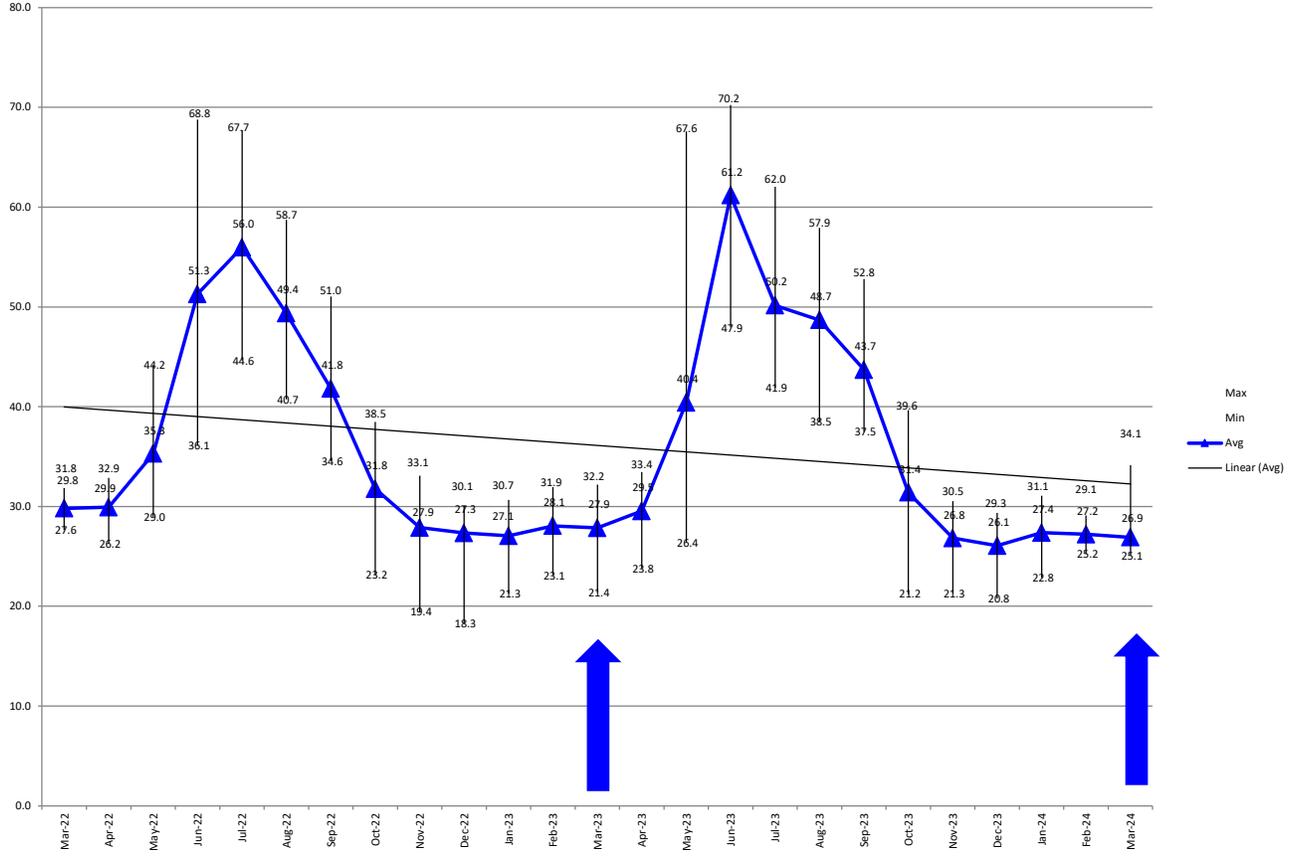
WATER SUPPLY SYSTEM			Fund:		5910
FINANCIAL REPORT*					
QUARTER ENDING 3/31/24					
<i>Description</i>	<i>FINAL FY23 BUDGET</i>	<i>AMENDED FY24 BUDGET</i>	<i>Q3FYTD-FY23</i>	<i>Preliminary Q3FYTD-FY24</i>	<i>FY24/FY23 VARIANCE</i>
Retail Service Charges	\$ 43,315,424	\$ 45,937,543	\$ 28,460,641	\$ 29,537,819	\$ 1,077,178
Wholesale Service Charges	\$ 4,727,086	\$ 5,017,880	\$ 3,533,938	\$ 3,580,410	\$ 46,472
Front Footage Fees	\$ 225,000	\$ 225,000	\$ 357,423	\$ 318,513	\$ (38,910)
Integrated Connection Fees	\$ 350,000	\$ 350,000	\$ 256,601	\$ 428,555	\$ 171,954
Sewage Disposal Fund-Customer Service	\$ 3,243,621	\$ 3,399,828	\$ 2,432,716	\$ 2,549,871	\$ 117,155
Penalties	\$ 950,000	\$ 950,000	\$ 899,919	\$ 962,567	\$ 62,649
Miscellaneous	\$ 1,889,859	\$ 2,662,461	\$ 1,767,881	\$ 7,757,828	\$ 5,989,947
Total Revenue	\$ 54,700,990	\$ 58,542,712	\$ 37,709,119	\$ 45,135,564	\$ 7,426,445
Personnel Services	\$ 13,954,192	\$ 14,753,044	\$ 9,130,620	\$ 9,589,539	\$ 458,919
Supplies	\$ 4,184,305	\$ 4,917,664	\$ 2,827,615	\$ 3,069,343	\$ 241,728
Other Services and Charges	\$ 15,576,035	\$ 17,135,640	\$ 9,312,668	\$ 10,386,218	\$ 1,073,550
Capital Outlay	\$ 1,119,400	\$ 1,102,027	\$ 265,407	\$ 563,348	\$ 297,940
Appropriation Lapse	\$ (1,023,000)	\$ (1,138,000)	\$ -	\$ -	\$ -
Transfers Out	\$ 24,207	\$ 22,198	\$ 18,155	\$ 16,648	\$ (1,507)
Total Expenses	\$ 33,835,139	\$ 36,792,573	\$ 21,554,466	\$ 23,625,097	\$ 2,070,631
Net Income (Loss)	\$ 20,865,851	\$ 21,750,139	\$ 16,154,653	\$ 21,510,467	\$ 5,355,814
*Operating financial report excludes debt service, cash capital transfers, & GASB 31 Market Adjustments					

