

City of Grand Rapids
Water & Sewer
Rate Study

2025

Final

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: January 1, 2026

TO: Mark Washington, City Manager
Members of the Utility Advisory Board

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: 2025 WATER/SEWER RATE STUDY – FINAL REPORT

The final study, setting water and sewer rates effective January 1, 2026, for Grand Rapids and the retail and wholesale partner communities it serves, is submitted herein for reference and/or retention. The annual study consists of a comprehensive review of the operating and capital costs by community, in conjunction with customer base variation and usage, and calculates recommended commodity and service rates based upon adherence to: (a) the uniform rate-setting methodology established in 1976-77 for customer communities not party to the uniform water and sewer service agreements; and (b) rate methodology changes contractually agreed to in the uniform water and sewer service agreements for Utility Advisory Board (UAB) member customer communities. The methodology yields consistent performance in providing for the long-term needs of the water and sewage systems and ensuring adequate debt service coverage pursuant to the systems' master bond ordinance covenants. A table of contents immediately precedes the report's three sections and lists the respective tasks performed in reviewing the operating and financial performance of the utility systems.

The City's 2025 review marked the 49th annual water/sewer rate study report and resulted in utility rate increases as follows:

1. Water Supply System revenue requirements increased by \$3,646,171 or 6.38% more than revenue generated by existing rates and charges.
2. Sewage Disposal System revenue requirements decreased by (\$2,067,420) or (3.09%) less than revenue generated by existing rates and charges.

The final rate study continues to provide funding from the penalty fees and non-operating income to support both of the City's circuit breaker programs. A contribution of \$253,972 will support the Individual Circuit Breaker program aimed at helping eligible retail customers pay their water/sewer bills. Sufficient funding was also available to apply the City and Customer Community Circuit Breaker relief to the water and sewer utility rates in the City of Grand Rapids, the

City of Kentwood, Wright Township, Cascade Township, and Grand Rapids Township to limit each retail service area's revenue requirement change to a level in line with the overall systems' average change.

Five schedules supplement and immediately follow this memo. The first schedule summarizes the revenue requirement changes by customer community. The second and third schedules show water and sewer rate adjustment impacts to typical domestic and commercial customers with the system average quarterly consumption in each retail community. They also include a comparison of the approximate monthly charge for Wright Township's residential equivalent unit (REU) rate structure. The final two schedules show comparative water and sewer monthly service and commodity rate adjustments for the City's retail and wholesale customer communities.

The proposed 2026 water and sewer rates were made available to the UAB partners and other customer communities on November 6, 2025. All partner communities participated in a thirty (30) day comment period following notification of the rates as provided in the water/sewer service agreements.

Pursuant to Section 2.33 and 2.94 of the City Code, on November 13, 2025, the preliminary rate study, along with explanatory materials, was filed with the City Clerk, made available online at www.grandrapidsmi.gov/ratestudy, and notice of availability of such information was published in the newspaper at least twenty (20) days prior to adoption of the resolution to provide for opportunities for public comment. The City Commission approved the final water and sewer rates by resolution on December 16, 2025.

Attachments as named

TCV

**CITY OF GRAND RAPIDS, MICHIGAN
2025 FINAL WATER/SEWER RATE STUDY
SUMMARY OF REVENUE REQUIREMENT CHANGES
FOR RATES EFFECTIVE JANUARY 1, 2026**

	<u>WATER (1)</u>		<u>SEWER (1)</u>	
	<u>AMOUNT</u>	<u>PERCENT</u>	<u>AMOUNT</u>	<u>PERCENT</u>
RETAIL COMMUNITIES				
GRAND RAPIDS	\$ 2,283,970	6.80%	\$ (1,179,150)	-2.67%
WALKER	319,922	7.23%	(318,089)	-5.21%
KENTWOOD	16,661	0.31%	(149,649)	-2.67%
CASCADE TWP	444,307	10.79%	(91,739)	-2.67%
GRAND RAPIDS TWP	232,238	7.59%	(89,390)	-2.67%
TALLMADGE TWP	(9,000)	-3.07%	(40,622)	-6.59%
WRIGHT TWP	N/A	N/A	(7,131)	-2.67%
WHOLESALE COMMUNITIES				
EAST GRAND RAPIDS	(76,715)	-7.67%	(85,594)	-7.12%
ADA TWP	88,764	5.35%	(80,810)	-4.92%
OTTAWA COUNTY	(214,538)	-7.11%	NA	NA
GAINES TWP	N/A	N/A	4,235	1.16%
CALEDONIA TWP	560,563	N/A	(29,481)	-11.74%
SYSTEM	\$ 3,646,171	6.38%	\$ (2,067,420)	-3.09%

(1) Change in revenue requirements based on revenues currently generated from rates, customer base and volumes reported in the preliminary rate study (Includes consideration for relief from CCCC B).

DISCLOSE RELIEF PROVIDED BY CITY & CUSTOMER COMMUNITY CIRCUIT BREAKER (CCCCB)

	<u>WATER</u>		<u>SEWER</u>	
	<u>AMOUNT</u>	<u>PERCENT</u>	<u>AMOUNT</u>	<u>PERCENT</u>
SYSTEM REVENUE REQUIREMENT	\$ 60,787,035	6.38%	\$ 64,932,745	-3.09%
ADD: CCCC B RELIEF	540,584	0.95%	281,652	0.42%
SYSTEM CHANGE- WITHOUT RELIEF	<u>\$ 61,327,619</u>	<u>7.33%</u>	<u>\$ 65,214,397</u>	<u>-2.67%</u>

**CITY OF GRAND RAPIDS, MICHIGAN
2025 FINAL WATER/SEWER RATE STUDY
IMPACT OF RATE ADJUSTMENTS ON DOMESTIC USERS
BY CUSTOMER COMMUNITY *
FOR RATES EFFECTIVE JANUARY 1, 2026**

	<u>APPROXIMATE QUARTERLY BILL</u>		<u>CHANGE</u>	
	<u>2025</u>	<u>2026</u>	<u>DOLLARS</u>	<u>PERCENT</u>
GRAND RAPIDS				
WATER	\$ 95.31	\$ 101.76	\$ 6.45	6.77%
SEWER	115.35	113.61	(1.74)	-1.51%
	<u>\$ 210.66</u>	<u>\$ 215.37</u>	<u>\$ 4.71</u>	2.24%
BASE RATIO	1.00	1.00		
WALKER				
WATER	\$ 91.71	\$ 98.40	\$ 6.69	7.29%
SEWER	151.27	143.97	(7.30)	-4.83%
	<u>\$ 242.98</u>	<u>\$ 242.37</u>	<u>\$ (0.61)</u>	-0.25%
RATIO TO GR	1.15	1.13		
KENTWOOD				
WATER	\$ 95.40	\$ 95.58	\$ 0.18	0.19%
SEWER	80.57	79.26	(1.31)	-1.63%
	<u>\$ 175.97</u>	<u>\$ 174.84</u>	<u>\$ (1.13)</u>	-0.64%
RATIO TO GR	0.84	0.81		
CASCADE TWP				
WATER	\$ 120.36	\$ 133.56	\$ 13.20	10.97%
SEWER	177.47	173.36	(4.11)	-2.32%
	<u>\$ 297.83</u>	<u>\$ 306.92</u>	<u>\$ 9.09</u>	3.05%
RATIO TO GR	1.41	1.43		
GRAND RAPIDS TWP				
WATER	\$ 105.30	\$ 113.22	\$ 7.92	7.52%
SEWER	144.69	141.26	(3.43)	-2.37%
	<u>\$ 249.99</u>	<u>\$ 254.48</u>	<u>\$ 4.49</u>	1.80%
RATIO TO GR	1.19	1.18		
TALLMADGE TWP				
WATER	\$ 66.24	\$ 63.69	\$ (2.55)	-3.85%
SEWER	209.02	195.95	(13.07)	-6.25%
	<u>\$ 275.26</u>	<u>\$ 259.64</u>	<u>\$ (15.62)</u>	-5.67%
RATIO TO GR	1.31	1.21		

* THE COMPARISONS ABOVE ARE BASED ON SYSTEM AVERAGE DOMESTIC CUSTOMER
QUARTERLY CONSUMPTION OF: WATER- 21.00 UNITS OR 15,708 GALLONS
SEWER - 14.00 UNITS OR 10,472 GALLONS
NO. OF MONTHS: 3

REU (RESIDENTIAL EQUIVALENT UNIT) CUSTOMER COMMUNITY- APPROXIMATE QUARTERLY BILL

WRIGHT TWP-				
SEWER (No. of REU 1.00)	<u>\$ 177.12</u>	<u>\$ 172.38</u>	<u>\$ (4.74)</u>	-2.68%

**CITY OF GRAND RAPIDS, MICHIGAN
2025 FINAL WATER/SEWER RATE STUDY
IMPACT OF RATE ADJUSTMENTS ON COMMERCIAL USERS
BY CUSTOMER COMMUNITY
FOR RATES EFFECTIVE JANUARY 1, 2026**

	<u>APPROXIMATE QUARTERLY BILL</u>		<u>CHANGE</u>	
	<u>2025</u>	<u>2026</u>	<u>DOLLARS</u>	<u>PERCENT</u>
GRAND RAPIDS				
WATER	\$ 596.88	\$ 637.23	\$ 40.35	6.76%
SEWER	990.09	943.74	(46.35)	-4.68%
	<u>\$ 1,586.97</u>	<u>\$ 1,580.97</u>	<u>\$ (6.00)</u>	-0.38%
BASE RATIO	1.00	1.00		
WALKER				
WATER	\$ 507.33	\$ 544.74	\$ 37.41	7.37%
SEWER	821.05	777.06	(43.99)	-5.36%
	<u>\$ 1,328.38</u>	<u>\$ 1,321.80</u>	<u>\$ (6.58)</u>	-0.50%
RATIO TO GR	0.84	0.84		
KENTWOOD				
WATER	\$ 485.04	\$ 487.11	\$ 2.07	0.43%
SEWER	767.15	746.07	(21.08)	-2.75%
	<u>\$ 1,252.19</u>	<u>\$ 1,233.18</u>	<u>\$ (19.01)</u>	-1.52%
RATIO TO GR	0.79	0.78		
CASCADE TWP				
WATER	\$ 614.25	\$ 681.90	\$ 67.65	11.01%
SEWER	928.91	904.61	(24.30)	-2.62%
	<u>\$ 1,543.16</u>	<u>\$ 1,586.51</u>	<u>\$ 43.35</u>	2.81%
RATIO TO GR	0.97	1.00		
GRAND RAPIDS TWP				
WATER	\$ 560.34	\$ 603.30	\$ 42.96	7.67%
SEWER	763.83	742.49	(21.34)	-2.79%
	<u>\$ 1,324.17</u>	<u>\$ 1,345.79</u>	<u>\$ 21.62</u>	1.63%
RATIO TO GR	0.83	0.85		
TALLMADGE TWP				
WATER	\$ 551.97	\$ 528.84	\$ (23.13)	-4.19%
SEWER	1,911.34	1,785.29	(126.05)	-6.59%
	<u>\$ 2,463.31</u>	<u>\$ 2,314.13</u>	<u>\$ (149.18)</u>	-6.06%
RATIO TO GR	1.55	1.46		

* THE COMPARISONS ABOVE ARE BASED ON SYSTEM AVERAGE COMMERCIAL CUSTOMER
QUARTERLY CONSUMPTION OF : WATER- 207.00 UNITS OR 154,836 GALLONS
SEWER - 200.00 UNITS OR 149,600 GALLONS
NO. OF MONTHS: 3

REU (RESIDENTIAL EQUIVALENT UNIT) CUSTOMER COMMUNITY- APPROXIMATE QUARTERLY BILL

WRIGHT TWP				
SEWER (No. of REU 1.00)	<u>\$ 177.12</u>	<u>\$ 172.38</u>	<u>\$ (4.74)</u>	-2.68%

**CITY OF GRAND RAPIDS, MICHIGAN
2025 FINAL WATER/SEWER RATE STUDY
WATER & SEWER RATES FOR GRAND RAPIDS & RETAIL CUSTOMER COMMUNITIES
EFFECTIVE JANUARY 1, 2026**

WATER RATES

COMMODITY	METER CODE	GRAND RAPIDS	WALKER	KENTWOOD	CASCADE	GR. RAPIDS TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP
CHARGE (HCF)		\$ 2.74	\$ 2.23	\$ 1.92	\$ 2.67	\$ 2.42	\$ 2.50	NA
MONTHLY SERVICE CHARGE BY METER SIZE								
3/4" & Less	A	\$ 14.74	\$ 17.19	\$ 18.42	\$ 25.83	\$ 20.80	\$ 3.73	NA
1"	B	\$ 23.35	\$ 27.71	\$ 29.89	\$ 43.07	\$ 34.12	\$ 3.78	NA
1-1/4"	C	\$ 34.42	\$ 41.23	\$ 44.64	\$ 65.23	\$ 51.25	\$ 3.84	NA
1-1/2"	D	\$ 47.95	\$ 57.75	\$ 62.67	\$ 92.31	\$ 72.19	\$ 3.91	NA
2"	E	\$ 82.39	\$ 99.81	\$ 108.56	\$ 161.25	\$ 125.48	\$ 4.10	NA
3"	F	\$ 180.79	\$ 219.99	\$ 239.67	\$ 358.23	\$ 277.75	\$ 4.63	NA
4"	G	\$ 318.55	\$ 388.24	\$ 423.22	\$ 634.00	\$ 490.92	\$ 5.38	NA
6" & Over	H	\$ 712.15	\$ 868.95	\$ 947.67	\$ 1,421.91	\$ 1,099.99	\$ 7.51	NA

SEWER RATES

COMMODITY	METER CODE	GRAND RAPIDS	WALKER	KENTWOOD	CASCADE	GR. RAPIDS TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP
CHARGE (HCF)		\$ 4.29	\$ 3.03	\$ 3.51	\$ 3.46	\$ 2.86	\$ 8.26	NA
REU Charge (Monthly) *		NA	NA	NA	NA	NA	NA	\$ 57.46
MONTHLY SERVICE CHARGE BY METER SIZE								
3/4" & Less	A	\$ 17.85	\$ 33.85	\$ 10.04	\$ 41.64	\$ 33.74	\$ 26.77	NA
1"	B	\$ 28.58	\$ 57.02	\$ 14.69	\$ 70.87	\$ 56.83	\$ 44.43	NA
1-1/4"	C	\$ 42.37	\$ 86.81	\$ 20.67	\$ 108.45	\$ 86.51	\$ 67.14	NA
1-1/2"	D	\$ 59.22	\$ 123.22	\$ 27.98	\$ 154.38	\$ 122.78	\$ 94.90	NA
2"	E	\$ 102.12	\$ 215.90	\$ 46.58	\$ 271.30	\$ 215.12	\$ 165.55	NA
3"	F	\$ 224.70	\$ 480.70	\$ 99.74	\$ 605.34	\$ 478.94	\$ 367.42	NA
4"	G	\$ 396.31	\$ 851.42	\$ 174.16	\$ 1,073.00	\$ 848.29	\$ 650.03	NA
6" & Over	H	\$ 886.62	\$ 1,910.62	\$ 386.78	\$ 2,409.18	\$ 1,903.58	\$ 1,457.50	NA

* REU - Residential Equivalent Unit (Wright Township Only)

FIRE PROTECTION RATES- ALL GOVERNMENTAL UNITS

6"	H	\$ 24.03	10"	J	\$ 66.80
8"	I	\$ 42.63	12"	K	\$ 96.12

NOTE: Monthly defined as 1/12th of 365 days.

**CITY OF GRAND RAPIDS, MICHIGAN
2025 FINAL WATER/SEWER RATE STUDY
IMPACT OF RATE ADJUSTMENTS ON WHOLESALE CUSTOMER COMMUNITIES
EFFECTIVE JANUARY 1, 2026**

	<u>2025</u>	<u>2026</u>	<u>PERCENTAGE CHANGE</u>
EAST GRAND RAPIDS			
WATER - SERVICE (MONTHLY)	\$19,839.00	\$19,265.00	-2.89%
- COMMODITY (100 CF)	\$1.31	\$1.19	-9.16%
SEWER - SERVICE (MONTHLY)	\$2,104.00	\$2,264.00	7.60%
- COMMODITY (MG)	\$3,092.00	\$2,862.00	-7.44%
ADA TWP			
WATER - SERVICE	\$61,151.00	\$75,796.00	23.95%
- COMMODITY	\$1.49	\$1.35	-9.40%
SEWER - SERVICE	\$41,633.00	\$42,940.00	3.14%
- COMMODITY	\$4,178.00	\$3,825.00	-8.45%
OTTAWA COUNTY			
WATER - SERVICE	\$0.00	\$0.00	N/A
- COMMODITY	\$1.44	\$1.34	-6.94%
GAINES TWP			
SEWER - SERVICE	\$1,759.00	\$1,819.00	3.41%
- COMMODITY	\$2,749.00	\$2,777.00	1.02%
CALEDONIA TWP			
WATER - SERVICE	N/A	\$69,993.00	N/A
- COMMODITY	N/A	\$1.69	N/A
SEWER - SERVICE	\$743.00	\$747.00	0.54%
- COMMODITY	\$7,465.00	\$6,555.00	-12.19%

NOTE: Monthly defined as 1/12th of 365 days.

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ANNUAL RATE REVIEW**

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**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
SYSTEM ADDITIONS AND IMPROVEMENTS
FOR THE YEAR ENDED JUNE 30, 2025
TASKS NO. 1, 2, & 3**

COMMUNITY	LOCAL		INTERMEDIATE		PRIMARY		TOTALS	
	FEET	MILES	FEET	MILES	FEET	MILES	FEET	MILES
Grand Rapids								
Construction	13,066	2.47	2,347	0.44	0	0.00	15,413	2.91
Abandonment	(10,854)	(2.06)	(2,417)	(0.46)	(3,858)	(0.73)	(17,129)	(3.25)
CSO Construction	0	0.00	0	0.00	0	0.00	0	0.00
CSO Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	<u>2,212</u>	<u>0.41</u>	<u>(70)</u>	<u>(0.02)</u>	<u>(3,858)</u>	<u>(0.73)</u>	<u>(1,716)</u>	<u>(0.34)</u>
Kentwood								
Construction	0	0.00	0	0.00	0	0.00	0	0.00
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
Cascade Twp.								
Construction	0	0.00	0	0.00	0	0.00	0	0.00
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
G.R. Twp.								
Construction	4,601	0.87	89	0.02	0	0.00	4,690	0.89
Abandonment	0	0.00	(6)	0.00	0	0.00	(6)	0.00
	<u>4,601</u>	<u>0.87</u>	<u>83</u>	<u>0.02</u>	<u>0</u>	<u>0.00</u>	<u>4,684</u>	<u>0.89</u>
Tallmadge Twp.								
Construction	0	0.00	0	0.00	0	0.00	0	0.00
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
Walker								
Construction	600	0.11	1,370	0.26	0	0.00	1,970	0.37
Abandonment	0	0.00	(43)	(0.01)	0	0.00	(43)	(0.01)
	<u>600</u>	<u>0.11</u>	<u>1,327</u>	<u>0.25</u>	<u>0</u>	<u>0.00</u>	<u>1,927</u>	<u>0.36</u>
TOTAL	<u><u>7,413</u></u>	<u><u>1.39</u></u>	<u><u>1,340</u></u>	<u><u>0.25</u></u>	<u><u>(3,858)</u></u>	<u><u>(0.73)</u></u>	<u><u>4,895</u></u>	<u><u>0.91</u></u>

	CONTRIBUTIONS		
	COMM	OTHER	TOTAL
Integrated	\$ -	\$ -	\$ -
Grand Rapids	1,329,888	-	1,329,888
Walker	554,902	-	554,902
Kentwood	-	-	-
Cascade Twp.	-	-	-
Grand Rapids Twp.	617,175	-	617,175
Tallmadge Twp.	-	-	-
TOTAL	<u><u>\$ 2,501,965</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,501,965</u></u>

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
OPERATING EXPENSE ALLOCATION BY COST CENTER - TASK #4, PART 1
FISCAL YEAR ENDED JUNE 30, 2025**

Cost Center-Fund	ACTIVITY	EXPENSE BY ACTIVITY	FILTRATION PLANT	PUMPING STATIONS		WATERMAINS			RETAIL CUSTOMER METERING	ENGIN. SERVICES	ADMIN. EXPENSE
				PRIMARY	INTERM.	PRIMARY TRANSPORT	INTERMED. TRANSPORT	LOCAL DISTRIBUTION			
(25355) 5910	TREASURER-CUSTOMER SERVICE	\$ 1,155,256							\$ 1,155,256		
(53630) 5910	WATER-CUSTOMER SERVICE *	3,505,203							3,505,203		
(53640) 5910	ENGINEERING	1,324,492								1,324,492	
(53645) 5910	COLDBROOK DISTRIBUTION	3,607,429		403,250	3,204,179						
(53660) 5910	FIELD OPERATIONS	9,608,437				483,304	2,550,367	6,574,766			
(53665) 5910	FILTRATION	9,037,355	9,037,355								
(53601) 5910	SUBTOTAL OPERATING EXPENSE	28,238,171	9,037,355	403,250	3,204,179	483,304	2,550,367	6,574,766	4,660,459	1,324,492	-
(53601) 5910	ADMINISTRATION	4,001,903									4,001,903
	TOTAL	<u>\$ 32,240,074</u>	<u>\$ 9,037,355</u>	<u>\$ 403,250</u>	<u>\$ 3,204,179</u>	<u>\$ 483,304</u>	<u>\$ 2,550,367</u>	<u>\$ 6,574,766</u>	<u>\$ 4,660,459</u>	<u>\$ 1,324,492</u>	<u>\$ 4,001,903</u>

* Reflects adjustment for circuit breaker provisions per the third amendment to W/S service agreements.