SEWAGE DISPOSAL SYSTEM			Fund:		5900
FINANCIAL REPORT*					
QUARTER ENDING 3/31/24					
Description	FINAL FY23 BUDGET	AMENDED FY24 BUDGET	Q3FYTD-FY23	Preliminary Q3FYTD-FY24	FY24/FY23 VARIANCE
Retail Service Charges	\$ 62,198,131	\$ 60,818,136	\$ 37,165,069	\$ 36,782,429	\$ (382,640)
Wholesale Service Charges	\$ 3,586,757	\$ 3,614,201	\$ 2,484,275	\$ 2,261,078	\$ (223,197)
Sewer Surcharges	\$ 1,972,114	\$ 3,000,000	\$ 1,384,404	\$ 1,075,924	\$ (308,480)
Renewable Natural Gas Sales	\$ 2,000,000	\$ 3,000,000	\$ 921,596	\$ 1,975,347	\$ 1,053,751
Front Footage Fees	\$ 150,000	\$ 150,000	\$ 363,538	\$ 272,000	\$ (91,538)
Integrated Connection Fees	\$ 250,000	\$ 250,000	\$ (102,270)	\$ 135,372	\$ 237,642
Miscellaneous	\$ 1,350,598	\$ 2,187,188	\$ 1,182,595	\$ 1,139,567	\$ (43,027)
Total Revenue	\$ 71,507,600	\$ 73,019,525	\$ 43,399,206	\$ 43,641,717	\$ 242,510
Personal Services	\$ 13,523,598	\$ 14,053,961	\$ 8,597,904	\$ 9,777,320	\$ 1,179,416
Supplies	\$ 3,920,761	\$ 3,963,650	\$ 2,221,467	\$ 2,090,110	\$ (131,356)
Other Services and Charges	\$ 20,010,988	\$ 21,409,123	\$ 14,205,592	\$ 14,148,012	\$ (57,580)
Capital Outlay	\$ 1,180,800	\$ 1,246,650	\$ 303,359	\$ 383,564	\$ 80,205
Appropriation Lapse	\$ (1,788,000)	\$ (1,788,000)	\$ -	\$ -	\$ -
Total Expenses	\$ 36,848,147	\$ 38,885,384	\$ 25,328,322	\$ 26,399,007	\$ 1,070,686
Net Income (Loss)	\$ 34,659,453	\$ 34,134,141	\$ 18,070,885	\$ 17,242,709	\$ (828,175)
*Operating financial report excludes debt service, cash capital transfers, & GASB 31 Market Adjustments					

Sewer - Treated Flow (MGD)



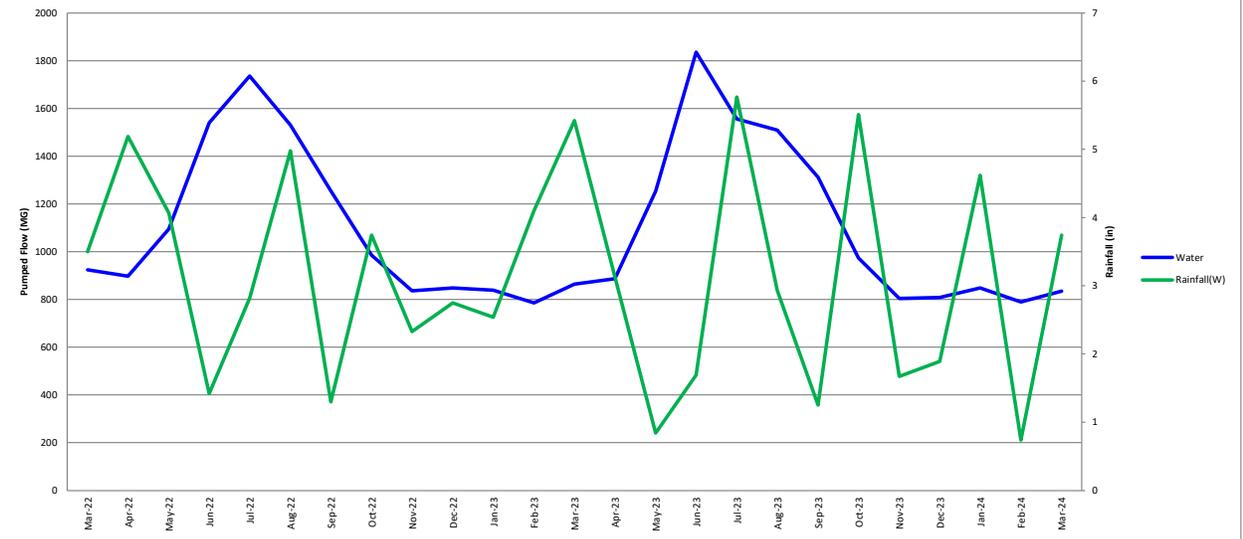
Water - Pumped Flow (MGD)