METHOD OF DISTRIBUTION

(25355) 5910	TREASURER-CUSTOMER SERVICE		100.000%						100.000%		
(53630) 5910	WATER-CUSTOMER SERVICE		100.000%						100.000%		
(53640) 5910	ENGINEERING		100.000%							100.000%	
(53645) 5910	COLDBROOK DISTRIBUTION		100.000%	11.180%	88.820%						
(53660) 5910	FIELD OPERATIONS		100.000%			5.030%	26.543%	68.427%			
	TOTAL MILES OF MAIN	1,204.76				60.60	319.78	824.38			
(53665) 5910	FILTRATION		100.000%	100.000%							
(53601) 5910	ADMINISTRATION		100.000%								100.000%

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
OPERATING EXPENSE ALLOCATION BY GOVERNMENTAL UNIT - TASK #4, PART 2
FISCAL YEAR ENDED JUNE 30, 2025**

COST CENTER	EXPENSE BY COST CENTER	INTEGRATED SYSTEM	RETAIL						WHOLESALE				
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	CITY OF EAST GR	COUNTY OF OTTAWA	ADA TOWNSHIP	CALEDONIA TOWNSHIP	
FILTRATION PLANT	\$ 9,037,355	\$ 9,037,355											
PUMPING STATIONS:													
A. PRIMARY TRANSPORT	403,250	403,250											
B. INTERMEDIATE TRANSPORT	3,204,179		2,670,575	28,192	505,412	-	-	-					
WATERMAINS:													
A. PRIMARY TRANSPORT	483,304		400,200	25,760	36,528	13,397	7,419	-	-	-	-	-	-
B. INTERMEDIATE TRANSPORT	2,550,367		948,175	556,516	450,369	345,983	213,823	35,501	-	-	-	-	-
C. LOCAL DISTRIBUTION	6,574,766		4,748,887	535,778	459,445	373,710	432,685	24,261	-	-	-	-	-
RETAIL CUSTOMER METERING	4,660,459		3,398,268	393,576	328,189	249,940	267,883	22,603					
SUBTOTAL OPERATING EXPENSE	26,913,679	9,440,605	12,166,104	1,539,822	1,779,943	983,030	921,810	82,365	-	-	-	-	-
ENGINEERING SERVICES	1,324,492	464,592	598,723	75,774	87,602	48,384	45,364	4,053	-	-	-	-	-
ADMINISTRATIVE EXPENSE	4,001,903	1,110,689	2,266,825	181,152	209,428	115,670	108,450	9,689	-	-	-	-	-
TOTAL	<u>\$ 32,240,074</u>	<u>\$ 11,015,885</u>	<u>\$ 15,031,653</u>	<u>\$ 1,796,748</u>	<u>\$ 2,076,973</u>	<u>\$ 1,147,084</u>	<u>\$ 1,075,624</u>	<u>\$ 96,107</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

METHOD OF DISTRIBUTION

FILTRATION PLANT		100.00%	100.00%										
PUMPING STATIONS													
A. PRIMARY TRANSPORT		100.00%	100.00%										
B. INTERMEDIATE TRANSPORT		100.00%		83.346%	0.880%	15.774%							
WATERMAINS													
TOTAL MILES:	1,204.76												
A. PRIMARY TRANSPORT		100.000%		82.805%	5.330%	7.558%	2.772%	1.535%					
MILES	60.60			50.18	3.23	4.58	1.68	0.93	-	-	-	-	-
B. INTERMEDIATE TRANSPORT		100.000%		37.178%	21.821%	17.659%	13.566%	8.384%	1.392%				
MILES	319.78			118.89	69.78	56.47	43.38	26.81	4.45	-	-	-	-
C. LOCAL DISTRIBUTION		100.000%		72.229%	8.149%	6.988%	5.684%	6.581%	0.369%				
MILES	824.38			595.44	67.18	57.61	46.86	54.25	3.04	-	-	-	-
RETAIL CUSTOMER METERING (1)		100.000%		72.917%	8.445%	7.042%	5.363%	5.748%	0.485%				
NUMBER OF METERS	82,249			59,973	6,946	5,792	4,411	4,728	399				
ENGINEERING SERVICES (2)		100.000%	35.077%	45.204%	5.721%	6.614%	3.653%	3.425%	0.306%				
ADMINISTRATIVE EXPENSE (3)		100.000%	27.754%	56.644%	4.527%	5.233%	2.890%	2.710%	0.242%				

NOTES:

(1) ALLOCATION BASED ON NUMBER OF METERS.

(2) ALLOCATION BASED ON DIRECT OPERATING EXPENSE.

(3) ALLOCATION BASED ON DIRECT OPERATING EXPENSE, ADJUSTED FOR ANY COST ASSIGNABLE EXCLUSIVELY TO GR OR RETAIL COMMUNITIES, IF APPLICABLE.

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED OPERATING EXPENSE ALLOCATION BY COST CENTER - TASK #5, PART 1
FISCAL YEAR ENDED JUNE 30, 2025**

Cost Center-Fund	ACTIVITY	ADJUSTED EXPENSE BY ACTIVITY	FILTRATION PLANT	PUMPING STATIONS		WATERMAINS			RETAIL CUSTOMER METERING	ENGIN. SERVICES	ADMIN. EXPENSE
				PRIMARY	INTERM.	PRIMARY TRANSPORT	INTERMED. TRANSPORT	LOCAL DISTRIBUTION			
(25355) 5910	TREASURER-CUSTOMER SERVICE	\$ 1,165,275							\$ 1,165,275		
(53630) 5910	WATER-CUSTOMER SERVICE *	2,299,051							2,299,051		
(53640) 5910	ENGINEERING	1,381,756								1,381,756	
(53645) 5910	COLDBROOK DISTRIBUTION	3,655,556		408,629	3,246,927						
(53660) 5910	FIELD OPERATIONS	9,011,364				453,272	2,391,886	6,166,206			
(53665) 5910	FILTRATION	9,177,659	9,177,659								
	SUBTOTAL OPERATING EXPENSE	26,690,660	9,177,659	408,629	3,246,927	453,272	2,391,886	6,166,206	3,464,326	1,381,756	-
(53601) 5910	ADMINISTRATION	4,937,174									4,937,174
	TOTAL	\$ 31,627,834	\$ 9,177,659	\$ 408,629	\$ 3,246,927	\$ 453,272	\$ 2,391,886	\$ 6,166,206	\$ 3,464,326	\$ 1,381,756	\$ 4,937,174

* Reflects adjustment for circuit breaker provisions per the third amendment to W/S service agreements.

METHOD OF DISTRIBUTION

(25355) 5910	TREASURER-CUSTOMER SERVICE		100.000%						100.000%		
(53630) 5910	WATER-CUSTOMER SERVICE		100.000%						100.000%		
(53640) 5910	ENGINEERING		100.000%							100.000%	
(53645) 5910	COLDBROOK DISTRIBUTION		100.000%	11.180%	88.820%						
(53660) 5910	FIELD OPERATIONS		100.000%			5.030%	26.543%	68.427%			
	TOTAL MILES OF MAIN	1,204.76				60.60	319.78	824.38			
(53665) 5910	FILTRATION		100.000%	100.000%							
(53601) 5910	ADMINISTRATION		100.000%								100.000%

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED OPERATING EXPENSE ALLOCATION BY GOVERNMENTAL UNIT - TASK #5, PART 2
FISCAL YEAR ENDED JUNE 30, 2025**

COST CENTER	ADJUSTED EXPENSE BY COST CENTER	INTEGRATED SYSTEM	RETAIL						WHOLESALE			
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	CITY OF EAST GR	COUNTY OF OTTAWA	ADA TOWNSHIP	CALEDONIA TOWNSHIP
FILTRATION PLANT	\$ 9,177,659	\$ 9,177,659										
PUMPING STATIONS:												
A. PRIMARY TRANSPORT	408,629	408,629										
B. INTERMEDIATE TRANSPORT	3,246,927		2,706,204	28,568	512,155	-	-	-				
WATERMAINS:												
A. PRIMARY TRANSPORT	453,272		375,332	24,159	34,258	12,565	6,958	-	-	-	-	-
B. INTERMEDIATE TRANSPORT	2,391,886		889,256	521,933	422,383	324,483	200,536	33,295	-	-	-	-
C. LOCAL DISTRIBUTION	6,166,206		4,453,790	502,484	430,894	350,487	405,798	22,753	-	-	-	-
RETAIL CUSTOMER METERING	3,464,326		2,526,083	292,562	243,958	185,792	199,129	16,802				
SUBTOTAL OPERATING EXPENSE	25,308,904	9,586,288	10,950,664	1,369,706	1,643,648	873,327	812,421	72,850	-	-	-	-
ENGINEERING SERVICES	1,381,756	523,369	597,858	74,781	89,731	47,684	44,354	3,979	-	-	-	-
ADMINISTRATIVE EXPENSE	4,937,174	1,553,600	2,610,196	221,984	266,365	141,550	131,665	11,813	-	-	-	-
TOTAL	\$ 31,627,834	\$ 11,663,257	\$ 14,158,719	\$ 1,666,471	\$ 1,999,744	\$ 1,062,561	\$ 988,440	\$ 88,642	\$ -	\$ -	\$ -	\$ -

METHOD OF DISTRIBUTION

FILTRATION PLANT		100.00%	100.00%									
PUMPING STATIONS												
A. PRIMARY TRANSPORT		100.00%	100.00%									
B. INTERMEDIATE TRANSPORT		100.00%		83.346%	0.880%	15.774%						
WATERMAINS												
TOTAL MILES:	1,204.76											
A. PRIMARY TRANSPORT		100.000%	82.805%	5.330%	7.558%	2.772%	1.535%					
MILES	60.60		50.18	3.23	4.58	1.68	0.93	-	-	-	-	-
B. INTERMEDIATE TRANSPORT		100.000%	37.178%	21.821%	17.659%	13.566%	8.384%	1.392%				
MILES	319.78		118.89	69.78	56.47	43.38	26.81	4.45	-	-	-	-
C. LOCAL DISTRIBUTION		100.000%	72.229%	8.149%	6.988%	5.684%	6.581%	0.369%				
MILES	824.38		595.44	67.18	57.61	46.86	54.25	3.04	-	-	-	-
RETAIL CUSTOMER METERING (1)		100.000%	72.917%	8.445%	7.042%	5.363%	5.748%	0.485%				
NUMBER OF METERS	82,249		59,973	6,946	5,792	4,411	4,728	399				
ENGINEERING SERVICES (2)		100.000%	43.268%	5.412%	6.494%	3.451%	3.210%	0.288%				
ADMINISTRATIVE EXPENSE (3)		100.000%	52.868%	4.496%	5.395%	2.867%	2.667%	0.239%				

NOTES:

- (1) ALLOCATION BASED ON NUMBER OF METERS.
- (2) ALLOCATION BASED ON DIRECT OPERATING EXPENSE.
- (3) ALLOCATION BASED ON DIRECT OPERATING EXPENSE, ADJUSTED FOR ANY COST ASSIGNABLE EXCLUSIVELY TO GR OR RETAIL COMMUNITIES, IF APPLICABLE.

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5 SUPPORT**

ORGANIZATIONAL UNIT: ADMINISTRATION

OBJ	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	\$ 585,633.81	\$ 36,660.68	\$ 622,294.49
70400000	TEMPORARY EMPLOYEES	52,129.51	3,263.31	55,392.82
70550000	TIME & ONE-HALF	4,342.05	271.81	4,613.86
71050000	EMPLOYERS SOCIAL SECURITY	47,394.65	2,966.91	50,361.56
71100000	HOSPITALIZATION INSURANCE	72,703.61	4,478.54	77,182.15
71150000	RETIREE HEALTH CARE	20,247.33	3,399.53	23,646.86
71200000	RETIREMENT FUND CONTRIBUTION	133,493.66	(2,656.52)	130,837.14
71350000	UNEMPLOYMENT COMPENSATION	2,765.94	-	2,765.94
71500000	LONGEVITY PAY	1,861.25	-	1,861.25
71750000	FOOD/CLEAN/CAR ALLOW	1,441.98	-	1,441.98
	TOTAL PERSONAL SERVICES	<u>922,013.79</u>	<u>48,384.26</u>	<u>970,398.05</u>
75200000	SUPPLIES	6,733.57	-	6,733.57
76700000	CLOTHING/CLEANING ALLOWANCE	2,027.26	-	2,027.26
78000000	INVENTORY - COST OF GOODS SOLD	170,760.34	-	170,760.34
79100000	SUBSCRIPTIONS AND PUBLICATIONS	12.00	-	12.00
	TOTAL SUPPLIES	<u>179,533.17</u>	<u>-</u>	<u>179,533.17</u>
69310000	GAIN-LOSS ON SALE OF ASSETS-FA	142,641.99	-	142,641.99
80100000	CONTRACTUAL SERVICES	508,391.83	777,297.00	1,285,688.83
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	2,893.82	-	2,893.82
80160000	CONTRACTS- EXTERNAL LEGAL SERVICES	1,322.50	-	1,322.50
82400000	FEES	28,430.59	-	28,430.59
84000000	INSURANCE PREMIUMS	442,247.00	-	442,247.00
84500000	GENERAL LIABILITY INSURANCE/CLAIMS	243,747.00	7,213.00	250,960.00
85000000	TELEPHONE	1,970.11	-	1,970.11
85100000	POSTAGE	467.23	-	467.23
88000000	COMMUNITY PROMOTION	7,658.59	-	7,658.59
90000000	PRINTING & PUBLISHING	9,165.82	-	9,165.82
95600000	PROFESSIONAL DEVELOPMENT	28,454.86	-	28,454.86
95610000	OTHER TRAVEL & TRAINING	22,401.83	-	22,401.83
95630000	FOOD-BEVERAGE	899.09	-	899.09
95800000	MEMBERSHIPS	54,744.00	-	54,744.00
92800000	WATER	3,725.85	-	3,725.85
92900000	REFUSE COLLECTION CHARGES	5,600.50	-	5,600.50
92000000	ELECTRICITY	38,104.39	58,174.20	96,278.59
92100000	NATURAL GAS	25,433.55	-	25,433.55
93400000	MAINTENANCE SERVICE	868.00	-	868.00
94000000	LAND RENTAL OR LEASE	5,270.76	-	5,270.76
82820000	ENGINEERING SERVICES	18,186.25	-	18,186.25
82830000	VEHICLE USAGE/CAR MILEAGE	3,558.03	-	3,558.03
82840000	COMPUTER SERVICES	30,155.16	(191.16)	29,964.00
95500000	MISCELLANEOUS	200.00	-	200.00
96500000	BAD DEBT WRITE-OFFS	9,021.92	-	9,021.92
	TOTAL OTHER SERVICES & CHARGES	<u>1,683,322.27</u>	<u>794,731.44</u>	<u>2,478,053.71</u>
98000000	FURNITURE	22,489.77	-	22,489.77
98400000	SOFTWARE/SOFTWARE MAINTENANCE	2,386.07	-	2,386.07
98800000	CONSTRUCTION IN PROGRESS	105,084.87	-	105,084.87
	TOTAL CAPITAL	<u>129,960.71</u>	<u>-</u>	<u>129,960.71</u>
82850000	A-87 COST ALLOCATION	1,087,073.00	92,155.00	1,179,228.00
	TOTAL TRANSFERS/FEES	<u>1,087,073.00</u>	<u>92,155.00</u>	<u>1,179,228.00</u>
	ORGANIZATIONAL UNIT TOTAL	<u>\$ 4,001,902.94</u>	<u>\$ 935,270.70</u>	<u>\$ 4,937,173.64</u>

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5 SUPPORT**

ORGANIZATIONAL UNIT: CUSTOMER SERVICES

OBJ	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	\$ 1,817,233.84	\$ 113,758.84	\$ 1,930,992.68
70250000	ACT.ASSIGNMENT	4,512.53	282.48	4,795.01
70400000	TEMPORARY EMPLOYEES	5,544.97	347.12	5,892.09
70500000	REGULAR HOURLY RATE	325.85	20.40	346.25
70550000	TIME & ONE-HALF	122,125.79	7,645.07	129,770.86
71050000	EMPLOYERS SOCIAL SECURITY	142,027.57	8,890.93	150,918.50
71100000	HOSPITALIZATION INSURANCE	461,593.10	28,434.13	490,027.23
71150000	RETIREE HEALTH CARE	64,921.68	10,900.35	75,822.03
71200000	RETIREMENT FUND CONTRIBUTION	426,783.86	(8,493.00)	418,290.86
71350000	UNEMPLOYMENT COMPENSATION	2,772.18	-	2,772.18
71500000	LONGEVITY PAY	14,140.00	-	14,140.00
71650000	SHIFT DIFFERENTIAL	1,811.43	-	1,811.43
71700000	ELECTION WRKR-BRD MEMBERS PAY	200.00	-	200.00
71750000	FOOD/CLEAN/CAR ALLOW	750.00	-	750.00
	TOTAL PERSONAL SERVICES	<u>3,064,742.80</u>	<u>161,786.32</u>	<u>3,226,529.12</u>
75200000	SUPPLIES	1,247,009.17	-	1,247,009.17
76700000	CLOTHING/CLEANING ALLOWANCE	5,325.63	-	5,325.63
	TOTAL SUPPLIES	<u>1,252,334.80</u>	<u>-</u>	<u>1,252,334.80</u>
80100000	CONTRACTUAL SERVICES	277,626.12	-	277,626.12
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	43,438.94	-	43,438.94
82400000	FEES	597.30	-	597.30
85000000	TELEPHONE	18,043.11	-	18,043.11
85100000	POSTAGE	249,269.06	-	249,269.06
88000000	COMMUNITY PROMOTION	8,584.84	-	8,584.84
95600000	PROFESSIONAL DEVELOPMENT	3,065.00	-	3,065.00
95610000	OTHER TRAVEL & TRAINING	10,783.26	-	10,783.26
95800000	MEMBERSHIPS	677.00	-	677.00
93400000	MAINTENANCE SERVICE	2,193.01	-	2,193.01
94100000	EQUIPMENT RENTALS OR LEASE	357.41	-	357.41
82800000	FLEET MANAGEMENT EQUIPMENT	154,569.30	-	154,569.30
82810000	311 CALL CENTER SERVICES	610,127.00	-	610,127.00
82830000	VEHICLE RENTAL/CAR MILEAGE	17,303.17	-	17,303.17
82840000	COMPUTER SERVICES	140,856.50	(873.50)	139,983.00
	TOTAL OTHER SERVICES & CHARGES	<u>1,537,491.02</u>	<u>(873.50)</u>	<u>1,536,617.52</u>
97600000	EQUIPMENT/VEHICLES	16,240.24	-	16,240.24
98000000	FURNITURE	5,828.63	-	5,828.63
98400000	SOFTWARE/SOFTWARE MAINTENANCE	427,648.54	-	427,648.54
	TOTAL CAPITAL	<u>449,717.41</u>	<u>-</u>	<u>449,717.41</u>
82850000	A-87 COST ALLOCATION	90,097.00	26,132.00	116,229.00
	TOTAL TRANSFERS/FEES	<u>90,097.00</u>	<u>26,132.00</u>	<u>116,229.00</u>
	ORGANIZATIONAL UNIT TOTAL (GROSS)	\$ 6,394,383.03	\$ 187,044.82	\$ 6,581,427.85
	LESS: SDSF & ELC CONTRIBUTION *	(2,889,180.00)	(1,393,197.32)	(4,282,377.32)
	ORGANIZATIONAL UNIT TOTAL (NET)	<u>\$ 3,505,203.03</u>	<u>\$ (1,206,152.50)</u>	<u>\$ 2,299,050.53</u>

* Reflects adjustment for circuit breaker provisions per the third amendment to W/S service agreements.