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



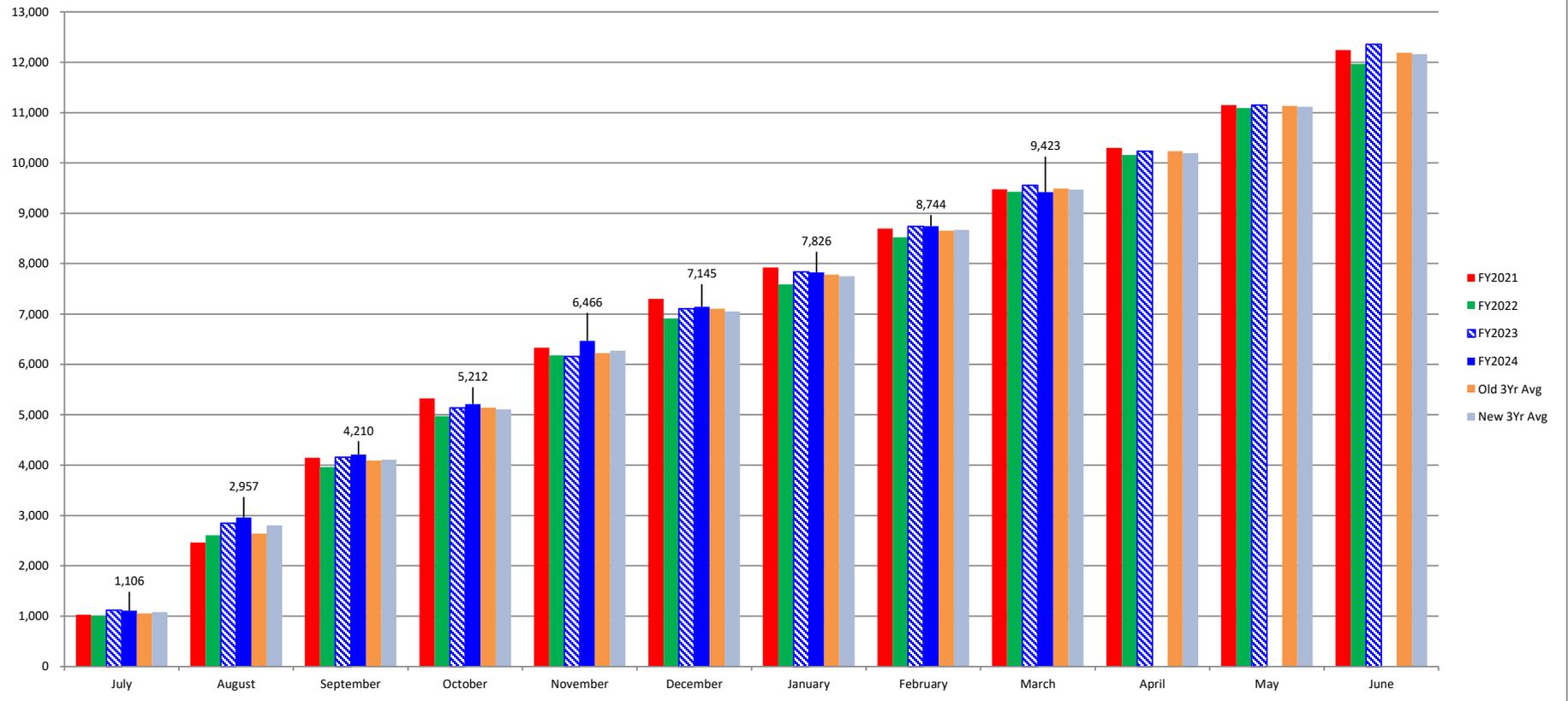
Water - Pumped Flow (MG) Compared to Rainfall (IN)



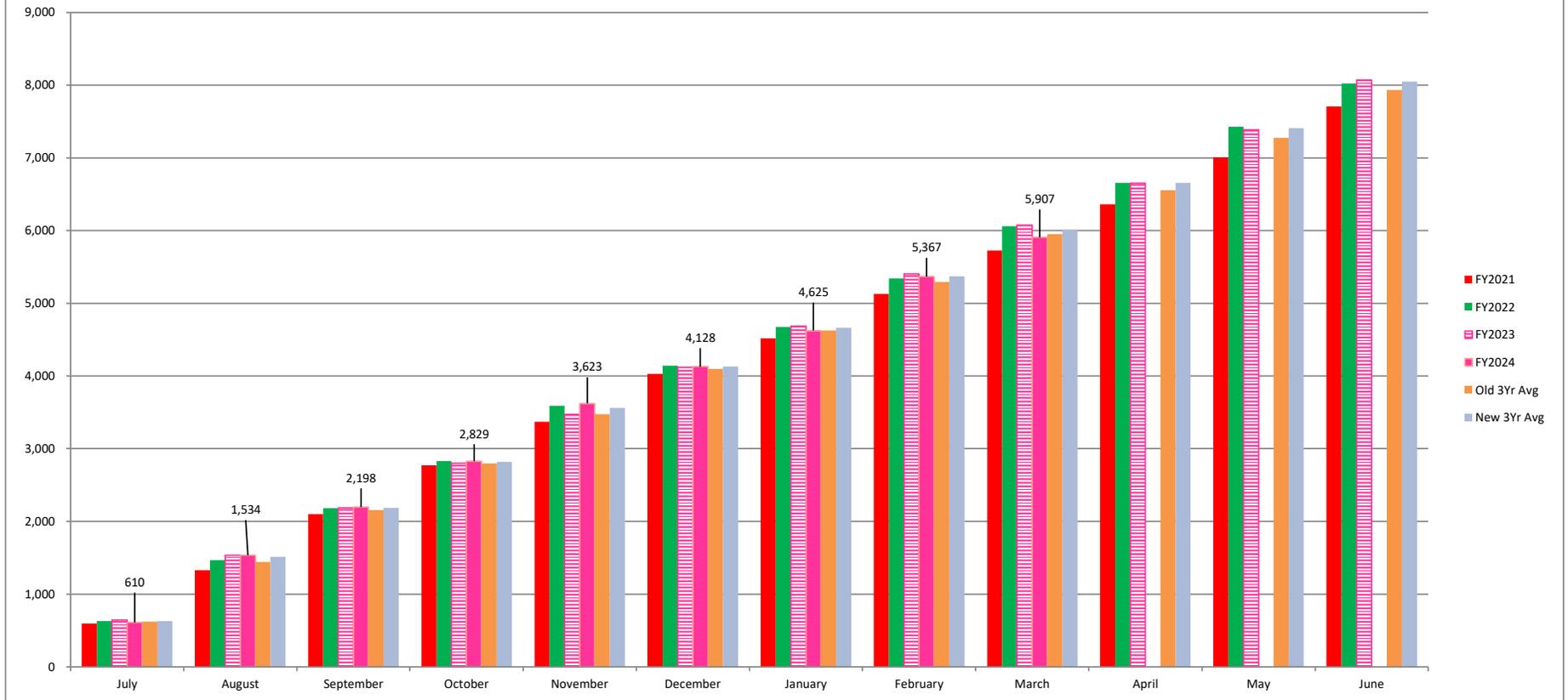
Water - Pumped Flow (MG) Compared to Temp (Deg Farenheit)