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5 SUPPORT**

ORGANIZATIONAL UNIT: ENGINEERING

OBJ	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	\$ 701,925.75	\$ 43,940.55	\$ 745,866.30
70400000	TEMPORARY EMPLOYEES	212.50	13.30	225.80
70550000	TIME & ONE-HALF	1,970.23	123.34	2,093.57
71050000	EMPLOYERS SOCIAL SECURITY	51,756.05	3,239.93	54,995.98
71100000	HOSPITALIZATION INSURANCE	152,647.11	9,403.06	162,050.17
71150000	RETIREE HEALTH CARE	25,099.19	4,214.15	29,313.34
71200000	RETIREMENT FUND CONTRIBUTION	166,881.26	(3,320.94)	163,560.32
71350000	UNEMPLOYMENT COMPENSATION	1,029.87	-	1,029.87
71500000	LONGEVITY PAY	5,222.50	-	5,222.50
	TOTAL PERSONAL SERVICES	<u>1,106,744.46</u>	<u>57,613.39</u>	<u>1,164,357.85</u>
75200000	SUPPLIES	6,451.92	-	6,451.92
76700000	CLOTHING/CLEANING ALLOWANCE	2,211.41	-	2,211.41
	TOTAL SUPPLIES	<u>8,663.33</u>	<u>-</u>	<u>8,663.33</u>
80100000	CONTRACTUAL SERVICES	86,217.85	-	86,217.85
85000000	TELEPHONE	4,308.47	-	4,308.47
88000000	COMMUNITY PROMOTION	972.68	-	972.68
95600000	PROFESSIONAL DEVELOPMENT	497.00	-	497.00
95610000	OTHER TRAVEL & TRAINING	100.00	-	100.00
95800000	MEMBERSHIPS	384.99	-	384.99
93400000	MAINTENANCE SERVICE	1,140.00	-	1,140.00
94100000	EQUIPMENT RENTALS OR LEASE	589.56	-	589.56
82800000	FLEET MANAGEMENT EQUIPMENT	17,596.92	-	17,596.92
82830000	VEHICLE RENTAL/CAR MILEAGE	600.00	-	600.00
82840000	COMPUTER SERVICES	55,283.00	(349.00)	54,934.00
	TOTAL OTHER SERVICES & CHARGES	<u>167,690.47</u>	<u>(349.00)</u>	<u>167,341.47</u>
98400000	SOFTWARE/SOFTWARE MAINTENANCE	18,324.44	-	18,324.44
	TOTAL CAPITAL	<u>18,324.44</u>	<u>-</u>	<u>18,324.44</u>
99540000	OPERATING TRANS-DEV CENTER	23,069.00	-	23,069.00
	TOTAL TRANSFERS/FEES	<u>23,069.00</u>	<u>-</u>	<u>23,069.00</u>
	ORGANIZATIONAL UNIT TOTAL	<u>\$ 1,324,491.70</u>	<u>\$ 57,264.39</u>	<u>\$ 1,381,756.09</u>

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5 SUPPORT**

ORGANIZATIONAL UNIT: DISTRIBUTION

OBJ	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	\$ 509,391.91	\$ 31,887.93	\$ 541,279.84
70250000	ACT.ASSIGNMENT	5,797.84	362.94	6,160.78
70550000	TIME & ONE-HALF	9,494.15	594.33	10,088.48
71050000	EMPLOYERS SOCIAL SECURITY	38,142.46	2,387.72	40,530.18
71100000	HOSPITALIZATION INSURANCE	118,920.17	7,325.48	126,245.65
71150000	RETIREE HEALTH CARE	17,681.33	2,968.70	20,650.03
71200000	RETIREMENT FUND CONTRIBUTION	116,050.53	(2,309.41)	113,741.12
71350000	UNEMPLOYMENT COMPENSATION	719.22	-	719.22
71500000	LONGEVITY PAY	6,317.50	-	6,317.50
71650000	SHIFT DIFFERENTIAL	9.96	-	9.96
	TOTAL PERSONAL SERVICES	<u>822,525.07</u>	<u>43,217.69</u>	<u>865,742.76</u>
75200000	SUPPLIES	45,872.55	-	45,872.55
76700000	CLOTHING/CLEANING ALLOWANCE	1,794.80	-	1,794.80
	TOTAL SUPPLIES	<u>47,667.35</u>	<u>-</u>	<u>47,667.35</u>
80100000	CONTRACTUAL SERVICES	529,979.80	-	529,979.80
80150000	CONTRACT SERVICES-TRAINING	1,818.23	-	1,818.23
82400000	FEES	1,326.91	-	1,326.91
85000000	TELEPHONE	9,138.12	-	9,138.12
95610000	OTHER TRAVEL & TRAINING	300.00	-	300.00
95620000	LOCAL BUSINESS EXPENSE	10.00	-	10.00
92800000	WATER	4,815.98	-	4,815.98
92000000	ELECTRICITY	1,867,338.01	5,000.00	1,872,338.01
92100000	NATURAL GAS	82,502.50	-	82,502.50
93400000	MAINTENANCE SERVICE	16,831.51	-	16,831.51
94100000	EQUIPMENT RENTALS OR LEASE	3,142.57	-	3,142.57
82800000	FLEET MANAGEMENT EQUIPMENT	108,302.16	-	108,302.16
82840000	COMPUTER SERVICES	15,072.66	(90.66)	14,982.00
	TOTAL OTHER SERVICES & CHARGES	<u>2,640,578.45</u>	<u>4,909.34</u>	<u>2,645,487.79</u>
97600000	EQUIPMENT/VEHICLES	83,258.83	-	83,258.83
98000000	FURNITURE	1,821.70	-	1,821.70
98400000	SOFTWARE/SOFTWARE MAINTENANCE	11,577.51	-	11,577.51
	TOTAL CAPITAL	<u>96,658.04</u>	<u>-</u>	<u>96,658.04</u>
	ORGANIZATIONAL UNIT TOTAL	<u>\$ 3,607,428.91</u>	<u>\$ 48,127.03</u>	<u>\$ 3,655,555.94</u>

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5 SUPPORT**

ORGANIZATIONAL UNIT: FIELD OPERATIONS

OBJ	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	\$ 1,991,480.46	\$ 124,666.68	\$ 2,116,147.14
70250000	ACT.ASSIGNMENT	3,950.04	247.27	4,197.31
70550000	TIME & ONE-HALF	248,218.88	15,538.50	263,757.38
71050000	EMPLOYERS SOCIAL SECURITY	161,103.55	10,085.08	171,188.63
71100000	HOSPITALIZATION INSURANCE	456,130.39	28,097.63	484,228.02
71150000	RETIREE HEALTH CARE	69,790.68	11,717.86	81,508.54
71200000	RETIREMENT FUND CONTRIBUTION	460,093.43	(9,155.86)	450,937.57
71350000	UNEMPLOYMENT COMPENSATION	2,760.70	-	2,760.70
71500000	LONGEVITY PAY	21,021.50	-	21,021.50
71650000	SHIFT DIFFERENTIAL	1,464.53	-	1,464.53
	TOTAL PERSONAL SERVICES	<u>3,416,014.16</u>	<u>181,197.16</u>	<u>3,597,211.32</u>
75200000	SUPPLIES	754,565.06	-	754,565.06
76700000	CLOTHING/CLEANING ALLOWANCE	11,592.17	-	11,592.17
	TOTAL SUPPLIES	<u>766,157.23</u>	<u>-</u>	<u>766,157.23</u>
80100000	CONTRACTUAL SERVICES	3,645,429.72	(777,297.00)	2,868,132.72
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	130,530.75	-	130,530.75
80150000	CONTRACT SERVICES-TRAINING	4,200.00	-	4,200.00
85000000	TELEPHONE	26,207.68	-	26,207.68
95600000	PROFESSIONAL DEVELOPMENT	397.00	-	397.00
95610000	OTHER TRAVEL & TRAINING	2,655.56	-	2,655.56
92000000	ELECTRICITY	2,682.12	-	2,682.12
92100000	NATURAL GAS	816.85	-	816.85
93100000	EQUIPMENT REPAIRS	950.56	-	950.56
93400000	MAINTENANCE SERVICE	1,765.19	-	1,765.19
94100000	EQUIPMENT RENTALS OR LEASE	56,271.50	-	56,271.50
82800000	FLEET MANAGEMENT EQUIPMENT	1,215,810.86	-	1,215,810.86
82830000	VEHICLE USAGE/CAR MILEAGE	1,250.00	-	1,250.00
82840000	COMPUTER SERVICES	155,639.00	(973.00)	154,666.00
	TOTAL OTHER SERVICES & CHARGES	<u>5,244,606.79</u>	<u>(778,270.00)</u>	<u>4,466,336.79</u>
97600000	EQUIPMENT/VEHICLES	160,695.21	-	160,695.21
98000000	FURNITURE	5,101.54	-	5,101.54
98400000	SOFTWARE/SOFTWARE MAINTENANCE	6,361.93	-	6,361.93
	TOTAL CAPITAL	<u>172,158.68</u>	<u>-</u>	<u>172,158.68</u>
99550000	OPERATING TRANS-MISC	9,500.00	-	9,500.00
	TOTAL TRANSFERS/FEES	<u>9,500.00</u>	<u>-</u>	<u>9,500.00</u>
	ORGANIZATIONAL UNIT TOTAL	<u>\$ 9,608,436.86</u>	<u>\$ (597,072.84)</u>	<u>\$ 9,011,364.02</u>

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5 SUPPORT**

ORGANIZATIONAL UNIT: LAKE MI. FILTRATION

OBJ	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	\$ 2,320,359.27	\$ 145,254.49	\$ 2,465,613.76
70250000	ACT.ASSIGNMENT	1,166.07	73.00	1,239.07
70500000	REGULAR HOURLY RATE	6,606.37	413.56	7,019.93
70550000	TIME & ONE-HALF	109,459.66	6,852.17	116,311.83
71050000	EMPLOYERS SOCIAL SECURITY	178,621.95	11,181.73	189,803.68
71100000	HOSPITALIZATION INSURANCE	529,487.56	32,616.43	562,103.99
71150000	RETIREE HEALTH CARE	82,733.21	13,890.91	96,624.12
71200000	RETIREMENT FUND CONTRIBUTION	542,786.68	(10,801.45)	531,985.23
71350000	UNEMPLOYMENT COMPENSATION	3,241.53	-	3,241.53
71500000	LONGEVITY PAY	14,930.00	-	14,930.00
71650000	SHIFT DIFFERENTIAL	13,010.73	-	13,010.73
	TOTAL PERSONAL SERVICES	<u>3,802,403.03</u>	<u>199,480.84</u>	<u>4,001,883.87</u>
75200000	SUPPLIES	249,740.13	-	249,740.13
75300000	PROCESS CHEMICALS	1,524,315.25	-	1,524,315.25
76700000	CLOTHING/CLEANING ALLOWANCE	14,445.32	-	14,445.32
78000000	INVENTORY - COST OF GOODS SOLD	6,193.65	-	6,193.65
	TOTAL SUPPLIES	<u>1,794,694.35</u>	<u>-</u>	<u>1,794,694.35</u>
80100000	CONTRACTUAL SERVICES	562,825.81	-	562,825.81
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	87,174.11	-	87,174.11
82400000	FEES	1,161.56	-	1,161.56
85000000	TELEPHONE	12,587.12	-	12,587.12
85100000	POSTAGE	898.53	-	898.53
88000000	COMMUNITY PROMOTION	355.44	-	355.44
90000000	PRINTING & PUBLISHING	159.20	-	159.20
95630000	FOOD-BEVERAGE	134.40	-	134.40
92800000	WATER	396.00	-	396.00
92900000	REFUSE COLLECTION CHARGES	8,056.41	-	8,056.41
92000000	ELECTRICITY	1,728,250.99	(58,174.20)	1,670,076.79
92100000	NATURAL GAS	161,780.36	-	161,780.36
93100000	EQUIPMENT REPAIRS	5,378.38	-	5,378.38
93400000	MAINTENANCE SERVICE	405,016.27	-	405,016.27
94100000	EQUIPMENT RENTALS OR LEASE	4,854.57	-	4,854.57
82800000	FLEET MANAGEMENT EQUIPMENT	44,150.04	-	44,150.04
82820000	ENGINEERING SERVICES	25.00	-	25.00
82830000	VEHICLE USAGE/CAR MILEAGE	2,001.54	-	2,001.54
82840000	COMPUTER SERVICES	160,811.50	(1,002.50)	159,809.00
	TOTAL OTHER SERVICES & CHARGES	<u>3,186,017.23</u>	<u>(59,176.70)</u>	<u>3,126,840.53</u>
97600000	EQUIPMENT/VEHICLES	226,262.77	-	226,262.77
98000000	FURNITURE	6,403.02	-	6,403.02
98400000	SOFTWARE/SOFTWARE MAINTENANCE	21,574.34	-	21,574.34
	TOTAL CAPITAL	<u>254,240.13</u>	<u>-</u>	<u>254,240.13</u>
	ORGANIZATIONAL UNIT TOTAL	<u>\$ 9,037,354.74</u>	<u>\$ 140,304.14</u>	<u>\$ 9,177,658.88</u>

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5 SUPPORT**

ORGANIZATIONAL UNIT: TREASURER - CUSTOMER SERV'S

NO.	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	\$ 110,289.57	\$ 6,904.13	\$ 117,193.70
70550000	TIME & ONE-HALF	34.27	2.15	36.42
71050000	EMPLOYERS SOCIAL SECURITY	7,798.49	488.19	8,286.68
71100000	HOSPITALIZATION INSURANCE	26,229.66	1,615.75	27,845.41
71150000	RETIREE HEALTH CARE	3,778.99	634.49	4,413.48
71200000	RETIREMENT FUND CONTRIBUTION	24,567.99	(488.90)	24,079.09
71350000	UNEMPLOYMENT COMPENSATION	154.23	-	154.23
71500000	LONGEVITY PAY	110.00	-	110.00
	TOTAL PERSONAL SERVICES	<u>172,963.20</u>	<u>9,155.81</u>	<u>182,119.01</u>
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	4,666.88	-	4,666.88
82400000	FEES	923,284.16	-	923,284.16
84500000	GENERAL LIABILITY INSURANCE/CLAIMS	2,545.00	179.00	2,724.00
82830000	VEHICLE USAGE/CAR MILEAGE	21,402.69	-	21,402.69
82840000	COMPUTER SERVICES	21,744.34	684.66	22,429.00
82870000	FACILITIES MANAGEMENT CHARGES	8,649.24	-	8,649.24
	TOTAL OTHER SERVICES & CHARGES	<u>982,292.31</u>	<u>863.66</u>	<u>983,155.97</u>
	ORGANIZATIONAL UNIT TOTAL	<u>\$ 1,155,255.51</u>	<u>\$ 10,019.47</u>	<u>\$ 1,165,274.98</u>

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5**

ORGANIZATIONAL SUMMARY

OBJ	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL CURRENT
70200000	PERMANENT EMPLOYEES	\$ 8,036,314.61	\$ 503,073.30	\$ 8,539,387.91
70250000	ACT.ASSIGNMENT	15,426.48	965.69	16,392.17
70400000	TEMPORARY EMPLOYEES	57,886.98	3,623.73	61,510.71
70500000	REGULAR HOURLY RATE	6,932.22	433.96	7,366.18
70550000	TIME & ONE-HALF	495,645.03	31,027.37	526,672.40
71050000	EMPLOYERS SOCIAL SECURITY	626,844.72	39,240.49	666,085.21
71100000	HOSPITALIZATION INSURANCE	1,817,711.60	111,971.02	1,929,682.62
71150000	RETIREE HEALTH CARE	284,252.41	47,725.99	331,978.40
71200000	RETIREMENT FUND CONTRIBUTION	1,870,657.41	(37,226.08)	1,833,431.33
71350000	UNEMPLOYMENT COMPENSATION	13,443.67	-	13,443.67
71500000	LONGEVITY PAY	63,602.75	-	63,602.75
71650000	SHIFT DIFFERENTIAL	16,296.65	-	16,296.65
71700000	ELECTION WRKR-BRD MEMBERS PAY	200.00	-	200.00
71750000	FOOD/CLEAN/CAR ALLOW	2,191.98	-	2,191.98
	TOTAL PERSONAL SERVICES	<u>13,307,406.51</u>	<u>700,835.47</u>	<u>14,008,241.98</u>
75200000	SUPPLIES	2,310,372.40	-	2,310,372.40
75300000	PROCESS CHEMICALS	1,524,315.25	-	1,524,315.25
76700000	CLOTHING/CLEANING ALLOWANCE	37,396.59	-	37,396.59
78000000	INVENTORY - COST OF GOODS SOLD	176,953.99	-	176,953.99
79100000	SUBSCRIPTIONS AND PUBLICATIONS	12.00	-	12.00
	TOTAL SUPPLIES	<u>4,049,050.23</u>	<u>-</u>	<u>4,049,050.23</u>
69310000	GAIN-LOSS ON SALE OF ASSETS-FA	142,641.99	-	142,641.99
80100000	CONTRACTUAL SERVICES	5,610,471.13	-	5,610,471.13
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	268,704.50	-	268,704.50
80150000	CONTRACT SERVICES-TRAINING	6,018.23	-	6,018.23
80160000	CONTRACTS- EXTERNAL LEGAL SERVICES	1,322.50	-	1,322.50
82400000	FEES	954,800.52	-	954,800.52
84000000	INSURANCE PREMIUMS	442,247.00	-	442,247.00
84500000	GENERAL LIABILITY INSURANCE / CLAIMS	246,292.00	7,392.00	253,684.00
85000000	TELEPHONE	72,254.61	-	72,254.61
85100000	POSTAGE	250,634.82	-	250,634.82
88000000	COMMUNITY PROMOTION	17,571.55	-	17,571.55
90000000	PRINTING & PUBLISHING	9,325.02	-	9,325.02
95600000	PROFESSIONAL DEVELOPMENT	32,413.86	-	32,413.86
95610000	OTHER TRAVEL AND TRAINING	36,240.65	-	36,240.65
95620000	LOCAL BUSINESS EXPENSE	10.00	-	10.00
95630000	FOOD-BEVERAGE	1,033.49	-	1,033.49
95800000	MEMBERSHIPS	55,805.99	-	55,805.99
92800000	WATER	8,937.83	-	8,937.83
92900000	REFUSE COLLECTION CHARGES	13,656.91	-	13,656.91
92000000	ELECTRICITY	3,636,375.51	5,000.00	3,641,375.51
92100000	NATURAL GAS	270,533.26	-	270,533.26
93100000	EQUIPMENT REPAIRS	6,328.94	-	6,328.94
93400000	MAINTENANCE SERVICE	427,813.98	-	427,813.98
94000000	LAND RENTAL OR LEASE	5,270.76	-	5,270.76
94100000	EQUIPMENT RENTALS OR LEASE	65,215.61	-	65,215.61
82800000	FLEET MANAGEMENT EQUIPMENT	1,540,429.28	-	1,540,429.28
82810000	311 CALL CENTER SERVICES	610,127.00	-	610,127.00
82820000	ENGINEERING SERVICES	18,211.25	-	18,211.25
82830000	VEHICLE RENTAL/CAR MILEAGE	46,115.43	-	46,115.43
82840000	COMPUTER SERVICES	579,562.16	(2,795.16)	576,767.00
95500000	MISCELLANEOUS	200.00	-	200.00
96500000	BAD DEBT WRITE-OFFS	9,021.92	-	9,021.92
82870000	FACILITIES MANAGEMENT CHARGES	8,649.24	-	8,649.24
	TOTAL OTHER SERVICES & CHARGES	<u>15,441,998.54</u>	<u>(38,164.76)</u>	<u>15,403,833.78</u>
97600000	EQUIPMENT/VEHICLES	486,457.05	-	486,457.05
98000000	FURNITURE	41,644.66	-	41,644.66
98400000	SOFTWARE/SOFTWARE MAINTENANCE	487,872.83	-	487,872.83
98800000	CONSTRUCTION IN PROGRESS	105,084.87	-	105,084.87
	TOTAL CAPITAL	<u>1,121,059.41</u>	<u>-</u>	<u>1,121,059.41</u>
82850000	A-87 COST ALLOCATION	1,177,170.00	118,287.00	1,295,457.00
99540000	OPERATING TRANS-DEV CENTER	23,069.00	-	23,069.00
99550000	OPERATING TRANS-MISC	9,500.00	-	9,500.00
	TOTAL TRANSFERS/FEES	<u>1,209,739.00</u>	<u>118,287.00</u>	<u>1,328,026.00</u>
	GRAND TOTAL- EXPENDITURES	\$ 35,129,253.69	\$ 780,957.71	\$ 35,910,211.40
	LESS: SDSF CONTRIBUTION	<u>(2,889,180.00)</u>	<u>(1,393,197.32)</u>	<u>(4,282,377.32)</u>
	NET TOTAL- EXPENDITURES	<u>\$ 32,240,073.69</u>	<u>\$ (612,239.61)</u>	<u>\$ 31,627,834.08</u>

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: October 30, 2025

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

**SUBJECT: 2025 WATER RATE STUDY TASK #4
FY25 OPERATING EXPENSES - WATER PUMPING FACILITIES**

This schedule allocates the integrated and non-integrated adjusted expenses for operating and maintaining the distribution system's pumping stations based on electricity costs. The operating expenses consist of direct labor, utilities, operating and maintenance supplies, repairs and maintenance, and equipment rental.

Attachment

TCV

ALLOCATION OF COLDBROOK PUMPING TO WATER PUMPING FACILITIES

STATION	ENERGY COST	PERCENT	EXPENDITURE ALLOCATION	
			ACTUAL	ADJUSTED
ALGER	\$ 59,180	3.56%	\$ 114,327	\$ 115,853
BOOSTER A	28,187	1.51%	54,453	55,180
BOOSTER D	34,546	1.85%	66,738	67,628
BRISTOL	14,593	0.78%	28,192	28,568
COLDBROOK	47,912	2.57%	106,656	108,079
COVELL	95,254	5.10%	184,017	186,472
EAST PARIS	261,620	14.01%	505,412	512,155
FRANKLIN	556,164	29.78%	1,074,429	1,088,763
LIVINGSTON	453,134	24.27%	875,390	887,068
WILSON	128,289	6.87%	247,836	251,142
BURTON	32,536	1.74%	62,855	63,693
DEAN LAKE	148,626	7.96%	287,124	290,955
CALEDONIA	7,297.00	0.39%	14,097.00	14,285
TOTAL	<u>\$ 1,867,338</u>	<u>100.00%</u>	<u>\$ 3,607,429</u>	<u>\$ 3,655,556</u>

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: September 22, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Molly Clarin
Chief Financial Officer

**SUBJECT: 2025 WATER RATE STUDY TASK #5
KNOWN COST ADJUSTMENTS**

Known cost adjustments by which to adjust FY25 operating costs are listed below.

Expense Object – 70200000, 70250000, 70400000, 70450000, 70500000, 70550000, 71900000

The most recent labor negotiations resulted in GREIU wages increasing by 4.00% in FY2026 and FY2027. APA wages are increasing by 5.00% in FY2026 and 4.00% in FY2027. After converting these increases from a 2025 fiscal year to a 2026 calendar year basis, the result is a 6.080% factor for GREIU employees and a 7.100% factor for APA employees. A blended rate was then computed by weighting the calendar year percentages according to the percentage of Water Fund employees in each union (82% GREIU and 18% APA). Executive and non-reps amounted to only 1.4% of the population and were therefore excluded. **The wage increase factor to translate FY2025 actual costs to estimated calendar 2026 will be 6.260% [6.080 X 82% + 7.100 X 18%].**

Expense Object – 82840000/84500000/82850000

Adjust FY2025 actual cost to reflect adjustments in charges for central services rendered by the Information Technology Fund (data charges), the Insurance Payment Fund (workers compensation and general liability) and the General Operating Fund (cost allocation). The “Exhibit” workbook (inclusive of cost center allocations) maintained by the Budget Office has been utilized to blend FY2026 and FY2027 budget amounts thus arriving at an estimated 2026 calendar year rate as follows:

82840000-Data Charges			
Fund-Cost Center	FY2026 Request	FY2027 Forecast	Calendar 2026 Estimate
5910-25355	\$22,179	\$22,679	\$22,429
5910-53601	\$29,630	\$30,297	\$29,964
5910-53630	\$138,424	\$141,542	\$139,983
5910-53640	\$54,322	\$55,546	\$54,934
5910-53645	\$14,815	\$15,149	\$14,982
5910-53660	\$152,943	\$156,389	\$154,666
5910-53665	\$158,029	\$161,589	\$159,809

Total	\$570,342	\$583,191	\$576,767
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8450000-General Liability Insurance			
Fund-Cost Center	FY2026 Request	FY2027 Forecast	Calendar 2026 Estimate
5910-25355	\$2,657	\$2,790	\$2,724
5910-53601	\$244,839	\$257,081	\$250,960
Total	\$247,496	\$259,871	\$253,684

82850000-Contributions to Other Funds (Cost Allocation)			
Fund-Cost Center	FY2026 Request	FY2027 Forecast	Calendar 2026 Estimate
5910-53601	\$1,268,067	\$1,090,388	\$1,179,228
5910-53630	\$115,078	\$117,380	\$116,229
Total	\$1,383,145	\$1,207,768	\$1,295,457

Expense Object - 71050000

Increase FY2025 actual FICA expense by 6.260% consistent with the known wage increase factor noted above.