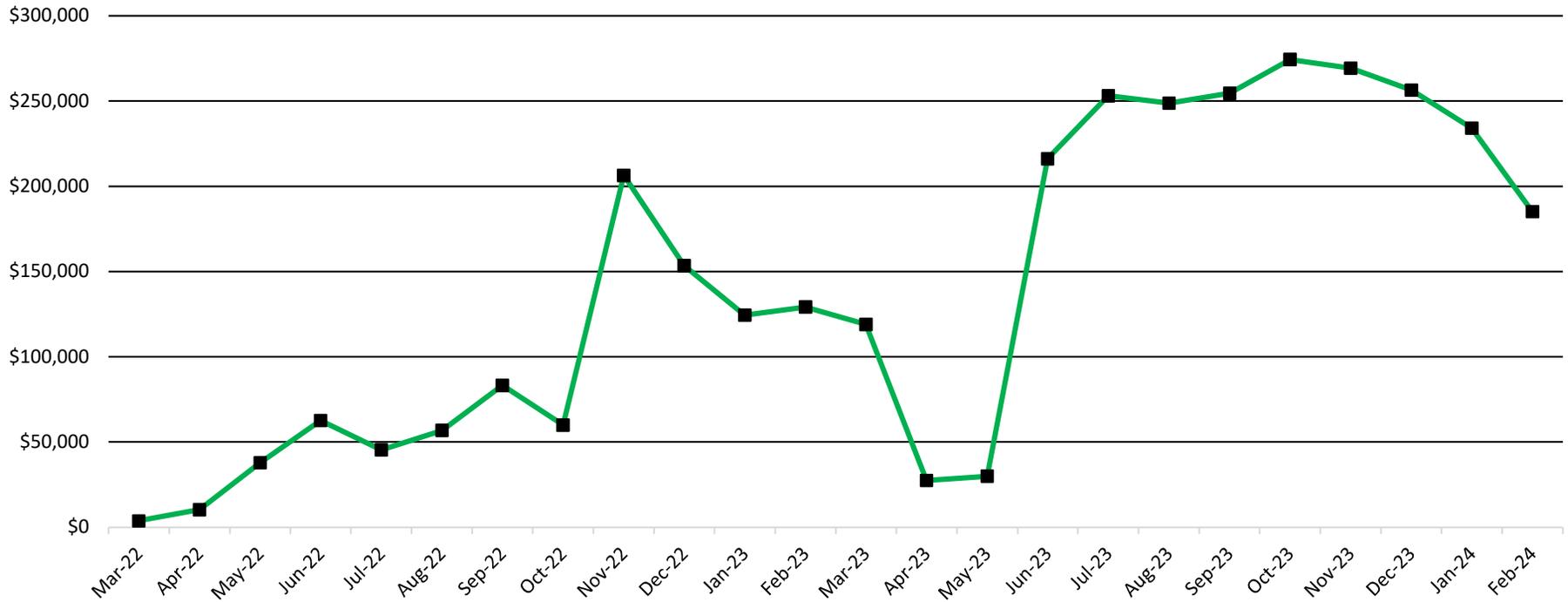
Water - YTD Billed Flow (MG)



Sewer - YTD Billed Flow (MG)



Natural Gas Revenues (\$)



MEMORANDUM

CITY OF GRAND RAPIDS

DATE: April 18, 2024

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 2024 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 31, 2024. On Monday, June 3, 2024, 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 2024 and a data table of eligibility and collections are presented hereafter.



1. 4/18 2024 ATT Summer Presentment to UAB (Memo)
2. 5/17 Partner Community Decision to Participate Deadline
3. 5/31 Final Day to Pay Water & Sewer at Storefront
4. 6/3 Certification List Sent to Partner Community (E-mail and Formal Letter)
5. 6/3 ATT Bill Sent to Partner Community
6. 7/1 ATT Bill Due Date

2024 ATT SUMMER PRELIMINARY ELIGIBLE ACCOUNTS (As of 4/10/2024)

Partner Community	Accounts Eligible	ATT Amount
Cascade	4	\$750.33
G.R. Township	12	\$1,877.39
Kentwood	16	\$2,583.34
Tallmadge Township	0	\$0
Walker	11	\$1,784.43
Wright Township	0	\$0

At this time, the City of Grand Rapids is allowing its retail partners *optional* certification/assignment to the 2024 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, no later than May 17, 2024. 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

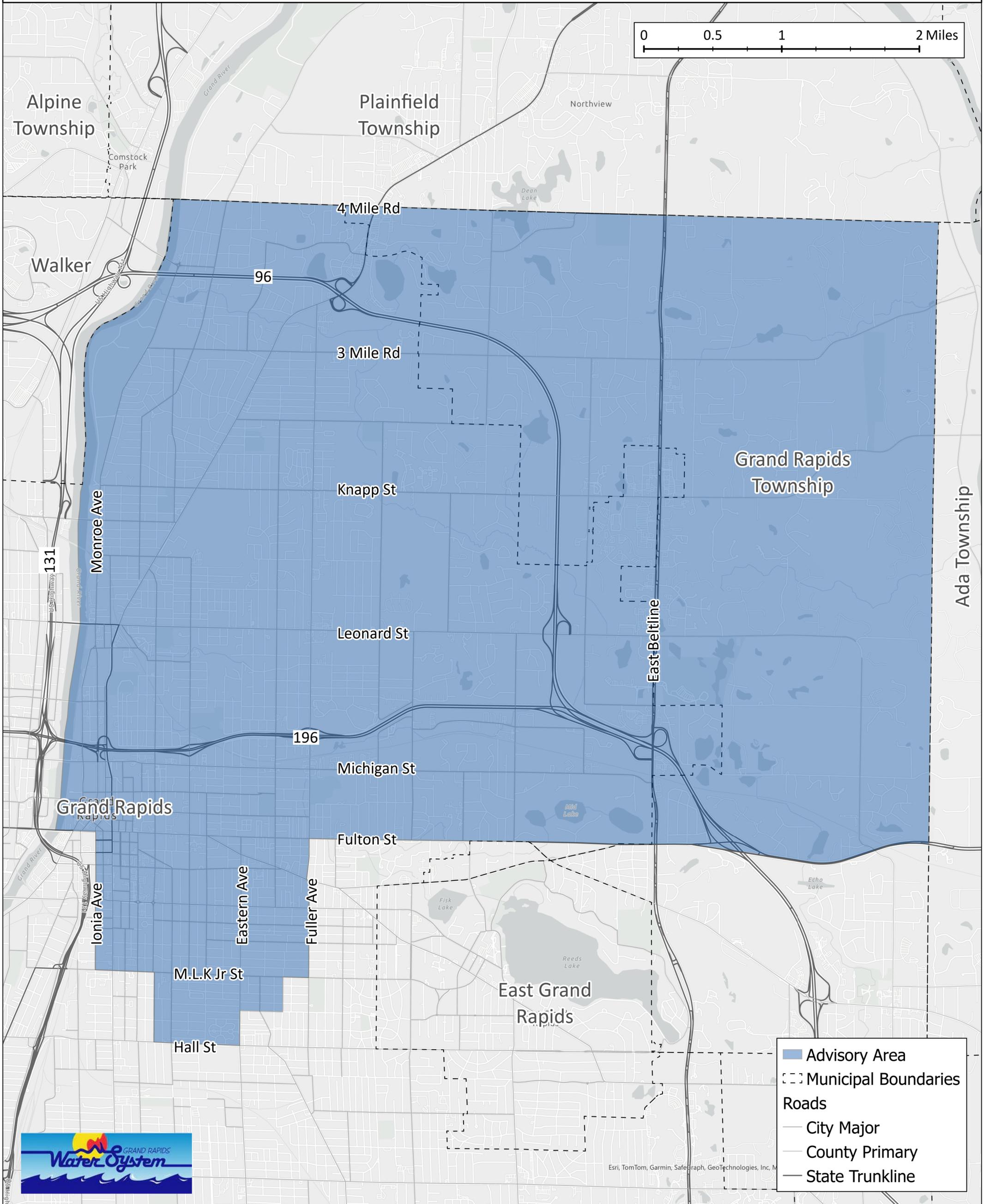
**Water/Sewer UAB Report
February 2024**