Expense Object - 71100000

The calendar 2026 Trend Report is not completed at this time. However, unfavorable health insurance cost trends were anticipated in the calendar 2025 report. Both the medical trend increase assumption (6.5%) and the prescription drug trend increase assumption (7.5%) remained the same in the 2025 report as in the 2024 report. The health insurance fund surplus reduction implemented in the 2021 report is also less favorable for calendar 2026 rates than it was for calendar 2025 rates. Although the overall health insurance trend is still unfavorable, the 2025 report was less unfavorable than the 2024 report. The City entered contracts with new third-party administrators for health insurance and prescription drug plans on January 1, 2024. The analysis of the first six months of claims experience under the new prescription drug plan administrator is in line with the significant savings projected. However, to be conservative, the new experience was blended with the prior third-party administrator experience in the 2025 Trend Report. Finally, three-year smoothing of plan gains or losses remained in line for calendar 2026 rates as it was for calendar 2025 rates. Smoothing favorable trends has contributed to limiting projected annual increases in health insurance costs or has

provided for further decreases when applicable. **Increase FY2025 health insurance actual by 6.16% to reflect these anticipated rate changes.**

The budgeted FY2026 (\$18,412.00) and FY2027 (\$20,145.00) health insurance rates were blended into a 2026 calendar year rate estimate and divided by the FY2025 base budget amount (\$18,159.00) to arrive at the increase factor [(((((\$18,412.00 + \$20,145.00) / 2)) / \$18,159.00) - 1) * 100)].

Expense Object - 71150000

Retiree health care ("RHC") rates are projected to trend up in FY2026 (to 3.90%) and FY2027 (to 3.99%) from a base year rate of 3.59% in FY2025.

The RHC factor after consideration of the above rate and wage adjustments is 116.60% (or an increase of 16.60%) for GREIU members and 117.72% (or an increase of 17.72%) for APA members. These factors are then weighted in accordance with union membership within the Water Fund [(16.60 * 82%) + (17.72 * 18%)].

The factor to establish calendar year 2026's retiree health care cost is 16.79%. **Increase the total of fiscal year 2025's retiree health care by this percent to establish the cost for calendar year 2026.**

Expense Object - 71200000

The pension expense factor to translate FY2025 actual costs to estimated calendar 2026 will be -1.99%. **Decrease the total of fiscal year 2025's pension expense by this percent to establish the cost for calendar year 2026.** This reflects the effect of a General Pension rate change decrease from FY25 of 23.43% to a calendar 2026 rate of 21.61% and the projected wage adjustments discussed above. The calendar 2025 rate is a blend of the FY2026 rate (22.12%) and the FY2027 rate (21.12%).

The pension factor after consideration of the above rate and wage adjustments is 97.84% (or a decrease of 2.16%) for GREIU members. The pension factor after consideration of the above rate and wage adjustments is 98.78% (or a decrease of 1.22%) for APA members. These factors are then weighted in accordance with union membership within the Water Fund [(-2.16 * 82%) + (-1.22 * 18%)].

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: September 8, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Wayne Jernberg, PE
Water System Manager

**SUBJECT: 2025 WATER RATE STUDY TASK #5
KNOWN COST ADJUSTMENTS**

Known cost adjustments by which to adjust FY25 operating costs are listed below:

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
5910-53660-80100000	Private Lead Service Line Replacement FY25 Expenses (adjust to admin cost center 53601 to allocate GR only)	\$777,297.00
5910-53601-80300000	Kent County Community Action Program (ICB) (adjusting FY25 to zero, as this program is not funded by water rates)	(\$47,761.60)
5910-53665-92000000	Consumers Energy Green Generation participation (adjust to admin cost center 53601 to allocate GR only)	\$58,174.20

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: October 30, 2025

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: 2025 WATER RATE STUDY TASK #6

The Water Supply System Fund's revenue by governmental unit for the year ending June 30, 2025, are disclosed on the attached page, along with the three-year average billed volume used to calculate expected revenue in the next calendar year (see Task 26 and 27). In addition, annual volume comparisons for the past five (5) years by governmental unit are included herein.

Attachments

TCV

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
2025 RATE STUDY TASK NO. 6**

VOLUME COMPARISONS FOR FIVE (5) YEARS BY GOVERNMENTAL UNIT *
VOLUME = 1,000 GALLONS

MUNICIPALITY	FY21 VOL BILLED	FY22 VOL BILLED	% CHANGE	FY23 VOL BILLED	% CHANGE	FY24 VOL BILLED	% CHANGE	FY25 VOL BILLED	% CHANGE	FY21 - FY25 % CHANGE
GRAND RAPIDS	6,288,343	6,151,371	-2.18%	6,325,990	2.84%	6,131,530	-3.07%	6,336,944	3.35%	0.77%
WALKER	952,327	923,869	-2.99%	943,276	2.10%	925,908	-1.84%	983,212	6.19%	3.24%
KENTWOOD	1,305,704	1,270,170	-2.72%	1,270,658	0.04%	1,267,574	-0.24%	1,248,752	-1.48%	-4.36%
CASCADE TWP	686,898	697,931	1.61%	716,807	2.70%	739,534	3.17%	749,910	1.40%	9.17%
GRAND RAPIDS TWP	573,570	528,741	-7.82%	579,069	9.52%	532,514	-8.04%	568,223	6.71%	-0.93%
TALLMADGE TWP	48,587	52,057	7.14%	53,593	2.95%	59,974	11.91%	61,124	1.92%	25.80%
EAST GRAND RAPIDS**	430,073	429,664	-0.10%	479,864	11.68%	409,223	-14.72%	416,597	1.80%	-3.13%
OTTAWA COUNTY***	1,492,668	1,426,225	-4.45%	1,471,115	3.15%	1,465,108	-0.41%	1,567,717	7.00%	5.03%
ADA TWP	466,832	461,794	-1.08%	487,813	5.63%	450,435	-7.66%	455,840	1.20%	-2.35%
TOTAL	12,245,001	11,941,820	-2.48%	12,328,184	3.24%	11,981,799	-2.81%	12,388,319	3.39%	1.17%

VOLUME PUMPED	13,381,000	13,365,000		13,651,000		12,899,000		13,368,205	
% BILLED TO PUMPED	91.5%	89.4%		90.3%		92.9%		92.7%	

GRAND RAPIDS VOLUME COMPARED TO
CUSTOMER COMMUNITIES

VOLUME = 1,000 GALLONS	FY21 VOL BILLED	FY22 VOL BILLED	% OF TOTAL	FY23 VOL BILLED	% OF TOTAL	FY24 VOL BILLED	% OF TOTAL	FY25 VOL BILLED	% OF TOTAL
GRAND RAPIDS	6,288,343	6,151,371	51.51%	6,325,990	51.31%	6,131,530	51.17%	6,336,944	51.15%
CUSTOMER COMMUNITIES	5,956,658	5,790,449	48.49%	6,002,195	48.69%	5,850,269	48.83%	6,051,374	48.85%
TOTAL	12,245,001	11,941,820	100.00%	12,328,184	100.00%	11,981,799	100.00%	12,388,319	100.00%

* Volumes were restated from previous Rate Studies to reflect actual billings without adjustment for accrued revenues.

** Volume adjusted for East Grand Rapids in FY22 due to faulty meter calibration and in FY25 due to a processing error.

*** Volume adjusted in FY21 and FY22 for Ottawa County due to faulty meter conversion factor.

**CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 7**

OPERATING REVENUES OTHER THAN FROM SALES OF WATER:

53601-5910			
47880000	CONTRACTOR UNDERGROUND LICENSE	\$	5,400.00
49160000	TAPPING PERMITS		39,375.00
62600000	SERVICE FEES-GENERAL		288,580.00
61400000	INSPECTION FEES - UTILITIES		84,135.00
61510000	METER SETTING FEES		44,015.00
64230000	SALE OF SCRAP MATERIAL		43,636.19
64610000	INVENTORY WITHDRAWALS		10,401.01
64340000	UNMETERED WATER		177,062.09
67230000	PENALTIES ON SPECIAL ASSESSMENTS		9,402.46
			<u>9,402.46</u>
		\$	<u>702,006.75</u>

CREDIT: UNDERUTILIZATION OF PENALTY CREDIT FROM PREVIOUS YEAR		\$	<u>11,910.12</u>
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INTEGRATED SYSTEM CREDITS

53601-5910			
61520000	INTEGRATED WATER CONNECTION		436,041.00
66710000	RENTALS-FACILITIES		488,133.00
68710000	REFUNDS-REBATES		6,958.98
			<u>6,958.98</u>
		\$	<u>931,132.98</u>

OFFSETTING CREDIT TO CUSTOMER ACCOUNTING ACTIVITY EXPENSES:

53601-5910			
63420000	BILLABLE EXPENSE - SEWAGE DISPOSAL SYSTEM*	\$	<u>2,894,465.00</u>

* Reflects adjustment for circuit breaker provisions per the third amendment to W/S service agreements.

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: August 27, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Wayne Jernberg, PE
Water System Manager

**SUBJECT: 2025 WATER RATE STUDY – TASK #8
CHANGES IN OPERATING LEVELS**

Changes in operating levels are anticipated to take effect by January 1, 2026, which necessitates adjustments to operating costs for the test period. These changes include the addition of Caledonia Township as a wholesale customer beginning in a limited capacity as early as October of 2025. The anticipated increase in operating expenses (shown below) is built into the support for Tasks 4 & 5.

ACCOUNT	DESCRIPTION	AMOUNT
5910-53645-92000000	Caledonia Pump Station – Electricity	\$5,000

WJ

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: August 27, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Wayne Jernberg, PE
Water System Manager

**SUBJECT: 2025 WATER RATE STUDY – TASK #9
CHANGES IN OPERATING REVENUES**

Changes in water revenues are anticipated to take effect by January 1, 2026, which necessitates an adjustment to operating revenue estimates as a whole. These changes include the addition of Caledonia Township as a wholesale customer beginning in a limited capacity as early as October of 2025. The anticipated increase in wholesale water revenues is reflected in the Pro Forma portion of Task 25a.

WJ

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: October 31, 2025

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: 2025 WATER RATE STUDY- TASK #10

The following are water system projects that should be considered operative as of January 1, 2026.

<u>Description</u>	<u>Location</u>	<u>Proj. Code</u>	<u>Cost</u>
Livingston Ventilation and Sound Impr.	Grand Rapids	Operations	\$260,850
Market Ave Ney to Williams - Amphitheater	Grand Rapids	Contribution	\$667,450
Winter Ave NW 230 – Soccer Stadium	Grand Rapids	Contribution	\$379,352
Fuller - Kalamazoo to Adams	Grand Rapids	591122049	\$698,000
Boston - Fuller to Plymouth	Grand Rapids	591225040	\$326,016
Alger Exterior Cleaning/Painting	Grand Rapids	5911251130	\$297,050
Replacement of Lead Service Lines	Grand Rapids	5912250470	\$2,925,737
Kendall and Fruitwood	Grand Rapids	591125041 - 591125045	\$1,641,621
Division - Fulton to Michigan	Grand Rapids	591221059	\$1,137,186
Valley - Fulton to Bridge	Grand Rapids	591224049 (L)	\$1,472,600
Covenant Living of the Great Lakes	Walker	Contribution	\$267,464
MDOT Fruit Ridge at I-96	Walker	Contribution	\$680,663
Pheasant Preserve	Walker	Contribution	\$242,925
Wildflower Townhomes	Walker	Contribution	\$135,090
O'Brien and 4 Mile - Walker Water Main Looping	Walker	591124044 - 591215185	\$1,425,000
East Paris SE 913 - Glenwood Development	GR Township	Contribution	\$370,755
Forest Hill SE 600 - Aquatic Center	GR Township	Contribution	\$150,980
Porter Hills Expansion	GR Township	Contribution	\$30,762
North Beltline Development	GR Township	Contribution	\$163,000
Leonard-Crahen	GR Township	591124075	\$1,880,451
52nd Street 5725	Cascade	Contribution	\$392,125
Garden Apartments Ph2	Cascade	Contribution	\$1,069,450
60th, Broadmoor, East Paris*	Cascade	591224050	\$4,451,440
Burger Goodwood Ph 2	Cascade	591224105 (L)	\$6,905,150
60th St Pump Station	Caledonia	591224067 (L)	\$4,681,381
GRR Ancillary, 36th and Patterson	Kentwood	Contribution	\$248,125
Jefferson Farms East - 52nd SE 3345	Kentwood	Contribution	\$231,559
Ironwood Dr	Tallmadge	Contribution	\$42,200

Total: \$33,174,382

*Zoned asset

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**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
TASK NO. 11**

COMPUTE ACCUMULATED COST, DEPRECIATION AND DEPRECIATION EXPENSE AS OF JUNE 30, 2025

INTEGRATED SYSTEM

	ORIGINAL COST	ACCUMULATED DEPRECIATION	DEPRECIATION EXPENSE
LAND & EASEMENTS	\$ 2,706,824	\$ -	\$ -
LAND IMPROVEMENTS	5,452,020	2,820,014	233,535
BUILDINGS & STRUCTURES	55,896,406	33,704,590	1,266,663
STORAGE	10,459,489	7,962,414	159,883
PROCESS EQUIPMENT	74,718,591	49,243,282	1,797,142
AUXILIARY EQUIPMENT	20,901,015	9,912,381	1,212,730
MACHINERY & EQUIPMENT	5,876,836	3,753,682	360,654
WATERMAINS	56,676,525	25,917,089	725,948
	<u>\$ 232,687,706</u>	<u>\$ 133,313,452</u>	<u>\$ 5,756,555</u>

NON-INTEGRATED SYSTEM

	ORIGINAL COST	ACCUMULATED DEPRECIATION	DEPRECIATION EXPENSE
LAND & EASEMENTS	\$ 4,156,447	\$ -	\$ -
LAND IMPROVEMENTS	1,427,824	1,253,460	13,765
BUILDINGS & STRUCTURES	17,488,778	7,099,242	476,815
STORAGE	16,072,933	8,811,091	396,126
PROCESS EQUIPMENT	10,502,244	5,023,598	450,073
AUXILIARY EQUIPMENT	14,191,766	5,585,569	776,924
MACHINERY & EQUIPMENT	3,218,969	543,332	51,428
OFFICE EQUIPMENT & FURNITURE	247,358	247,358	-
WATERMAINS - GRAND RAPIDS	249,113,459	56,650,205	3,491,013
WATERMAINS - WALKER	34,047,748	10,812,469	453,787
WATERMAINS - KENTWOOD	33,194,518	11,891,350	447,612
WATERMAINS - CASCADE TWP*	26,655,199	9,059,619	531,048
WATERMAINS - GRAND RAPIDS TWP	23,092,667	6,981,485	297,684
WATERMAINS - TALLMADGE TWP	3,103,088	732,322	41,383
	<u>\$ 436,512,998</u>	<u>\$ 124,691,100</u>	<u>\$ 7,427,658</u>
TOTAL	<u>\$ 669,200,704</u>	<u>\$ 258,004,552</u>	<u>\$ 13,184,213</u>

SOURCE: GENERAL LEDGER, AS ADJUSTED, FOR JUNE 30, 2025.

*Cascade Burger Plat WM phased in over three years (RS25, RS26, RS27)

**CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 12**

TASK 12A DETERMINE WORKING CAPITAL NEEDS FOR MATERIALS AND SUPPLIES ON HAND.

MATERIALS AND SUPPLIES INVENTORY AS OF JUNE 30, 2025: \$ 2,530,093

TASK 12B DETERMINE WORKING CAPITAL NEEDS FOR PREPAYMENT OF OPERATING COSTS.

NO REQUIREMENT FOR PREPAYMENT OF OPERATING COSTS IS CALLED FOR IN THE ORDINARY CYCLE OF BUSINESS.

TASK 12C DETERMINE CASH WORKING CAPITAL NEEDS & DETERMINE TOTAL WORKING CAPITAL NEEDS.

MINIMUM CASH WORKING CAPITAL IS DEFINED AS THE SUM OF 90 DAYS ADJUSTED OPERATING EXPENSES.

ADJUSTED CURRENT ANNUAL EXPENSES = \$ 31,627,834 @ 90/365 = \$ 7,798,644

TOTAL WORKING CAPITAL NEEDS CONSIST OF THE FOLLOWING:

12A INVESTMENT IN INVENTORY	\$ 2,530,093
12B PREPAYMENT OF OPERATING EXPENSES	-
12C 90 DAY OPERATING EXPENSES	<u>7,798,644</u>
	<u><u>\$ 10,328,737</u></u>

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: August 15, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Lindsay Sagorski Munsell, P.E.
Assistant Water System Manager

SUBJECT: 2025 WATER RATE STUDY- TASK #13

Lengths and costs of all zoned primary and intermediate transmission mains as well as jointly used storage tanks and pumping stations are allocated to customer communities based on the 2025 Comprehensive Master Plan and adjusted annually based on the current hydraulic model for the Water System.

LMS

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: August 11, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Lindsay Sagorski Munsell, P.E.
Assistant Water System Manager

SUBJECT: 2025 WATER RATE STUDY- TASK #14

Zonegating maps for the water system have been adjusted and revised to reflect current 2025 zonegating information.

In 2025 Caledonia will be brought online as a wholesale customer community. New assets were added within the City of Grand Rapids Water System to accommodate this addition. Additionally, new assets were constructed in Leonard and Crahan, completing a loop which will service the future NE elevated storage tank. The existing zonegating maps, the zonegating cross reference list and the joint use list were all reviewed. From that review, the following are recommended additions for zonegating of the Water System assets for the 2025 Rate Study. These additions include new and existing sections of water main. The segments were broken up by hydraulic functionality, size of watermain, and year constructed. Those sections designated NE are for the new and existing water main related to the NE elevated storage tank and those designated CAL are new or existing main that are related to Caledonia.

1. NE-1a includes 1900 feet of 16" watermain in Leonard St from East Beltline Ave NE to 675 feet east of Eaglecrest Dr NE. This watermain is in the East High Pressure District and was built in 1983.
2. NE-1b includes 1846 feet of 16" watermain in Leonard from 675 feet east of Eaglecrest Dr NE to 870 feet west of Trillium Trail NE. This watermain is in the East High Pressure District and was built in 1988.
3. NE-1c includes 2693 feet of 16" watermain in Leonard St from 870 feet west of Trillium Trail NE to Winterwood Dr NE. This watermain is in the East High Pressure District and was built in 1990.
4. NE-2a includes 1635 feet of 16" watermain in Leonard St from Winterwood Dr NE to Crahan Ave and 2133 feet of 16" watermain in Crahan Ave from Leonard St to 450 feet north of Bradford St. This watermain is in the East High Pressure District and was built in 2025.
5. NE-2b includes 414 feet of 16" watermain in Crahan Ave from 450 feet north of Bradford St to 36 feet north of Bradford St. This watermain is in the East High Pressure District and was built in 1981.

6. NE-2c includes 64 feet of 16" watermain in Crahen Ave from 36 feet north of Bradford St to Bradford St. This watermain is in the East High Pressure District and was built in 2010.
7. NE-3a includes 558 feet of 16" watermain in Crahen Ave from Bradford St to 558 feet south of Bradford St. This watermain is in the East High Pressure District and was built in 2010.
8. NE-3b includes 3257 feet of 16" watermain in Crahen Ave from 558 feet south of Bradford St to 135 feet north of Canterwood Dr. This watermain is in the East High Pressure District and was built in 1997.
9. NE-3c includes 780 feet of 16" watermain in Crahen Ave from 135 feet north of Canterwood Dr to south of the GRAND rapids Eastern Railroad. This watermain is in the East High Pressure District and was built in 1995.
10. NE-3d includes 964 feet of watermain in Crahen Ave and public easements from the Grand Rapids Eastern Railroad to Heather Ln. This watermain is in the East High Pressure District and was built in 1993.
11. CAL-1a includes 2587 feet of 16" watermain in Patterson Ave from 1060 feet north of 50th St to 52nd St. This watermain is in the East High Pressure District and was built in 1980.
12. CAL-1b includes 2693 feet of 12" watermain in Patterson Ave from 44th St to 1060 feet north of 50th St. This watermain is in the East High Pressure District and was built in 1973.
13. CAL-2a includes 762 feet of 12" watermain in a private credit union easement west of Patterson Ave and Broadmoor Ave. This watermain is in the East High Pressure District and was built in 2020.
14. CAL-2b includes 1750 feet of 16" watermain in Broamoor Ave from Patterson Ave to 60th St. This watermain is in the East High Pressure District and was built in 2025.
15. CAL-3 includes 2523 feet of 12" watermain in a private easement located west of Broadmoor Ave from 52nd St to a private easement south of 52nd St. This watermain is in the East High Pressure District and was built in 1982.
16. CAL-4a includes 563 feet of 12" of watermain in a private easement located west of Broadmoor and south of 52nd St. This watermain is in the East High Pressure District and was built in 1982.
17. CAL-4b includes 1954 feet of 12" watermain in a private easement located west of Broadmoor and north of 60th St. This watermain is in the East High Pressure District and was built in 1989.
18. CAL-5a includes 1313 of 12" watermain in a private easement located west of Broadmoor and north of 60th St. This watermain is in the East High Pressure District and was built in 1982.
19. CAL-5b includes 1349 feet of 12" watermain in a private easement located west of Broadmoor and north of 60th St. This watermain is in the East High Pressure District and was built in 1985.
20. CAL-5c includes 187 feet of 12" watermain in a private easement located west of Broadmoor and north of 60th St. This watermain is in the East High Pressure District and was built in 1994.
21. CAL-6a includes 1339 feet of 12" watermain in a private easement located west of Broadmoor and north of 60th St. This watermain is in the East High Pressure District and was built in 1982.