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 Cesar E. Chavez Avenue from Clyde Park Avenue to Hall Street.	Wyoming Excavators, Inc.	2/6/2024	8/30/2024	11/3/2025	\$ 2,266,363.00	N/A	2025/2026	N (GR)
Street Lighting and Telecommunication Improvements in DIVISION AVENUE from Fulton Street to Michigan Street and Reconstruction of DIVISION AVENUE and FULTON STREET Intersection	Wyoming Excavators, Inc.	2/20/2024	11/22/2024	12/6/2024	\$ 605,175.00	\$ 108,645.00	2025	N (GR)

**Water/Sewer UAB Report
March 2024**

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 and Water Main in the Ottawa Avenue/Coldbrook Street/Monroe Avenue Intersection (Decommissioning of Coldbrook Pumping Station)	Diversco Construction Company, Inc.	Increase March 19, 2024	12/17/2023	9/19/2024	\$4,372,000.00	N/A	2024	N (GR, GRT, ADA, KTW, CAS, EGR)

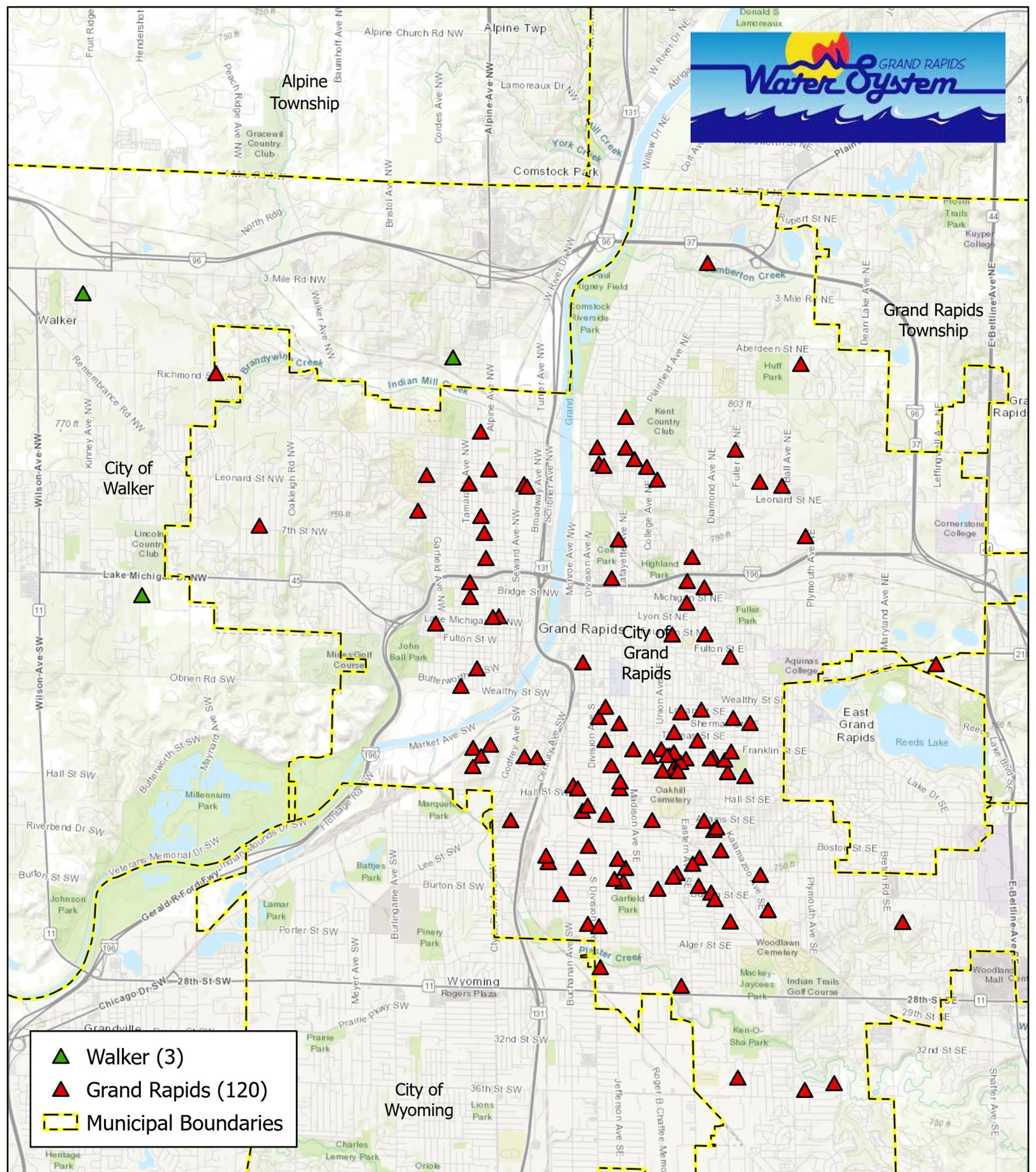
Water Advisory Area



Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc. M

Kent County Community Action (KCCA)
Water/Sewer Payment Assistance Program
Contract Years 2023 & 2022
Fourth Calendar Quarter - October 1 thru December 31

	2023		2022	
	Q4	YTD	Q4	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)	\$ 45,180.29	\$ 97,866.77	\$ 35,741.84	\$ 99,577.52
Total Administrative Fee(s)	4,244.50	9,513.15	3,574.19	9,957.75
Total ICB Used	\$ 49,424.79	\$ 107,379.92	\$ 39,316.03	\$ 109,535.27
Total ICB Reimbursed	\$ 49,424.79	\$ 107,379.92	\$ 39,316.03	\$ 109,535.27
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	\$ (49,424.79)	\$ (49,424.79)	\$ (39,316.03)	\$ (39,316.03)
ICB Remaining Authorized Funds		\$ 23,066.08		\$ 22,863.73
ICB Remaining Non Operating Funds		\$ 80,000.00		\$ 80,000.00
Demographic Summary				
Household(s) Served	123	282	100	295
Person(s) Served	346	767	322	915
Average Household Size	2.81	2.72	3.22	3.10
Single Head of Family Served	62	115	51	166
Average Assistance Amount	(\$367.32)	(\$347.05)	(\$357.42)	(\$337.55)
Failed Screening Process	21	72	0	0
Denied After Completed Process	0	0	0	3
Repeat Household(s) Served	21	26	0	3
Jurisdiction Summary				
Grand Rapids	120	273	97	289
Cascade Township	0	0	0	1
Grand Rapids Township	0	0	0	1
Kentwood	0	2	0	0
Tallmadge Township	0	0	0	0
Walker	3	7	3	4
Wright Township	0	0	0	0



-  Walker (3)
-  Grand Rapids (120)
-  Municipal Boundaries

**2023 - 4th Quarter
KCCA/ICBAP Clients**

0 0.5 1 2 3 Miles