22. CAL-6b includes 3035 feet of 12" watermain in a private easement located west of Broadmoor and north of 60th St. This watermain is in the East High Pressure District and was built in 2016.
23. CAL-6c includes 2225 feet of 12" watermain in a private easement located west of Broadmoor and north of 60th St. This watermain is in the East High Pressure District and was built in 2019.
24. CAL-7a includes 1487 feet of 16" watermain in Town Center Dr from Patterson Ave to Verdure Pkwy. This watermain is in the East High Pressure District and was built in 1991.
25. CAL-7b includes 126 of 16" watermain in Patterson Ave from Town Center Dr from 126 feet north of Patterson Ave to Patterson Ave. This watermain is in the East High Pressure District and was built in 1991.
26. CAL-8a includes 629 feet of 12" watermain in Executive Pkwy from Corporate Exchange Blvd to 629 feet south of Corporate Exchange Blvd. This watermain is in the East High Pressure District and was built in 1989.
27. CAL-8b includes 1135 feet of 16" watermain in Verdure Pkwy from Town Center Dr to Executive Pkwy and in Executive Pkwy from Verdure Pkwy to 200 feet south of Verdure Pkwy. This watermain is in the East High Pressure District and was built in 2021.
28. CAL-8c includes 865 feet of 12" watermain in Executive Pkwy from 629 feet south of Corporate Exchange Blvd to Verdure Pkwy. This watermain is in the East High Pressure District and was built in 2021.
29. CAL-9a includes 1790 feet of 16" watermain in Executive Pkwy from 200 feet south of Verdure Pkwy to 60th St. This watermain is in the East High Pressure District and was built in 2025.
30. CAL-9b includes 526 feet of 16" watermain in 60th St from 526 feet west of Executive Pkwy to Executive Pkwy. This watermain is in the East High Pressure District and was built in 2024.
31. CAL-9c includes 669 feet of 12" watermain in 60th St from 1195 feet west of Executive Pkwy to 526 feet west of Executive Pkwy. This watermain is in the East High Pressure District and was built in 2001.
32. CAL-9d includes 97 feet of 12" watermain in 60th St from Broadmoor Ave to 97 feet east of Broadmoor Ave. This watermain is in the East High Pressure District and was built in 2018.
33. CAL-10 includes 1980 feet of 24" watermain in East Paris from Broadmoor Ave to 40th St. This watermain is in the East High Pressure District and was built in 2025.
34. CAL-11 includes 2534 feet of 16" watermain in Patterson Ave from 52nd St to 126 feet north of Town Center Dr. This watermain is in the East High Pressure District and was built in 1989.

All zonegating work papers and maps are on file at the Water Administration Building located at 1900 Oak Industrial Dr. NE, Grand Rapids, MI 49505.

LMS

**CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 15**

COMPUTE CONSTRUCTION COST RATE BASE (NET BOOK VALUE OF ASSETS, PLUS WORKING CAPITAL, LESS CONTRIBUTIONS BY OTHERS).

ORIGINAL CONSTRUCTION COST	- TASK #10	\$ 33,174,382	
	- TASK #11	669,200,704	
		<hr/>	\$ 702,375,086
LESS: ACCUMULATED DEPRECIATION	- TASK #11	\$ 258,004,552	
		<hr/>	(258,004,552)
			<hr/>
			444,370,534
WORKING CAPITAL REQUIREMENT	- TASK #12	\$ 10,328,737	
		<hr/>	10,328,737
			<hr/>
			454,699,271
CONTRIBUTIONS BY OTHERS	- TASK #21	\$ 127,767,741	
LESS: AMORTIZATION		(46,422,516)	
		<hr/>	(81,345,225)
			<hr/>
CONSTRUCTION COST RATE BASE			<u>\$ 373,354,046</u>

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MEMORANDUM

CITY OF GRAND RAPIDS

DATE: September 8, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Lindsay Sagorski Munsell
Assistant Water System Manager

SUBJECT: 2025 Water Rate Study Integrated Connection Fees Task #15A

Attached is the Integrated Water Connection Fee Schedule of rates effective January 1, 2026. Per the Fifth Amendment to the Water & Sanitary Sewer Service Agreements, adopted by City Commission on March 27, 2018 (Res. 87571), the methodology for connection to the water and sewer systems is calculated based on the cost of connection to the System and is evaluated annually as part of the Rate Study and shall be administered the same across the retail system.

The cost of connecting to the integrated system includes two components: the **Plan Review and Connection (“PRC”) fee**, which is based on actual labor costs incurred for engineering review of the connection and varies with the size of the meter, and the **Meter Capacity Charge (“MCC”)**, which is reflective of the cost of purchasing the physical meter.

The integrated connection fees effective January 1, 2026, shall be as follows:

Residential Users (three residential units or less)

Plan Review and Connection Fee (PRC Fee)			
Meter Size	2025	2026	% Change
3/4 inch	\$395	\$400	1.27%
1 inch	\$415	\$420	1.20%
1-1/2 inch	\$415	\$420	1.20%

All other Users (including residential of more than 3 units, commercial, industrial, governmental and religious)

Plan Review and Connection Fee (PRC Fee)			
Meter Size	2025	2026	% Change
3/4 inch	\$765	\$815	6.54%
1 inch	\$1,030	\$1,075	4.37%

1-1/2 inch	\$1,370	\$1,460	6.57%
2 inch	\$1,890	\$2,015	6.61%
3 inch	\$2,355	\$2,485	5.52%
4 inch	\$3,390	\$3,600	6.19%
6 inch	\$4,780	\$5,115	7.01%

Plus the Meter Capacity Charge based on the meter size (when water and sanitary sewer connections are made at the same time only one MCC shall be charged) as follows:

Meter Capacity Charge (MCC)			
Meter Size	2025	2026	% Change
¾ inch	\$210	\$225	7.14%
1 inch	\$295	\$315	6.78%
1 ½ inch	\$985	\$1,065	8.12%
2 inch	\$1,155	\$1,250	8.23%
3 inch	\$2,355	\$2,355	0.00%
4 inch	\$3,146	\$3,147	0.03%
6 inch	\$5,201	\$5,202	0.02%
8 inch	\$10,480	\$11,320	8.02%
10 inch	\$13,675	\$14,770	8.01%

Irrigation/Fire Protection Review Fee

Irrigation/Fire Service Review Fee			
	2025	2026	% Change
All Sizes	\$800	\$830	3.75%

Commercial Plan Assessment Fee – For instances where there is an established connection or property has been previously reviewed to allow for connection to the System which require less System resources to verify system connection requirements.

Commercial Plan Assessment Fee			
	2025	2026	% Change
All Sizes	\$125	\$125	0.00%

Further information on the new integrated connection fee methodology can be provided through the Utility Business Office.

LMS

**CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 16**

INCLUDE MAJOR PROJECT COST FOR SYSTEM IMPROVEMENTS (NON-INTEGRATED)

THE ESTIMATED TOTAL PROJECT COST FOR RECOMMENDED WATER SYSTEM IMPROVEMENTS ARE
SUMMARIZED IN THE FOLLOWING TABLE.

ITEM NO.	DESCRIPTION	ESTIMATED COST	BUDGET YEAR
1	INTERMEDIATE PD TANK	5,750,000	2023
2	GODFREY WM REPLACEMENT	3,600,000	2025
3	GARFIELD WM REPLACEMENT	1,100,000	2025
4	OAKLEY WM REPLACEMENT	575,000	2025
5	CESAR CHAVEZ WM REPLACEMENT	1,000,000	2025
6	BURTON WM REPLACEMENT	4,040,800	2025
7	CALEDONIA WHOLESALE WATER IMPROVEMENTS	2,081,950	2025
8	BURTON WM REPLACEMENT	4,207,200	2025
9	STEVENS WM REPLACEMENT	4,300,000	2026
10	BERKSHIRE, GIDDINGS, SHANGRI-LA WM REPLACEMENTS	3,080,000	2026
11	JEFFERSON WM REPLACEMENT	1,650,000	2026
12	OAKWOOD AVE WM REPLACEMENT	3,850,000	2026
13	VALLEY, 3RD & 4TH WM REPLACEMENT	2,200,000	2026
14	MILLBANK & DERBYSHIRE WM REPLACEMENT	935,000	2026
15	PLYMOUTH WM REPLACEMENT	2,750,000	2026
16	LEAD SERVICE LINE REPLACEMENTS (ROTOMILLS)	9,600,000	2026
17	BUCHANAN WM REPLACEMENT	2,530,000	2026
18	ADAMS WM LINING AND NEW LOCAL MAIN	1,000,000	2026
19	CASCADE PRV REPLACEMENTS	400,000	2026
20	WEALTHY WM REPLACEMENT	660,000	2026
21	CASCADE PRV REPLACEMENTS	750,000	2027
22	ALGER WM REPLACEMENT	2,530,000	2027
23	LEAD SERVICE LINE REPLACEMENTS (ROTOMILLS)	9,600,000	2027
24	BUCHANAN WM REPLACEMENT	2,090,000	2027
25	2ND ST WM REPLACEMENT	1,430,000	2027
26	SHERMAN WM REPLACEMENT	1,430,000	2027
27	BUTTERWORTH WM REPLACEMENT	1,760,000	2027
28	WEALTHY WM REPLACEMENT	660,000	2027
29	ADAMS TWM LINING	1,000,000	2027

30	60TH WM IN KENTWOOD	1,250,000	2028
31	CASCADE PRV REPLACEMENTS	750,000	2028
32	BUTTERWORTH WM REPLACEMENT	2,200,000	2028
33	LEAD SERVICE LINE REPLACEMENTS (ROTOMILLS)	9,600,000	2028
34	HALL WM REPLACEMENT	1,925,000	2028
35	SOUTH WALKER WM EXPANSION	1,000,000	2028
36	ADAMS TWM LINING	1,000,000	2028
37	60TH WM IN KENTWOOD	1,250,000	2029
38	DIVISION WM REPLACEMENT	4,070,000	2029
39	LOGAN WM REPLACEMENT	2,200,000	2029
40	BROOKLYN WM IMPROVEMENT	2,200,000	2029
41	DIAMOND WM REPLACEMENT	2,530,000	2029
42	ADAMS TWM LINING	1,000,000	2029
43	LEAD SERVICE LINE REPLACEMENTS (ROTOMILLS)	9,000,000	2029
44	SOUTH WALKER WM EXPANSION	1,000,000	2029
45	ADAMS TWM LINING	1,000,000	2030
45	CASCADE HALL WM EXPANSION	1,000,000	2030
46	LEAD SERVICE LINE REPLACEMENTS (ROTOMILLS)	10,700,000	2030
47	LAFAYETTE WM REPLACEMENT	990,000	2030
48	KNAPP WM REPLACEMENT	3,300,000	2030
49	BRIDGE WM REPLACEMENT	1,980,000	2030
50	JEFFERSON WM REPLACEMENT	1,540,000	2030
		<u>\$ 138,044,950</u>	

NOTE: NONE OF THE PROJECTS ABOVE ARE INCLUDED IN RECOMMENDED REVENUE REQUIREMENTS FOR CALENDAR YEAR 2025. COSTS SHOWN ARE IN 2025 DOLLARS AND ARE TAKEN FROM THE FISCAL YEARS 2026-2030 CAPITAL PROJECT PLAN.

SOURCE: WAYNE JERNBERG, WATER SYSTEM MANAGER, SEPTEMBER 2025

**CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 17**

BONDS - PRINCIPAL & INTEREST PAYMENTS (SENIOR)

FISCAL YEAR ENDING JUNE 30,	PRINCIPAL	INTEREST	PRIN & INT
2026	\$ 4,080,000	\$ 5,020,150	\$ 9,100,150
2027	4,285,000	4,820,950	9,105,950
2028	4,515,000	4,611,800	9,126,800
2029	4,450,000	4,388,850	8,838,850
2030	4,665,000	4,166,350	8,831,350
2031	4,900,000	3,933,100	8,833,100
2032	5,140,000	3,697,050	8,837,050
2033	5,385,000	3,449,350	8,834,350
2034	5,640,000	3,189,750	8,829,750
2035	5,930,000	2,907,750	8,837,750
2036	3,970,000	2,611,250	6,581,250
2037	4,165,000	2,412,750	6,577,750
2038	4,380,000	2,204,500	6,584,500
2039	4,600,000	1,985,500	6,585,500
2040	3,070,000	1,755,500	4,825,500
2041	3,230,000	1,602,000	4,832,000
2042	3,390,000	1,440,500	4,830,500
2043	3,555,000	1,271,000	4,826,000
2044	3,735,000	1,093,250	4,828,250
2045	3,925,000	906,500	4,831,500
2046	4,125,000	710,250	4,835,250
2047	3,330,000	504,000	3,834,000
2048	3,500,000	337,500	3,837,500
2049	1,585,000	162,500	1,747,500
2050	1,665,000	83,250	1,748,250
2051	-	-	-
	<u>\$ 101,215,000</u>	<u>\$ 59,265,350</u>	<u>\$ 160,480,350</u>

**CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 18**

DETERMINE WATER SYSTEM EQUITY IN THE CONSTRUCTION COST RATE BASE BY
SUBTRACTING DEBT OUTSTANDING FROM THE TOTAL RATE BASE.

CONSTRUCTION COST RATE BASE - TASK NO. 15	\$ 373,354,046
LESS: BONDED INDEBTEDNESS in CCRB (CASH BASIS) - TASK NO. 20	(160,025,680)
NET WATER SYSTEM EQUITY	<u>\$ 213,328,366</u>

**CITY OF GRAND RAPIDS, MICHIGAN
 WATER RATE STUDY
 WATER SUPPLY SYSTEM FUND
 RATE OF RETURN ON EQUITY - TASK NO. 19**

AT THE APRIL 5, 1977, COMMITTEE OF THE WHOLE MEETING, THE CITY COMMISSION DECIDED THE LEVEL OF RETURN ON WATER SYSTEM EQUITY. THE LEVEL DECIDED UPON WAS ONE PERCENT MORE THAN THE AVERAGE BOND BUYER'S INDEX OF MUNICIPAL BONDS FOR THE PREVIOUS TWELVE MONTH PERIOD.

BOND BUYER'S INDEX OF 20 MUNICIPAL BONDS

<u>DATE</u>	<u>RATE</u>	<u>DATE</u>	<u>RATE</u>
12-Sep-24	3.830%	13-Mar-25	4.290%
19-Sep-24	3.810%	20-Mar-25	4.300%
26-Sep-24	3.810%	27-Mar-25	4.450%
03-Oct-24	3.740%	03-Apr-25	4.340%
10-Oct-24	3.910%	10-Apr-25	5.110%
17-Oct-24	3.920%	17-Apr-25	5.200%
24-Oct-24	4.180%	24-Apr-25	5.240%
31-Oct-24	4.160%	01-May-25	5.140%
07-Nov-24	4.280%	08-May-25	5.160%
14-Nov-24	4.140%	15-May-25	5.200%
21-Nov-24	4.120%	22-May-25	5.270%
27-Nov-24	4.030%	29-May-25	5.250%
05-Dec-24	3.980%	05-Jun-25	5.270%
12-Dec-24	4.010%	12-Jun-25	5.270%
19-Dec-24	4.100%	18-Jun-25	5.250%
26-Dec-24	4.080%	26-Jun-25	5.200%
02-Jan-25	4.060%	03-Jul-25	5.200%
09-Jan-25	4.160%	10-Jul-25	5.210%
16-Jan-25	4.280%	17-Jul-25	5.300%
23-Jan-25	4.190%	24-Jul-25	5.290%
30-Jan-25	4.130%	31-Jul-25	5.290%
06-Feb-25	4.060%	07-Aug-25	5.200%
13-Feb-25	4.250%	14-Aug-25	5.210%
20-Feb-25	4.250%	21-Aug-25	5.250%
27-Feb-25	4.150%	28-Aug-25	5.230%
06-Mar-25	4.150%	04-Sep-25	5.220%
		<u>52 WEEKS</u>	<u>4.579%</u>

**CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 20**

DETERMINE COMPOSITE RATE OF RETURN ON A CONSTRUCTION COST RATE BASE

	RATE BASE	RATE OF RETURN	RETURN ON INVESTMENT
WATER SYSTEM EQUITY IN THE CONSTRUCTION COST RATE BASE (CCRB)	\$ 213,328,366	@ 5.579%	= \$ 11,902,082
WATER SYSTEM INDEBTEDNESS IN THE CCRB			
2011 DWRF BONDS	671,301	@ 2.50%	= 16,783
2011 DWRF BONDS	1,266,024	@ 2.50%	= 31,651
2012 DWRF BONDS	1,665,930	@ 2.50%	= 41,648
2012 DWRF BONDS	308,514	@ 2.00%	= 6,170
2013 BONDS	775,000	@ 3.33%	= 25,833
2014 DWRF BONDS	1,607,840	@ 2.50%	= 40,196
2015 BONDS (refunded 2009 Bonds)	17,375,000	@ 5.00%	= 868,750
2015 DWRF BONDS	6,103,063	@ 2.50%	= 152,577
2016 DWRF BONDS	1,318,008	@ 2.50%	= 32,950
2016 BONDS (refunded 2009)	30,135,000	@ 5.00%	= 1,506,750
2018 BONDS (refunded 1993)	28,315,000	@ 4.87%	= 1,378,817
2020 BONDS	24,615,000	@ 5.00%	= 1,230,750
2022 DWRF BONDS	4,375,000	@ 1.88%	= 82,031
2022 DWRF BONDS	11,035,000	@ 1.88%	= 206,906
2024 DWRF BONDS	12,930,000	@ 2.00%	= 258,600
2024 DWRF BONDS	17,530,000	@ 2.50%	= 438,250
LESS INTEREST ON BOND RESERVE ACCOUNTS			162,589
	\$ 373,354,046		\$ 18,383,333
COMPOSITE RATE OF RETURN ON INVESTMENT		$\frac{\$ 18,383,333}{\$ 373,354,046} =$	4.924%

Noted Disclosure:

TOTAL BONDED INDEBTEDNESS IN CCRB (from above) \$ 160,025,680 TASK NO. 18

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
CONSTRUCTION COST RATE BASE & RETURN ON INVESTMENT- TASK NO. 21- PART 1
FISCAL YEAR ENDED JUNE 30, 2025**

PHYSICAL LOCATION

DESCRIPTION	RETAIL							WHOLESALE				TOTAL	
	INTEGRATED SYSTEM	CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	CITY OF EAST GR	COUNTY OF OTTAWA	ADA TOWNSHIP	CALEDONIA TOWNSHIP		
COST	\$ 232,687,706	\$ 291,620,084	\$ 37,397,072	\$ 41,572,614	\$ 35,169,930	\$ 24,082,185	\$ 3,145,288	\$ -	\$ -	\$ -	\$ 7,401,572.86	\$ 673,076,452	
LESS: ACCUMULATED DEPRECIATION	133,313,452	73,404,092	11,244,364	14,730,457	9,059,150	6,320,860	732,322	-	-	-	-	248,804,697	
NET BOOK VALUE	\$ 99,374,254	\$ 218,215,992	\$ 26,152,708	\$ 26,842,157	\$ 26,110,780	\$ 17,761,325	\$ 2,412,966	\$ -	\$ -	\$ -	\$ 7,401,572.86	\$ 424,271,755	
WORKING CAPITAL REQUIREMENT	3,927,812	4,044,424	563,123	631,292	501,770	479,976	32,019	4,545	-	143,776	15,493	10,344,230	
	<u>\$ 103,302,066</u>	<u>\$ 222,260,416</u>	<u>\$ 26,715,831</u>	<u>\$ 27,473,449</u>	<u>\$ 26,612,550</u>	<u>\$ 18,241,301</u>	<u>\$ 2,444,985</u>	<u>\$ 4,545</u>	<u>\$ -</u>	<u>\$ 143,776</u>	<u>\$ 7,417,066</u>	<u>\$ 434,615,985</u>	
CONTRIBUTIONS	580,137	34,403,493	25,605,928	20,474,997	25,695,563	17,806,714	3,113,408	-	-	-	-	127,680,240	
LESS AMORTIZATION	(99,460)	(16,565,652)	(8,478,772)	(7,431,977)	(7,722,227)	(5,295,538)	(741,389)	-	-	-	-	(46,335,015)	
	<u>\$ (480,677)</u>	<u>\$ (17,837,841)</u>	<u>\$(17,127,156)</u>	<u>\$(13,043,020)</u>	<u>\$(17,973,336)</u>	<u>\$(12,511,176)</u>	<u>\$(2,372,019)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (81,345,225)</u>	
CONSTRUCTION COST RATE BASE	<u>\$ 102,821,389</u>	<u>\$ 204,422,575</u>	<u>\$ 9,588,675</u>	<u>\$ 14,430,429</u>	<u>\$ 8,639,214</u>	<u>\$ 5,730,125</u>	<u>\$ 72,966</u>	<u>\$ 4,545</u>	<u>\$ -</u>	<u>\$ 143,776</u>	<u>\$ 7,417,066</u>	<u>\$ 353,270,760</u>	
RETURN ON INVESTMENT- TASK 4/5		4,884										\$ 4,884	
RETURN ON INVESTMENT- TASK 20	4.924%	<u>\$ 5,062,925</u>	<u>\$ 10,060,884</u>	<u>\$ 472,146</u>	<u>\$ 710,554</u>	<u>\$ 425,395</u>	<u>\$ 282,151</u>	<u>\$ 3,593</u>	<u>\$ 224</u>	<u>\$ -</u>	<u>\$ 7,080</u>	<u>\$ 365,216</u>	<u>\$ 17,390,168</u>
ZONEGATED													
COST	\$ -	\$ (16,010,897)	\$ 4,388,960	\$ 5,236,734	\$ 16,907,999	\$ 6,649,390	\$ 352,666	\$ 2,566,471	\$ -	\$ 6,451,476	\$ 2,755,835	\$ 29,298,634	
LESS: ACCUMULATED DEPRECIATION	-	(7,850,767)	1,480,966	2,275,676	6,474,977	2,299,879	146,611	1,020,211	-	2,383,434	968,868	9,199,855	
NET BOOK VALUE	\$ -	\$ (8,160,130)	\$ 2,907,994	\$ 2,961,058	\$ 10,433,022	\$ 4,349,511	\$ 206,055	\$ 1,546,260	\$ -	\$ 4,068,042	\$ 1,786,967	\$ 20,098,779	
WORKING CAPITAL REQUIREMENT	-	-	-	-	-	-	-	-	-	-	-	-	
	<u>\$ -</u>	<u>\$ (8,160,130)</u>	<u>\$ 2,907,994</u>	<u>\$ 2,961,058</u>	<u>\$ 10,433,022</u>	<u>\$ 4,349,511</u>	<u>\$ 206,055</u>	<u>\$ 1,546,260</u>	<u>\$ -</u>	<u>\$ 4,068,042</u>	<u>\$ 1,786,967</u>	<u>\$ 20,098,779</u>	
CONTRIBUTIONS	-	-	-	15,082	14,766	25,745	-	-	-	31,908	-	87,501	
LESS AMORTIZATION	-	-	-	(15,082)	(14,766)	(25,745)	-	-	-	(31,908)	-	(87,501)	
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
CONSTRUCTION COST RATE BASE	<u>\$ -</u>	<u>\$ (8,160,130)</u>	<u>\$ 2,907,994</u>	<u>\$ 2,961,058</u>	<u>\$ 10,433,022</u>	<u>\$ 4,349,511</u>	<u>\$ 206,055</u>	<u>\$ 1,546,260</u>	<u>\$ -</u>	<u>\$ 4,068,042</u>	<u>\$ 1,786,967</u>	<u>\$ 20,098,779</u>	
RETURN ON INVESTMENT- TASK 19/20	\$ -	\$ (740,877)	\$ 264,023	\$ 268,841	\$ 947,238	\$ 394,902	\$ 18,708	\$ 140,389	\$ -	\$ 369,347	\$ 162,243	\$ 1,824,814	
RETURN ON INVESTMENT- TASK 19/20	9.079%	9.079%	9.079%	9.079%	9.079%	9.079%	9.079%	9.079%		9.079%	9.079%		
TOTAL RETURN ON INVESTMENT	<u>\$ 5,062,925</u>	<u>\$ 9,320,007</u>	<u>\$ 736,169</u>	<u>\$ 979,395</u>	<u>\$ 1,372,633</u>	<u>\$ 677,053</u>	<u>\$ 22,301</u>	<u>\$ 140,613</u>	<u>\$ -</u>	<u>\$ 376,427</u>	<u>\$ 527,459</u>	<u>\$ 19,214,982</u>	

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
CONSTRUCTION COST & ACCUMULATED DEPRECIATION- TASK NO. 21- PART 2
FISCAL YEAR ENDED JUNE 30, 2025**

CONSTRUCTION COST

COST CENTER	AMOUNT	INTEGRATED SYSTEM	RETAIL						WHOLESALE				TOTAL
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	CITY OF EAST GR	COUNTY OF OTTAWA	ADA TOWNSHIP	CALEDONIA TOWNSHIP	
BY PHYSICAL LOCATION- TASK 11		\$ 232,687,706	\$ 304,314,509	\$ 34,987,590	\$ 44,359,945	\$ 26,655,199	\$ 23,092,667	\$ 3,103,088	\$ -	\$ -	\$ -	\$ -	\$ 669,200,704
IN SERVICE- TASK 10		-	9,805,943	2,751,173	2,061,712	8,515,832	2,595,948	42,200	-	-	-	7,401,573	33,174,382
PUMPING STATIONS:													
KNAPP SERVICE CENTER	\$ 3,967,519		(3,044,203)	5	306,653	396,066	1,267,630	-	-	-	1,073,849	-	-
LIVINGSTON	4,434,386		(1,362,943)	-	102,554	84,557	649,563	-	-	-	526,175	94	-
FRANKLIN	12,691,868		(8,339,515)	1	4,218,721	1,966,479	-	-	1,605,520	-	-	548,794	-
LEFFINGWELL	141,009		(107,009)	-	18,444	18,058	31,485	-	-	-	39,022	-	-
BRISTOL	719,950		-	-	-	-	-	-	-	-	-	-	-
EAST PARIS	7,226,437		429,054	-	(2,796,223)	2,367,169	-	-	-	-	-	-	-
BURTON	219,892		-	-	-	-	-	-	-	-	-	-	-
COLDBROOK PS PUMP 2	389,279		(7,380)	-	-	1	7,379	-	-	-	-	-	-
COVELL	1,563,604		(869,049)	869,049	-	-	-	-	-	-	-	-	-
WILSON	4,335,618		(3,104,695)	2,955,135	-	-	-	138,721	-	-	-	10,839	-
LIVINGSTON EIPD	5,708,345		(24,260)	-	-	-	24,260	-	-	-	-	-	-
STORAGE TANKS:													
ELKS	509,594		(165,076)	165,052	-	24	-	-	-	-	-	-	-
KNAPP	126,446		(96,460)	-	9,725	12,491	40,327	-	-	-	33,917	-	-
CAMBRIDGE	471,529		(162,035)	-	151,127	10,908	-	-	-	-	-	-	-
PATTERSON	3,938,991		32	6	(3,819,356)	3,819,318	-	-	-	-	-	-	-
WATERMAINS			(21,657,726)	58,021	2,196,045	8,231,827	3,022,316	213,945	960,951	-	4,778,513	2,196,108	-
ADJUSTED BY ZONEGATING		\$ 232,687,706	\$ 275,609,187	\$ 41,786,032	\$ 46,809,348	\$ 52,077,929	\$ 30,731,575	\$ 3,497,954	\$ 2,566,471	\$ -	\$ 6,451,476	\$ 10,157,408	\$ 702,375,086
LESS: ZONEGATING ADJUSTMENT		\$ -	\$ (16,010,897)	\$ 4,388,960	\$ 5,236,734	\$ 16,907,999	\$ 6,649,390	\$ 352,666	\$ 2,566,471	\$ -	\$ 6,451,476	\$ 2,755,835	\$ 29,298,634
PHYSICAL LOCATION		\$ 232,687,706	\$ 291,620,084	\$ 37,397,072	\$ 41,572,614	\$ 35,169,930	\$ 24,082,185	\$ 3,145,288	\$ -	\$ -	\$ -	\$ 7,401,573	\$ 673,076,452

ACCUMULATED DEPRECIATION

BY PHYSICAL LOCATION- TASK 11		\$ 133,313,452	\$ 79,915,434	\$ 11,459,668	\$ 16,542,572	\$ 9,059,619	\$ 6,981,485	\$ 732,322	\$ -	\$ -	\$ -	\$ -	\$ 258,004,552
IN SERVICE- TASK 10		-	-	-	-	-	-	-	-	-	-	-	-
PUMPING STATIONS:													
KNAPP SERVICE CENTER	\$ 3,040,994		(2,333,299)	4	235,041	303,574	971,604	-	-	-	823,076	-	-
LIVINGSTON	1,822,533		(560,170)	-	42,150	34,753	266,970	-	-	-	216,258	39	-
FRANKLIN	6,134,697		(4,030,957)	-	2,039,146	950,510	-	-	776,038	-	-	265,263	-
LEFFINGWELL	141,009		(107,009)	-	18,444	18,058	31,485	-	-	-	39,022	-	-
BRISTOL	472,945		-	-	-	-	-	-	-	-	-	-	-
EAST PARIS	3,430,201		203,661	-	(1,327,294)	1,123,633	-	-	-	-	-	-	-
BURTON	174,254		-	-	-	-	-	-	-	-	-	-	-
COLDBROOK PS PUMP 2	155,712		(2,951)	-	-	-	2,951	-	-	-	-	-	-
COVELL	927,291		(515,387)	515,387	-	-	-	-	-	-	-	-	-
WILSON	834,337		(597,461)	568,680	-	-	-	26,695	-	-	-	2,086	-
LIVINGSTON EIPD	967,959		(4,114)	-	-	-	4,114	-	-	-	-	-	-
STORAGE TANKS:													
ELKS	259,757		(84,144)	84,132	-	12	-	-	-	-	-	-	-
KNAPP	116,745		(89,060)	-	8,979	11,533	37,233	-	-	-	31,315	-	-
CAMBRIDGE	258,254		(88,745)	-	82,771	5,974	-	-	-	-	-	-	-
PATTERSON	1,221,021		10	2	(1,183,937)	1,183,925	-	-	-	-	-	-	-
WATERMAINS			(6,152,483)	97,457	548,261	2,842,536	324,897	119,916	244,173	-	1,273,763	701,480	-
ADJUSTED BY ZONEGATING		\$ 133,313,452	\$ 65,553,325	\$ 12,725,330	\$ 17,006,133	\$ 15,534,127	\$ 8,620,739	\$ 878,933	\$ 1,020,211	\$ -	\$ 2,383,434	\$ 968,868	\$ 258,004,552
LESS: ZONEGATING ADJUSTMENT		\$ -	\$ (7,850,767)	\$ 1,480,966	\$ 2,275,676	\$ 6,474,977	\$ 2,299,879	\$ 146,611	\$ 1,020,211	\$ -	\$ 2,383,434	\$ 968,868	\$ 9,199,855
PHYSICAL LOCATION		\$ 133,313,452	\$ 73,404,092	\$ 11,244,364	\$ 14,730,457	\$ 9,059,150	\$ 6,320,860	\$ 732,322	\$ -	\$ -	\$ -	\$ -	\$ 248,804,697

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
CONTRIBUTIONS & AMORTIZED CONTRIBUTIONS- TASK NO. 21- PART 3
FISCAL YEAR ENDED JUNE 30, 2025**

CONTRIBUTIONS BY OTHERS

COST CENTER	AMOUNT	INTEGRATED SYSTEM	RETAIL						WHOLESALE				TOTAL
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	CITY OF EAST GR	COUNTY OF OTTAWA	ADA TOWNSHIP	CALEDONIA TOWNSHIP	
2024 RATE STUDY- LOCATION		\$ 580,137	\$ 33,044,355	\$ 25,038,286	\$ 20,177,689	\$ 25,695,563	\$ 16,958,619	\$ 3,086,740	\$ -	\$ -	\$ -	\$ -	\$ 124,581,389
ADDITIONS:													
FRONT FOOT FEES			29,250	12,740	297,308	-	230,920	26,668	-	-	-	-	596,886
FIXED ASSET CONTRIBUTIONS		-	1,329,888	554,902	-	-	617,175	-	-	-	-	-	2,501,965
OTHER CONTRIBUTIONS		-	-	-	-	-	-	-	-	-	-	-	-
		580,137	34,403,493	25,605,928	20,474,997	25,695,563	17,806,714	3,113,408	-	-	-	-	127,680,240
PUMPING STATIONS: LEFFINGWELL	\$ 115,303			-	15,082	14,766	25,745	-	-	-	31,908	-	87,501
ADJUSTED BY ZONEGATING		580,137	34,403,493	25,605,928	20,490,079	25,710,329	17,832,459	3,113,408	-	-	31,908	-	127,767,741
LESS: ZONEGATING ADJUSTMENT		-	-	-	15,082	14,766	25,745	-	-	-	31,908	-	87,501
PHYSICAL LOCATION		580,137	34,403,493	25,605,928	20,474,997	25,695,563	17,806,714	3,113,408	-	-	-	-	127,680,240
AMORTIZED CONTRIBUTIONS													
2024 RATE STUDY- LOCATION		\$ 91,725	\$ 16,131,442	\$ 8,133,493	\$ 7,156,495	\$ 7,378,336	\$ 5,056,097	\$ 699,877	\$ -	\$ -	\$ -	\$ -	\$ 44,647,465
CURRENT YEAR ADJUSTMENTS		7,735	434,178	345,279	275,482	343,891	239,441	41,512	-	-	-	-	1,687,518
PRIOR PERIOD ADJUSTMENT			32						-	-	-	-	32
		99,460	16,565,652	8,478,772	7,431,977	7,722,227	5,295,538	741,389	-	-	-	-	46,335,015
PUMPING STATIONS: LEFFINGWELL	115,303			-	15,082	14,766	25,745	-	-	-	31,908	-	87,501
ADJUSTED BY ZONEGATING		99,460	16,565,652	8,478,772	7,447,059	7,736,993	5,321,283	741,389	-	-	31,908	-	46,422,516
LESS: ZONEGATING ADJUSTMENT		-	-	-	15,082	14,766	25,745	-	-	-	31,908	-	87,501
PHYSICAL LOCATION		99,460	16,565,652	8,478,772	7,431,977	7,722,227	5,295,538	741,389	-	-	-	-	46,335,015

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
RECONCILIATION OF CONSTRUCTION COST & ACCUMULATED DEPRECIATION- PHYSICAL LOCATION & ZONEGATING
FISCAL YEAR ENDED JUNE 30, 2025

CONSTRUCTION COST-BY PHYSICAL LOCATION

COST CENTER	AMOUNT	INTEGRATED SYSTEM	RETAIL						WHOLESALE			TOTAL	
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	CITY OF EAST GR	COUNTY OF OTTAWA	ADA TOWNSHIP		CALEDONIA TOWNSHIP
COST BY PHYSICAL LOCATION- TASK 11		\$ 232,687,706	\$ 316,419,778	\$ 34,047,748	\$ 33,194,518	\$ 26,655,199	\$ 23,092,667	\$ 3,103,088	\$ -	\$ -	\$ -	\$ -	\$ 669,200,704
IN SERVICE- TASK 10		-	9,805,943	2,751,173	2,061,712	8,515,832	2,595,948	42,200	-	-	-	7,401,573	33,174,382
BRISTOL			(719,950)	719,950									-
EAST PARIS			(7,226,437)		7,226,437								-
BURTON			(219,892)	219,892									-
PATTERSON TANK			(3,938,991)		3,938,991								-
WATERMAINS													-
LESS: WATERMAINS-TOTAL SUBS-HOME COMM			(35,827,728)	(725,425)	(10,825,800)	(6,200)	(2,208,247)	-	-	-	-	-	(49,593,400)
ADD: WATERMAINS-TOTAL ADDS-HOME COMM			13,327,960	383,734	5,976,756	5,099	601,817	-	-	-	-	-	20,294,766
TOTAL-PHYSICAL LOCATION COST		\$ 232,687,706	\$ 291,620,084	\$ 37,397,072	\$ 41,572,614	\$ 35,169,930	\$ 24,082,185	\$ 3,145,288	\$ -	\$ -	\$ -	\$ 7,401,573	\$ 673,076,452

CONSTRUCTION COST- ZONEGATING

PUMPING STATIONS:													
KNAPP SERVICE CENTER	\$ 3,967,519		\$ (3,044,203)	\$ 5	\$ 306,653	\$ 396,066	\$ 1,267,630	\$ -	\$ -	\$ -	\$ 1,073,849	\$ -	\$ -
LIVINGSTON	4,434,386		(1,362,943)	-	102,554	84,557	649,563	-	-	-	526,175	94	-
FRANKLIN	12,691,868		(8,339,515)	1	4,218,721	1,966,479	-	-	1,605,520	-	-	548,794	-
LEFFINGWELL	141,009		(107,009)	-	18,444	18,058	31,485	-	-	-	39,022	-	-
BRISTOL	719,950		-	-	-	-	-	-	-	-	-	-	-
EAST PARIS	7,226,437		429,054	-	(2,796,223)	2,367,169	-	-	-	-	-	-	-
BURTON	219,892		-	-	-	-	-	-	-	-	-	-	-
COLDBROOK PS PUMP 2	389,279		(7,380)	-	-	1	7,379	-	-	-	-	-	-
COVELL	1,563,604		(869,049)	869,049	-	-	-	-	-	-	-	-	-
WILSON	4,335,618		(3,104,695)	2,955,135	-	-	-	-	-	-	-	10,839	-
LIVINGSTON EIPD	5,708,345		(24,260)	-	-	-	24,260	-	-	-	-	-	-
STORAGE TANKS:													
ELKS	509,594		(165,076)	165,052	-	24	-	-	-	-	-	-	-
KNAPP	126,446		(96,460)	-	9,725	12,491	40,327	-	-	-	33,917	-	-
CAMBRIDGE	471,529		(162,035)	-	151,127	10,908	-	-	-	-	-	-	-
PATTERSON	3,938,991		32	6	(3,819,356)	3,819,318	-	-	-	-	-	-	-
WATERMAINS- ZONEGATED COST			842,642	399,712	7,045,089	8,232,928	4,628,746	213,945	960,951	-	4,778,513	2,196,108	29,298,634
TOTAL- ZONEGATED COST		\$ -	\$ (16,010,897)	\$ 4,388,960	\$ 5,236,734	\$ 16,907,999	\$ 6,649,390	\$ 352,666	\$ 2,566,471	\$ -	\$ 6,451,476	\$ 2,755,835	\$ 29,298,634
GRAND TOTAL- COST		\$ 232,687,706	\$ 275,609,187	\$ 41,786,032	\$ 46,809,348	\$ 52,077,929	\$ 30,731,575	\$ 3,497,954	\$ 2,566,471	\$ -	\$ 6,451,476	#####	\$ 702,375,086

ACCUMULATED DEPRECIATION-BY PHYSICAL LOCATION

ACC DEPREC BY PHYSICAL LOCATION- TASK 11	\$ 133,313,452	\$ 85,213,855	\$ 10,812,469	\$ 11,891,350	\$ 9,059,619	\$ 6,981,485	\$ 732,322	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 258,004,552
BRISTOL		(472,945)	472,945										-
EAST PARIS		(3,430,201)		3,430,201									-
BURTON		(174,254)	174,254										-
PATTERSON		(1,221,021)		1,221,021									-
WATERMAINS													-
LESS: WATERMAINS-TOTAL SUBS-HOME COMM		(9,435,135)	(492,871)	(3,640,875)	(2,645)	(869,585)	-	-	-	-	-	-	(14,441,111)
ADD: WATERMAINS-TOTAL ADDS-HOME COMM		2,923,793	277,567	1,828,760	2,176	208,960	-	-	-	-	-	-	5,241,256
TOTAL-PHYSICAL LOCATION ACC DEP	\$ 133,313,452	\$ 73,404,092	\$ 11,244,364	\$ 14,730,457	\$ 9,059,150	\$ 6,320,860	\$ 732,322	\$ -	\$ 248,804,697				

ACCUMULATED DEPRECIATION-ZONEGATING

PUMPING STATIONS:													
KNAPP SERVICE CENTER	\$ 3,040,994		\$ (2,333,299)	\$ 4	\$ 235,041	\$ 303,574	\$ 971,604	\$ -	\$ -	\$ -	\$ 823,076	\$ -	\$ -
LIVINGSTON	1,822,533		(560,170)	-	42,150	34,753	266,970	-	-	-	216,258	39	-
FRANKLIN	6,134,697		(4,030,957)	-	2,039,146	950,510	-	-	776,038	-	-	265,263	-
LEFFINGWELL	141,009		(107,009)	-	18,444	18,058	31,485	-	-	-	39,022	-	-
BRISTOL	472,945		-	-	-	-	-	-	-	-	-	-	-
EAST PARIS	3,430,201		203,661	-	(1,327,294)	1,123,633	-	-	-	-	-	-	-
BURTON	174,254		-	-	-	-	-	-	-	-	-	-	-
COLDBROOK PS PUMP 2	155,712		(2,951)	-	-	-	2,951	-	-	-	-	-	-
COVELL	927,291		(515,387)	515,387	-	-	-	-	-	-	-	-	-
WILSON	834,337		(597,461)	568,680	-	-	-	-	-	-	-	2,086	-
LIVINGSTON EIPD	967,959		(4,114)	-	-	-	4,114	-	-	-	-	-	-
STORAGE TANKS:													
ELKS	259,757		(165,076)	165,052	-	24	-	-	-	-	-	-	-
KNAPP	116,745		(89,060)	-	8,979	11,533	37,233	-	-	-	31,315	-	-
CAMBRIDGE	258,254		(88,745)	-	82,771	5,974	-	-	-	-	-	-	-
PATTERSON	1,221,021		10	2	(1,183,937)	1,183,925	-	-	-	-	-	-	-
WATERMAINS- ZONEGATED ACC DEP			358,859	312,761	2,360,376	2,843,005	985,522	119,916	244,173	-	1,273,763	701,480	9,199,855
TOTAL- ZONEGATED ACC DEP		\$ -	\$ (7,931,699)	\$ 1,561,886	\$ 2,275,676	\$ 6,474,989	\$ 2,299,879	\$ 146,611	\$ 1,020,211	\$ -	\$ 2,383,434	\$ 968,868	\$ 9,199,855
GRAND TOTAL- ACC DEP		\$ 133,313,452	\$ 65,472,393	\$ 12,806,250	\$ 17,006,133	\$ 15,534,139	\$ 8,620,739	\$ 878,933	\$ 1,020,211	\$ -	\$ 2,383,434	\$ 968,868	\$ 258,004,552

**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED OPERATING EXPENSE ZONEGATED BY GOVERNMENTAL UNIT - TASK #22
FISCAL YEAR ENDED JUNE 30, 2025**

COST CENTER	ADJUSTED EXPENSE BY COST CENTER	INTEGRATED SYSTEM	RETAIL						WHOLESALE		
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	CITY OF EAST GR	COUNTY OF OTTAWA	ADA TOWNSHIP
FILTRATION PLANT	\$ 9,177,659	\$ 9,177,659									
PUMPING STATIONS:											
A. PRIMARY TRANSPORT	408,629	408,629									
B. INTERMEDIATE TRANSPORT	3,246,927		1,825,573	28,568	418,725	269,623	373,323	-	7,856	-	306,233
WATERMAINS:											
A. PRIMARY TRANSPORT	453,272		241,376	40,464	64,174	50,562	24,608	150	3,291	-	20,792
B. INTERMEDIATE TRANSPORT	2,391,886		863,400	515,810	389,088	373,086	173,316	38,820	-	-	25,354
C. LOCAL DISTRIBUTION	6,166,206		4,453,790	502,484	430,894	350,487	405,798	22,753	-	-	-
RETAIL CUSTOMER METERING *	3,464,326		2,526,083	292,562	243,958	185,792	199,129	16,802			
SUBTOTAL OPERATING EXPENSE	25,308,904	9,586,288	9,910,222	1,379,888	1,546,839	1,229,550	1,176,174	78,525	11,147	-	352,379
ENGINEERING SERVICES	1,381,756	523,382	541,054	75,333	84,453	67,126	64,210	4,283	608	-	19,234
ADMINISTRATIVE EXPENSE	4,937,174	1,553,641	2,441,575	223,625	250,696	199,261	190,606	12,715	1,805	-	57,096
TOTAL	\$ 31,627,834	\$ 11,663,311	\$ 12,892,851	\$ 1,678,846	\$ 1,881,988	\$ 1,495,937	\$ 1,430,990	\$ 95,523	\$ 13,560	\$ -	\$ 428,709

* Reflects adjustment for circuit breaker provisions per the third amendment to W/S service agreements.

METHOD OF DISTRIBUTION

FILTRATION PLANT		100.00%	100.00%								
PUMPING STATIONS											
A. PRIMARY TRANSPORT		100.00%	100.00%								
B. INTERMEDIATE TRANSPORT		100.00%		56.225%	0.880%	12.896%	8.304%	11.498%		0.242%	9.431%
WATERMAINS											
TOTAL MILES:	1,204.76										
A. PRIMARY TRANSPORT		100.000%		53.252%	8.927%	14.158%	11.155%	5.429%	0.033%	0.726%	4.587%
MILES	60.60			32.27	5.41	8.58	6.76	3.29	0.02	0.44	2.78
B. INTERMEDIATE TRANSPORT		100.000%		36.097%	21.565%	16.267%	15.598%	7.246%	1.623%	-	1.060%
MILES	319.78			115.43	68.96	52.02	49.88	23.17	5.19	-	3.39
C. LOCAL DISTRIBUTION		100.000%		72.229%	8.149%	6.988%	5.684%	6.581%	0.369%	-	-
MILES	824.38			595.44	67.18	57.61	46.86	54.25	3.04	-	-
RETAIL CUSTOMER METERING (1)		100.000%		72.917%	8.445%	7.042%	5.363%	5.748%	0.485%		
NUMBER OF METERS	82,249			59,973	6,946	5,792	4,411	4,728	399		
ENGINEERING SERVICES (2)		100.000%	37.878%	39.157%	5.452%	6.112%	4.858%	4.647%	0.310%	0.044%	1.392%
ADMINISTRATIVE EXPENSE (3)		100.000%	31.467%	49.453%	4.529%	5.078%	4.036%	3.861%	0.258%	0.037%	1.156%

NOTES:

(1) ALLOCATION BASED ON NUMBER OF METERS.

(2) ALLOCATION BASED ON DIRECT OPERATING EXPENSE.

(3) ALLOCATION BASED ON DIRECT OPERATING EXPENSE, ADJUSTED FOR ANY COST ASSIGNABLE EXCLUSIVELY TO GR OR RETAIL COMMUNITIES, IF APPLICABLE.

**CITY OF GRAND RAPIDS, MICHIGAN
 WATER RATE STUDY
 WATER SUPPLY SYSTEM FUND
 TASK NO. 23**

ASSIGN OTHER OPERATING REVENUES AND UNDERUTILIZED PENALTY CREDIT FROM PREVIOUS YEAR TO EACH GOVERNMENTAL ENTITY - TASK NO. 7

BASIS OF ALLOCATION: RETAIL BILLINGS BY GOVERNMENTAL ENTITY - TASK NO. 6

	<u>RETAIL BILLINGS</u>	<u>PERCENTAGE OF TOTAL</u>	<u>ALLOCATION</u>
CITY OF GRAND RAPIDS	\$ 32,710,954	65.9972%	\$ 471,165
CITY OF WALKER	4,270,714	8.6166%	61,515
CITY OF KENTWOOD	5,044,373	10.1775%	72,659
CASCADE TOWNSHIP	4,296,890	8.6694%	61,892
GRAND RAPIDS TOWNSHIP	2,992,573	6.0378%	43,105
TALLMADGE TOWNSHIP	248,539	0.5015%	3,580
	<u>\$ 49,564,043</u>	<u>100.0000%</u>	<u>\$ 713,916</u>

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ASSIGN DEPRECIATION EXPENSE TO CUSTOMER COMMUNITIES- TASK NO. 24
FISCAL YEAR ENDED JUNE 30, 2025

COST CENTER	DEPRECIATION EXPENSE	INTEGRATED SYSTEM	RETAIL						WHOLESALE				TOTAL
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	CITY OF EAST GR	COUNTY OF OTTAWA	ADA TOWNSHIP	CALEDONIA TOWNSHIP	
BY PHYSICAL LOCATION- TASK 11		\$ 5,756,555	\$ 5,430,026	\$ 489,254	\$ 638,263	\$ 531,048	\$ 297,684	\$ 41,383	\$ -	\$ -	\$ -	\$ -	\$ 13,184,213
IN SERVICE- TASK 10		-	149,184	95,672	27,489	113,544	34,612	4,220	-	-	-	214,689	639,410
PUMPING STATIONS:													
KNAPP SERVICE CENTER	\$ 89,499		(68,670)	-	6,917	8,934	28,595	-	-	-	24,224	-	-
LIVINGSTON	128,213		(39,407)	-	2,965	2,445	18,781	-	-	-	15,213	3	-
FRANKLIN	506,359		(332,715)	-	168,311	78,455	-	-	64,054	-	-	21,895	-
LEFFINGWELL	-		-	-	-	-	-	-	-	-	-	-	-
BRISTOL	23,020		-	-	-	-	-	-	-	-	-	-	-
EAST PARIS	210,021		12,470	-	(81,267)	68,797	-	-	-	-	-	-	-
BURTON	12,447		-	-	-	-	-	-	-	-	-	-	-
COLDBROOK PS PUMP 2	12,976		(246)	-	-	-	246	-	-	-	-	-	-
COVELL	57,743		(32,093)	32,093	-	-	-	-	-	-	-	-	-
WILSON	169,453		(121,344)	115,498	-	-	-	5,422	-	-	-	424	-
LIVINGSTON EIPD	241,989		(1,028)	-	-	-	1,028	-	-	-	-	-	-
STORAGE TANKS:													
ELKS	7,807		(2,529)	2,529	-	-	-	-	-	-	-	-	-
KNAPP	225		(171)	-	17	22	72	-	-	-	60	-	-
CAMBRIDGE	23,697		(8,143)	-	7,595	548	-	-	-	-	-	-	-
PATTERSON	101,837		1	-	(98,744)	98,743	-	-	-	-	-	-	-
WATERMANS			(285,009)	774	27,807	109,173	39,563	2,853	12,523	-	63,138	29,178	-
ADJUSTED BY ZONEGATING		5,756,555	4,700,326	735,820	699,353	1,011,709	420,581	53,878	76,577	-	102,635	266,189	13,823,623
LESS DEPR ON CIS (TASK 4/5)			(6,253)										(6,253)
LESS CONTRIBUTIONS AMORTIZED TASK NO. 21		(7,735)	(434,178)	(345,279)	(275,482)	(343,891)	(239,441)	(41,512)	-	-	-	-	(1,687,518)
TOTAL		\$ 5,748,820	\$ 4,259,895	\$ 390,541	\$ 423,871	\$ 667,818	\$ 181,140	\$ 12,366	\$ 76,577	\$ -	\$ 102,635	\$ 266,189	\$ 12,129,852

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**CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ACCUMULATE REVENUE REQUIREMENTS BY CUSTOMER COMMUNITIES- TASK NO. 25
FISCAL YEAR ENDED JUNE 30, 2025**

COST CENTER	INTEGRATED SYSTEM	RETAIL						WHOLESALE				TOTAL
		CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	CITY OF EAST GR	COUNTY OF OTTAWA	ADA TOWNSHIP	CALEDONIA TOWNSHIP	
OPERATION & MAINTENANCE EXPENSE- TASK NO. 22	\$ 11,663,311	\$ 12,892,851	\$ 1,678,846	\$ 1,881,988	\$ 1,495,937	\$ 1,430,990	\$ 95,523	\$ 13,560	\$ -	\$ 428,709	\$ 46,119	\$ 31,627,834
DEPRECIATION EXPENSE TASK NO. 24	5,748,820	4,259,895	390,541	423,871	667,818	181,140	12,366	76,577	-	102,635	266,189	12,129,852
RETURN ON SYSTEM INVESTMENT TASK NO. 21	5,062,925	9,320,007	736,169	979,395	1,372,633	677,053	22,301	140,613	-	376,427	527,459	19,214,982
REVENUE CREDITS- TASK NO. 23	-	(471,165)	(61,515)	(72,659)	(61,892)	(43,105)	(3,580)	-	-	-	-	(713,916)
ALLOCATE:												
INTEG CONN. FEE CREDIT (A)	-	(491,152)	(99,411)	(105,026)	(79,553)	(53,393)	(7,829)	(34,424)	-	(41,760)	(18,585)	(931,133)
INTEGRATED SYSTEM (A)	(22,475,056)	10,376,298	2,100,210	2,218,830	1,680,657	1,128,005	165,399	727,257	2,803,528	882,229	392,643	-
LESS: CIRCUIT BREAKER (B)		-	-	-	(511,992)	(28,592)	-					(540,584)
	<u>\$ -</u>	<u>\$ 35,886,734</u>	<u>\$ 4,744,840</u>	<u>\$ 5,326,399</u>	<u>\$ 4,563,608</u>	<u>\$ 3,292,098</u>	<u>\$ 284,180</u>	<u>\$ 923,583</u>	<u>\$ 2,803,528</u>	<u>\$ 1,748,240</u>	<u>\$ 1,213,825</u>	<u>\$ 60,787,035</u>

(A) ALLOCATED ON THE BASIS OF RELATIVE BILLED VOLUME & LAND AREA TO UAB PARTNERS. OTTAWA'S ALLOCATION IS BASED ON OLD CONTRACT AND EXCLUDES ANY COST OF COLDBROOK PUMPING.

(B) PURSUANT TO CITY AND CUSTOMER COMMUNITY CIRCUIT BREAKER, AS PROVIDED FOR BY THE THIRD AMENDMENT TO THE UNIFORM SERVICE AGREEMENTS.

**CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 25A**

REVIEW THE REVENUE REQUIREMENTS TO ASSURE COMPLIANCE WITH THE APPLICABLE BOND ORDINANCE PROVISIONS.

	<u>YEAR ENDED 6/30/25</u>	<u>PRO FORMA * 6/30/26</u>
REVENUES:		
RETAIL/WHOLESALE WATER SALES	\$ 55,176,170	\$ 58,241,130
CONNECTION FEES/FRONT FOOT FEES	1,032,927	675,000
BILLABLE TO SDS FUND	2,894,465	3,619,329
OTHER OPERATING REVENUES	2,288,844	1,777,500
INTEREST ON INVESTMENTS	1,998,265	2,324,609
MISCELLANEOUS	1,172,560	438,530
TOTAL REVENUES	<u>\$ 64,563,231</u>	<u>\$ 67,076,098</u>
OPERATING EXPENSES:		
OPERATIONS & MAINTENANCE	\$ 35,129,254	\$ 41,670,361
DEPRECIATION	<u>13,184,213</u>	<u>13,184,213</u>
TOTAL EXPENSES	<u>\$ 48,313,467</u>	<u>\$ 54,854,574</u>
ADDITIONS: DEPRECIATION	<u>13,184,213</u>	<u>13,184,213</u>
NET EARNINGS OF THE SYSTEM	<u>\$ 29,433,977</u>	<u>\$ 25,405,737</u>
DEBT SERVICE		
SERIES 2020 BONDS	\$ 1,745,250	\$ 1,745,750
SERIES 2018 BONDS	2,086,100	2,087,850
SERIES 2016 BONDS	2,751,000	2,746,750
SERIES 2015 BONDS	2,249,500	2,253,750
SERIES 2013 BONDS	<u>252,100</u>	<u>266,050</u>
SENIOR LIEN	9,083,950	9,100,150
JUNIOR LIEN **	<u>2,407,291</u>	<u>2,399,553</u>
TOTAL	<u>11,491,241</u>	<u>11,499,703</u>
COVERAGE RATIO - SENIOR DEBT	<u>3.24</u>	<u>2.79</u>
COVERAGE RATIO - ALL DEBT	<u>2.56</u>	<u>2.21</u>

* WATER SALES ADJUSTED FOR RATE REVISIONS OF 2.80% AND 6.38% EFFECTIVE 1/1/25 AND 1/1/26, RESPECTIVELY; OTHER REVENUES AND OPERATIONS & MAINTENANCE EXPENSE PER 2025 FISCAL PLAN, ADJUSTED FOR CARRYFORWARDS AND KNOWN ADJUSTMENTS.

** AMOUNTS IN PRO FORMA ARE BASED ON MAXIMUM PRINCIPAL AND DO NOT INCLUDE PRINCIPAL FORGIVENESS IF NOT YET FINALIZED.

SUMMARY

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 26**

INITIAL SYSTEM REVENUE REQUIREMENTS		\$ 61,327,619
REVENUES FROM CURRENT RATES		
MONTHLY METER CHARGE	\$ 15,764,032	
MONTHLY BILLING CHARGE	3,513,752	
COMMODITY CHARGE	36,747,499	
MONTHLY FIRE PROTECTION	1,052,973	
ANNUAL HYDRANT CHARGE	<u>62,607</u>	<u>(57,140,864)</u>
INITIAL REQUIRED REVENUE INCREASE (DECREASE)		<u>\$ 4,186,755.00</u>
INITIAL PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		<u>7.33%</u>
INITIAL SYSTEM REVENUE REQUIREMENTS FROM ABOVE		\$ 61,327,619
LESS: AMOUNT OF CIRCUIT BREAKER RELIEF TO REDUCE RR's TO RETAIL		(540,584)
SYSTEM REVENUE REQUIREMENTS		<u>\$ 60,787,035</u>
ACTUAL REQUIRED AMOUNT OF REVENUE INCREASE (DECREASE)		<u>\$ 3,646,171</u>
ACTUAL PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		<u>6.38%</u>

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 26**

METER SIZE	EQUIV. FACTOR	CITY OF GR		CITY OF WALKER		CITY OF KENTWOOD		CASCADE TWP		GR TWP		TALLMADGE TWP	
		METERS	EQUIV.	METERS	EQUIV.	METERS	EQUIV.	METERS	EQUIV.	METERS	EQUIV.	METERS	EQUIV.
A 3/4" or less	1.0000	53,626	53,626	5,576	5,576	3,849	3,849	3,272	3,272	3,972	3,972	310	310
B 1"	1.7778	2,613	4,645	565	1,004	690	1,227	393	699	369	656	39	69
C 1 1/4"	2.7778	-	-	-	-	-	-	-	-	-	-	-	-
D 1 1/2"	4.0000	1,297	5,188	285	1,140	458	1,832	306	1,224	180	720	18	72
E 2"	7.1111	774	5,504	110	782	194	1,380	95	676	41	292	2	14
F 3"	16.0000	132	2,112	15	240	25	400	10	160	11	176	1	16
G 4"	28.4444	75	2,133	7	199	12	341	2	57	4	114	1	28
H 6" and over	64.0000	18	1,152	2	128	3	192	-	-	1	64	-	-
		<u>58,535</u>	<u>74,360</u>	<u>6,560</u>	<u>9,069</u>	<u>5,231</u>	<u>9,221</u>	<u>4,078</u>	<u>6,088</u>	<u>4,578</u>	<u>5,994</u>	<u>371</u>	<u>509</u>
FIRE PROTECTION SERVICE													
H 6"		1,111		257		318		189		129		22	
I 8"		293		100		210		114		20		4	
J 10"		14		6		9		2		-		-	
K 12"		20		23		24		28		1		2	
		<u>1,438</u>		<u>386</u>		<u>561</u>		<u>333</u>		<u>150</u>		<u>28</u>	
	TOTAL	<u>59,973</u>		<u>6,946</u>		<u>5,792</u>		<u>4,411</u>		<u>4,728</u>		<u>399</u>	
	TOTAL											<u>82,249</u>	

Source: City of Grand Rapids, Michigan, Water/Sewer Customer Accounts/Meters Report, dated November 2, 2025.

CITY OF GRAND RAPIDS, MICHIGAN

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 26**

SYSTEM REVENUE REQUIREMENTS \$ 35,886,734

REVENUES FROM CURRENT RATES

MONTHLY METER CHARGE

74,360 meter equivalents x \$ 10.09 x 12 = \$ 9,003,509

MONTHLY BILLING CHARGE

58,535 meters x \$ 3.69 x 12 = 2,591,930

COMMODITY CHARGE

8,375,430 units (100 CF) x \$ 2.57 = 21,524,855

MONTHLY FIRE PROTECTION

482,470

ANNUAL HYDRANT CHARGE

- (33,602,764)

REQUIRED REVENUE INCREASE (DECREASE)

\$ 2,283,970

PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES

6.80%

CITY OF GRAND RAPIDS, MICHIGAN

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 27**

COMMODITY CHARGE:

$$\frac{\text{COMMODITY CHARGE @ 64\%}}{\text{BILLED UNITS}} = \frac{\$22,967,510}{8,375,430} = \underline{\underline{\$ 2.74 /100 CF *}}$$

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS	\$ 35,886,734
NEW COMMODITY CHARGE 8,375,430 x \$ 2.74	\$ 22,948,678
NEW MONTHLY BILLING CHARGE 58,535 x \$ 3.67 x 12	2,577,881
MONTHLY FIRE PROTECTION CHARGE	482,470
ANNUAL HYDRANT CHARGE	-
	<u>(26,009,029)</u>
	<u><u>\$ 9,877,705</u></u>

$$\text{MONTHLY METER CHARGE} = \frac{\$9,877,705}{74,360 \times 12} = \underline{\underline{\$ 11.07 \text{ MONTHLY}}}$$

<u>METER SIZE</u>	<u>EQUIVALENT</u>	<u>MONTHLY SERVICE CHARGE</u>			<u>PRESENT</u>
		<u>METER</u>	<u>BILLING</u>	<u>TOTAL</u>	
3/4" or less	1.0000	\$ 11.07	\$ 3.67	\$ 14.74	\$ 13.78
1"	1.7778	19.68	3.67	23.35	21.63
1 1/4"	2.7778	30.75	3.67	34.42	31.72
1 1/2"	4.0000	44.28	3.67	47.95	44.05
2"	7.1111	78.72	3.67	82.39	75.44
3"	16.0000	177.12	3.67	180.79	165.13
4"	28.4444	314.88	3.67	318.55	290.69
6" and over	64.0000	708.48	3.67	712.15	649.45

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2026

CITY OF WALKER, MICHIGAN

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 26**

SYSTEM REVENUE REQUIREMENTS \$ 4,744,840

REVENUES FROM CURRENT RATES

MONTHLY METER CHARGE

9,069 meter equivalents x \$ 12.32 x 12 = \$ 1,340,761

MONTHLY BILLING CHARGE

6,560 meters x \$ 3.69 x 12 = 290,477

COMMODITY CHARGE

1,271,121 units (100 CF) x \$ 2.08 = 2,643,932

MONTHLY FIRE PROTECTION

149,748

ANNUAL HYDRANT CHARGE

-

(4,424,918)

REQUIRED REVENUE INCREASE (DECREASE)

\$ 319,922

PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES

7.23%

CITY OF WALKER, MICHIGAN

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 27**

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT \$ 2.23 /100 CF *
 \$ 2.08 x 107.23%

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS	\$ 4,744,840
NEW COMMODITY CHARGE 1,271,121 x \$ 2.23	\$ 2,834,600
NEW MONTHLY BILLING CHARGE 6,560 x \$ 3.67 x 12	288,902
MONTHLY FIRE PROTECTION CHARGE	149,748
ANNUAL HYDRANT CHARGE	<u>-</u> (3,273,250)
	<u><u>\$ 1,471,590</u></u>

MONTHLY METER CHARGE = $\frac{\$1,471,590}{9,069 \times 12}$ = \$ 13.52 MONTHLY

<u>METER SIZE</u>	<u>EQUIVALENT</u>	<u>MONTHLY SERVICE CHARGE</u>			<u>PRESENT</u>
		<u>METER</u>	<u>BILLING</u>	<u>TOTAL</u>	
3/4" or less	1.0000	\$ 13.52	\$ 3.67	\$ 17.19	\$ 16.01
1"	1.7778	24.04	3.67	27.71	25.59
1 1/4"	2.7778	37.56	3.67	41.23	37.91
1 1/2"	4.0000	54.08	3.67	57.75	52.97
2"	7.1111	96.14	3.67	99.81	91.30
3"	16.0000	216.32	3.67	219.99	200.81
4"	28.4444	384.57	3.67	388.24	354.13
6" and over	64.0000	865.28	3.67	868.95	792.17

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2026

CITY OF KENTWOOD, MICHIGAN

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 26**

SYSTEM REVENUE REQUIREMENTS

\$ 5,326,399

REVENUES FROM CURRENT RATES

MONTHLY METER CHARGE

9,221 meter equivalents x \$ 14.74 x 12 = \$ 1,631,010

MONTHLY BILLING CHARGE

5,231 meters x \$ 3.69 x 12 = 231,629

COMMODITY CHARGE

1,687,604 units (100 CF) x \$ 1.91 = 3,223,324

MONTHLY FIRE PROTECTION

223,775

ANNUAL HYDRANT CHARGE

- (5,309,738)

REQUIRED REVENUE INCREASE (DECREASE)

\$ 16,661

PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES

0.31%

CITY OF KENTWOOD, MICHIGAN

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 27**

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT \$ 1.92 /100 CF *
 \$ 1.91 x 100.31%

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS	\$ 5,326,399
NEW COMMODITY CHARGE	
1,687,604 x \$ 1.92	\$ 3,240,200
NEW MONTHLY BILLING CHARGE	
5,231 x \$ 3.67 x 12	230,373
MONTHLY FIRE PROTECTION CHARGE	223,775
ANNUAL HYDRANT CHARGE	<u>-</u>
	<u>(3,694,348)</u>
	<u>\$ 1,632,051</u>

MONTHLY METER CHARGE = $\frac{\$1,632,051}{9,221 \times 12}$ = \$ 14.75 MONTHLY

<u>METER SIZE</u>	<u>EQUIVALENT</u>	<u>MONTHLY SERVICE CHARGE</u>			<u>PRESENT</u>
		<u>METER</u>	<u>BILLING</u>	<u>TOTAL</u>	
3/4" or less	1.0000	\$ 14.75	\$ 3.67	\$ 18.42	\$ 18.43
1"	1.7778	26.22	3.67	29.89	29.89
1 1/4"	2.7778	40.97	3.67	44.64	44.63
1 1/2"	4.0000	59.00	3.67	62.67	62.65
2"	7.1111	104.89	3.67	108.56	108.51
3"	16.0000	236.00	3.67	239.67	239.53
4"	28.4444	419.55	3.67	423.22	422.96
6" and over	64.0000	944.00	3.67	947.67	947.05

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2026

CASCADE TOWNSHIP
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

SYSTEM REVENUE REQUIREMENTS* \$ 4,563,608

REVENUES FROM CURRENT RATES

MONTHLY METER CHARGE					
6,088 meter equivalents	x	\$ 19.56	x	12 =	\$ 1,428,975
MONTHLY BILLING CHARGE					
4,078 meters	x	\$ 3.69	x	12 =	180,574
COMMODITY CHARGE					
983,178 units (100 CF)	x	\$ 2.41	=		2,369,459
MONTHLY FIRE PROTECTION					140,293
ANNUAL HYDRANT CHARGE				-	<u>(4,119,301)</u>
REQUIRED REVENUE INCREASE (DECREASE)					<u>\$ 444,307</u>
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES					<u>10.79%</u>

* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF \$ 511,992

CASCADE TOWNSHIP

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 27**

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT \$ 2.67 /100 CF *
 \$ 2.41 x 110.79%

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS **	\$ 4,563,608
NEW COMMODITY CHARGE 983,178 x \$ 2.67	\$ 2,625,085
NEW MONTHLY BILLING CHARGE 4,078 x \$ 3.67 x 12	179,595
MONTHLY FIRE PROTECTION CHARGE	140,293
ANNUAL HYDRANT CHARGE	<u>-</u> <u>(2,944,973)</u>
	<u>\$ 1,618,635</u>

MONTHLY METER CHARGE = $\frac{\$1,618,635}{6,088 \times 12} = \underline{\underline{\$ 22.16 \text{ MONTHLY}}}$

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE			PRESENT
		METER	BILLING	TOTAL	
3/4" or less	1.0000	\$ 22.16	\$ 3.67	\$ 25.83	\$ 23.25
1"	1.7778	39.40	3.67	43.07	38.46
1 1/4"	2.7778	61.56	3.67	65.23	58.02
1 1/2"	4.0000	88.64	3.67	92.31	81.93
2"	7.1111	157.58	3.67	161.25	142.78
3"	16.0000	354.56	3.67	358.23	316.65
4"	28.4444	630.33	3.67	634.00	560.06
6" and over	64.0000	1,418.24	3.67	1,421.91	1,255.53

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2026
 ** REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF \$ 511,992

GRAND RAPIDS TOWNSHIP
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

SYSTEM REVENUE REQUIREMENTS* \$ 3,292,098

REVENUES FROM CURRENT RATES

MONTHLY METER CHARGE			
5,994 meter equivalents	x	\$ 15.66	x 12 = \$ 1,126,392
MONTHLY BILLING CHARGE			
4,578 meters	x	\$ 3.69	x 12 = 202,714
COMMODITY CHARGE			
748,576 units (100 CF)	x	\$ 2.25	= 1,684,296
MONTHLY FIRE PROTECTION			46,458
ANNUAL HYDRANT CHARGE			-
			<u>(3,059,860)</u>
REQUIRED REVENUE INCREASE (DECREASE)			<u>\$ 232,238</u>
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES			<u>7.59%</u>

* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF \$ 28,592

TALLMADGE TOWNSHIP
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

SYSTEM REVENUE REQUIREMENTS \$ 284,180

REVENUES FROM CURRENT RATES

MONTHLY METER CHARGE			
509 meter equivalents	x	\$ 0.12	x 12 = \$ 733
MONTHLY BILLING CHARGE			
371 meters	x	\$ 3.69	x 12 = 16,428
COMMODITY CHARGE			
77,848 units (100 CF)	x	\$ 2.61	= 203,183
MONTHLY FIRE PROTECTION 10,229			
ANNUAL HYDRANT CHARGE 62,607			
			<u>(293,180)</u>
REQUIRED REVENUE INCREASE (DECREASE)			<u>\$ (9,000)</u>
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES			<u><u>-3.07%</u></u>

TALLMADGE TOWNSHIP

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 27**

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT \$ 2.50 /100 CF *
 \$ 2.61 x 96.93%

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS	\$ 284,180
NEW COMMODITY CHARGE 77,848 x \$ 2.50	\$ 194,620
NEW MONTHLY BILLING CHARGE 371 x \$ 3.67 x 12	16,339
MONTHLY FIRE PROTECTION CHARGE	10,229
ANNUAL HYDRANT CHARGE	<u>62,607</u>
	<u>(283,795)</u>
	<u>\$ 385</u>

MONTHLY METER CHARGE = $\frac{\$385}{509 \times 12} = \underline{\underline{\$ 0.06 \text{ MONTHLY}}}$

<u>METER SIZE</u>	<u>EQUIVALENT</u>	<u>MONTHLY SERVICE CHARGE</u>			<u>PRESENT</u>
		<u>METER</u>	<u>BILLING</u>	<u>TOTAL</u>	
3/4" or less	1.0000	\$ 0.06	\$ 3.67	\$ 3.73	\$ 3.81
1"	1.7778	0.11	3.67	3.78	3.90
1 1/4"	2.7778	0.17	3.67	3.84	4.02
1 1/2"	4.0000	0.24	3.67	3.91	4.17
2"	7.1111	0.43	3.67	4.10	4.54
3"	16.0000	0.96	3.67	4.63	5.61
4"	28.4444	1.71	3.67	5.38	7.10
6" and over	64.0000	3.84	3.67	7.51	11.37

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2026

CITY OF EAST GRAND RAPIDS, MICHIGAN

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 26**

INTEGRATED SYSTEM REVENUE REQUIREMENTS *		\$	692,833
COMMODITY CHARGE			
(100CF) 581,855 units	x	\$ 1.31	762,230
			<hr/>
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)		\$	<u><u>(69,397)</u></u>
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS		\$	230,750
MONTHLY SERVICE CHARGE			
\$19,839	x	12 MONTHS	238,068
			<hr/>
REQUIRED SERVICE REVENUE INCREASE (DECREASE)		\$	<u><u>(7,318)</u></u>
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES			<u><u>-7.67%</u></u>

* NET OF INTEGRATED CONNECTION FEE CREDIT.

CITY OF EAST GRAND RAPIDS, MICHIGAN

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 27**

SYSTEM REVENUE REQUIREMENTS	\$	923,583
NEW COMMODITY CHARGE *		
581,855 x \$1.19 =		(692,407)
		<hr/>
	\$	<u>231,176</u>

MONTHLY SERVICE CHARGE * = \$231,176 / 12 = \$19,265

* NEW RATES EFFECTIVE ON JANUARY 1, 2026

ADA TOWNSHIP
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

INTEGRATED SYSTEM REVENUE REQUIREMENTS *		\$ 840,469
COMMODITY CHARGE		
(100CF) 621,251 units x \$ 1.49		925,664
		925,664
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)		\$ (85,195)
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS		\$ 907,771
MONTHLY SERVICE CHARGE		
\$61,151 x 12 MONTHS		733,812
		733,812
REQUIRED SERVICE REVENUE INCREASE (DECREASE)		\$ 173,959
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		5.35%

* NET OF INTEGRATED CONNECTION FEE CREDIT.

ADA TOWNSHIP
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 27

SYSTEM REVENUE REQUIREMENTS	\$ 1,748,240
NEW COMMODITY CHARGE *	
621,251 x \$1.35 =	(838,689)
	<hr/>
	<u>\$ 909,551</u>

MONTHLY SERVICE CHARGE * = \$ 909,551 / 12 = \$75,796

* NEW RATES EFFECTIVE ON JANUARY 1, 2026

OTTAWA COUNTY
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

INTEGRATED SYSTEM REVENUE REQUIREMENTS	\$ 2,803,528
COMMODITY CHARGE	
(100CF) 2,095,879 units x \$ 1.44	3,018,066

REQUIRED COMMODITY REVENUE INCREASE (DECREASE)	<u><u>\$ (214,538)</u></u>
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS	\$ -
MONTHLY SERVICE CHARGE	
\$0 x 12 MONTHS	-

REQUIRED SERVICE REVENUE INCREASE (DECREASE)	<u><u>\$ -</u></u>
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES	<u><u>-7.11%</u></u>

OTTAWA COUNTY
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 27

SYSTEM REVENUE REQUIREMENTS	\$ 2,803,528
NEW COMMODITY CHARGE *	
2,095,879 x \$1.34 =	(2,808,478)
	<hr/>
	<u>\$ (4,950)</u>

* NEW RATES EFFECTIVE ON JANUARY 1, 2026

CALEDONIA TOWNSHIP
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

INTEGRATED SYSTEM REVENUE REQUIREMENTS *		\$ 374,058
COMMODITY CHARGE		
(100CF) 221,250 units x \$ 1.77		392,490

REQUIRED COMMODITY REVENUE INCREASE (DECREASE)		<u><u>\$ (18,432)</u></u>
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS		\$ 839,767
MONTHLY SERVICE CHARGE		
\$21,731 x 12 MONTHS		260,772

REQUIRED SERVICE REVENUE INCREASE (DECREASE)		<u><u>\$ 578,995</u></u>
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		<u><u>85.81%</u></u>

* NET OF INTEGRATED CONNECTION FEE CREDIT.

CALEDONIA TOWNSHIP
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RATE ANALYSIS - TASK NO. 27

SYSTEM REVENUE REQUIREMENTS	\$ 1,213,825
NEW COMMODITY CHARGE *	
221,250 x \$1.69 =	(373,913)
	<hr/>
	<u>\$ 839,912</u>

MONTHLY SERVICE CHARGE * = \$ 839,912 / 12 = \$69,993

* NEW RATES EFFECTIVE ON JANUARY 1, 2026

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
RE-EVALUATE FRONT FOOT CHARGES
TASK NO. 28**

The City Engineer's Office has reviewed recent construction costs for water facilities and recommends the following front foot assessment rates:

Water User Type	Definition	2025 Rate	2026 Rate	% Change
Domestic	Property is domicile for single or multiple family use, such as homes, apartments, duplexes, condominium, etc.	\$ 150.00	\$ 166.00	10.67%
Commercial - Industrial	Property used to offer services and / or products, such as retail/wholesale stores, gas stations, restaurants, hotels, schools, churches, etc., and manufacturing or processing facilities (industrial).	\$ 230.00	\$ 240.00	4.35%

The above rates are based on an average of prices quoted in bid proposals which have been received by the City Engineer's Office during the period July 1, 2024 through June 30, 2025. Calculations of the rates are on file in the City Engineer's Office.

**WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
EVALUATE WATER SERVICE CHARGES
TASK NO. 29**

The City Engineer's Office has evaluated the cost for water services and recommends the following water service charges:

Service Size	Year	50' R.O.W.	60' R.O.W.	66' R.O.W.	80' R.O.W.	100' R.O.W.
1" Water Service	2025	\$ 3,900	\$ 4,300	\$ 4,600	\$ 5,200	\$ 6,200
	2026	\$ 4,200	\$ 4,700	\$ 5,000	\$ 5,700	\$ 6,700
1-1/2" Water Service	2025	\$ 5,700	\$ 6,300	\$ 6,700	\$ 6,700	\$ 8,800
	2026	\$ 5,700	\$ 6,400	\$ 6,800	\$ 7,600	\$ 9,100
2" Water Service	2025	\$ 6,500	\$ 7,100	\$ 7,500	\$ 8,500	\$ 9,800
	2026	\$ 7,000	\$ 7,700	\$ 8,200	\$ 9,300	\$ 10,800

The percent increases of the water service pipe charges are as shown below:

Service Size	50' R.O.W.	60' R.O.W.	66' R.O.W.	80' R.O.W.	100' R.O.W.
1" Water Service	7.69%	9.30%	8.70%	9.62%	8.06%
1-1/2" Water Service	0.00%	1.59%	1.49%	13.43%	3.41%
2" Water Service	7.69%	8.45%	9.33%	9.41%	10.20%

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: October 16, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Samarhia Giffel
Administrative Services Officer II

SUBJECT: 2025 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, 2026.

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

Fire Protection Monthly

- Fee increases 4.579% for all sizes based on Bond Buyer Index (BBI) referenced from Task 19.

Meter Testing

- Fee increases 33.33% for $\frac{3}{4}$ " and 1" meters, 25% for 1 $\frac{1}{2}$ " meters, 30% for 2" meters, and 5% for 3" meters, due to manufacturer and distributor price increases.

Meter Replacement

- Meter fees increase due to manufacturer and distributor price increases:
 - $\frac{3}{4}$ " meters increase 7.14%
 - 1" meters increase 6.78%
 - 1 $\frac{1}{2}$ " meters increase 8.12%
 - 2" meters increase 8.23%
 - 4" & 6" meters increase less than 1%
 - 8" meters increase 8.02%
 - 10" meters increase 8.01%

Miscellaneous

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

Penalties

- Administrative/Research fee increased 7.14% and aligned to support Business Office resource requirements and cost recovery.
- Missed Appointment fee increased 10% and aligned to support Business Office resource requirements and cost recovery.

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

SG

Cc: Wayne Jernberg, Water System Manager
James Ouzts, Environmental Services Manager
Lindsay Sagorski-Munsell, Assistant Water System Manager

Fees, Charges, and Penalties		2025 Fee (\$)	2026 Fee (\$)	% Change
Fire Protection Monthly				
	6"	\$22.98	\$24.03	4.579%
	8"	\$40.76	\$42.63	4.579%
	10"	\$63.87	\$66.80	4.579%
	12"	\$91.91	\$96.12	4.579%

**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		\$75	\$75	0%
Inspection/Repair Scheduled On & Off Request (may also need meter set/install)		\$75	\$75	0%

Meter Reading				
Final or Actual Reading		\$65	\$65	0%
Meter Interface Unit Replacement (includes Smart Endpoint Device)		\$200	\$200	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	\$200	33.33%
	1 ½ "	\$200	\$250	25%
	2"	\$350	\$455	30%
	3"	\$500	\$525	5.00%
	4" or larger	Cost	Cost	0%

**Ultrasonic Meters charged at costs*

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

Fees, Charges, and Penalties

2025 Fee (\$) **2026 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.

	2025 Fee (\$)	2026 Fee (\$)	% Change
¾"	\$210	\$225	7.14%
1"	\$295	\$315	6.78%
1 ½"	\$985	\$1,065	8.12%
2"	\$1,155	\$1,250	8.23%
3"	\$2,355	\$2,355	0%
4"	\$3,146	\$3,147	0.03%
6"	\$5,201	\$5,202	0.02%
8"	\$10,480	\$11,320	8.02%
10"	\$13,675	\$14,770	8.01%

Miscellaneous

	2025 Fee (\$)	2026 Fee (\$)	% Change
Street Opening Permit (Water/ESD, City Engineering, Streets)	\$300	\$300	0%
Water Inspection Permit (Within City Limits)	\$95	\$100	5.26%
Water Inspection Permit (Outside City Limits)	\$110	\$115	4.55%
Sanitary Service Line Inspection Permit (Within City Limits)	\$95	\$100	5.26%
Sanitary Service Line Inspection Permit (Outside City Limits)	\$110	\$115	4.55%
Storm Service Line Inspection Permit (Within City Limits)	\$95	\$100	5.26%
Storm Service Line Inspection Permit (Outside City Limits)	\$110	\$115	4.55%
Footing Drain Lateral Inspection Permit (Within City Limits)	\$95	\$100	5.26%
Footing Drain Lateral Inspection Permit (Outside City Limits)	\$110	\$115	4.55%
Sewer Lateral Service Demolition/Cap off Inspection Fee (Within City Limits)	\$95	\$100	5.26%
Sewer Later Service Demolition/Cap off Inspection Fee (Outside City Limits)	\$110	\$115	4.55%
Plumbing Service Re-inspection Fee	\$95	\$100	5.26%
Cross Connection Re-inspection Fee	\$75	\$75	0%

Fees, Charges, and Penalties	2025 Fee (\$)	2026 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)	\$35	\$35	0%
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	\$75	7.14%
Missed Appointment	\$50	\$55	10%
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%

**CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 31**

THERE IS NO TASK 31 FOR THE WATER RATE STUDY.

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: August 28, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Lindsay Sagorski Munsell, PE
Assistant Water System Manager

SUBJECT: **2025 WATER RATE STUDY - TASK #32 - WATER MAIN OVERSIZING RATES**

Water main oversizing rates are established for this year as noted below:

<u>Pipe Size</u>	<u>2024 Rate</u>	<u>2025 Rate</u>	<u>2026 Rate</u>	<u>2025 to 2026 % Change</u>
8"-12"	\$41.75/ft	\$40.97/ft	\$42.59/ft	3.95%
12"-16"	\$69.76/ft	\$27.75/ft	\$66.31/ft	138.94%
8"-16"	\$111.51/ft	\$68.22/ft	\$108.89/ft	59.62%

These rates have been determined in accordance with the Water System Rules and Regulations, and are approved for use from January 1, 2026 through December 31, 2026. Background information and calculations to establish these rates are on file in the Utility Engineering, Distribution and Collection Office.

Due to the ongoing volatility in the economic marketplace, some material prices have been impacted again this year. The information we gathered from vendors showed an increase in all pipe products over last year. As a result of the price fluctuation, we are seeing parallel changes in the Oversizing Rates

These costs will be reviewed and may be adjusted again next year. If you have any questions regarding this matter, please call me at 616-456-4291.

LS/AO

Cc: Wayne Jernberg
Cindy Irving
Jeff McCaul

James Ouzts
Brian Bradley

**CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 33**

SERVICE AREA MAPS AND SERVICE AREA LAND MASS SUMMARIES

The following summarizes Utility Services Districts (USD) land mass square miles for UAB partner communities, per information on file as of June 30, 2025:

UAB Partners	Sq. Miles of USD by CC	Percent
Grand Rapids	45.388	33.767%
Walker	24.842	18.482%
Kentwood	13.523	10.061%
Cascade	21.132	15.722%
Grand Rapids Township	10.913	8.119%
Tallmadge Township	2.780	2.068%
East Grand Rapids	3.373	2.509%
Ada	7.215	5.368%
Caledonia	5.248	3.904%
Total	134.414	100.000%

**CITY OF GRAND RAPIDS, MICHIGAN
WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 34**

INDIVIDUAL CIRCUIT BREAKER AND CITY & CUSTOMER COMMUNITY CIRCUIT BREAKER

The Third Amendment to the Water and Sanitary Sewer Agreements stipulates penalty fees shall be used to fund the circuit breaker provisions noted above.

The following summarizes those values:

<u>Description</u>	<u>AMOUNT</u>	<u>PERCENT</u>
Individual Circuit Breaker (ICB)*	\$ 157,226	22.53%
City & Customer Community Circuit Breaker (CCCCB)	540,584	77.47%
Total	<u>\$ 697,810</u>	<u>100.00%</u>

The following tables summarize the amount, if any, of the Circuit Breaker to be applied as a revenue credit in next year's Rate Study:

<u>Description</u>	<u>AMOUNT</u>	<u>PERCENT</u>
City & Customer Community Circuit Breaker Amount- Above	\$ 540,584	100.00%
Less: Amount Applied in Current Rate Study	(540,584)	-100.00%
Total CCCCCB Revenue Credit- Next Year's Rate Study	<u>\$ 0</u>	<u>0.00%</u>

*Per City Commission Resolution 84923 adopted on September 8, 2015, the Water and Sanitary Sewer Systems are authorized to utilize non-operating revenue to provide supplemental funding to the ICB. \$157,226 includes \$80,000 of facility rental revenue from fiscal year 2025 to supplement the 2026 ICB.

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ANNUAL RATE REVIEW**

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**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
SYSTEM ADDITIONS AND IMPROVEMENTS
FOR THE YEAR ENDED JUNE 30, 2025
TASKS NO. 1, 2, & 3**

COMMUNITY	LOCAL		TRUNK		INTERCEPTOR		TOTALS	
	FEET	MILES	FEET	MILES	FEET	MILES	FEET	MILES
Grand Rapids								
Construction	12,931	2.45	9,092	1.72	139	0.03	22,162	4.20
Abandonment	(1,524)	(0.29)	(243)	(0.05)	0	0.00	(1,767)	(0.34)
CSO Construction	0	0.00	0	0.00	0	0.00	0	0.00
CSO Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	<u>11,407</u>	<u>2.16</u>	<u>8,849</u>	<u>1.67</u>	<u>139</u>	<u>0.03</u>	<u>20,395</u>	<u>3.86</u>
Kentwood								
Construction	0	0.00	0	0.00	0	0.00	0	0.00
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
Cascade Twp.								
Construction	0	0.00	0	0.00	0	0.00	0	0.00
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
G.R. Twp.								
Construction	0	0.00	0	0.00	0	0.00	0	0.00
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
Tallmadge Twp.								
Construction	0	0.00	0	0.00	0	0.00	0	0.00
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
Walker								
Construction	668	0.13	1,300	0.25	0	0.00	1,968	0.38
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	<u>668</u>	<u>0.13</u>	<u>1,300</u>	<u>0.25</u>	<u>0</u>	<u>0.00</u>	<u>1,968</u>	<u>0.38</u>
Wright Twp								
Construction	0	0.00	0	0.00	0	0.00	0	0.00
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
TOTAL	<u><u>12,075</u></u>	<u><u>2.29</u></u>	<u><u>10,149</u></u>	<u><u>1.92</u></u>	<u><u>139</u></u>	<u><u>0.03</u></u>	<u><u>22,363</u></u>	<u><u>4.24</u></u>

	CONTRIBUTIONS		
	COMM	OTHER	TOTAL
Integrated	\$ -		\$ -
Grand Rapids	446,628		446,628
Kentwood	-		-
Cascade Twp.	-		-
Grand Rapids Twp.	-		-
Tallmadge Twp.	-		-
Walker	1,135,235		1,135,235
Wright Twp.	-		-
TOTAL	<u><u>\$ 1,581,863</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,581,863</u></u>

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
OPERATING EXPENSE ALLOCATION BY COST CENTER - TASK #4, PART 1
FISCAL YEAR ENDED JUNE 30, 2025**

Cost Center-Fund	ACTIVITY	EXPENSE BY ACTIVITY	WASTEWATER TREATMENT PLANT	WASTEWATER LIFT STATIONS			SEWER LINES			BULK METERING STATIONS	CUSTOMER ACCOUNTING	INDUSTRIAL PRETREAT.	ADMIN. EXPENSE
				INTERCEPTOR	TRUNK	LOCAL COLLECTOR	INTERCEPTOR	TRUNK	LOCAL COLLECTOR				
(52740:52755) 5900	WASTEWATER TREATMENT (LESS 52744-5900)	\$ 22,410,248	\$ 21,360,944	\$ 302,811	\$ 187,974	\$ 553,533				\$ 4,987			
(52770) 5900	SEWER MAINTENANCE	6,447,342					325,784	779,742	5,341,816				
(52730) 5900	CUSTOMER SERVICE*	2,889,180								2,889,180			
(52744) 5900	INDUSTRIAL PRETREATMENT	1,171,525									1,171,525		
	SUBTOTAL OPERATING EXPENSE	32,918,294	21,360,944	302,811	187,974	553,533	325,784	779,742	5,341,816	4,987	2,889,180	1,171,525	
(52701/52760/52780) 5900	ADMINISTRATION	3,563,760											
	TOTAL	\$ 36,482,054	\$ 21,360,944	\$ 302,811	\$ 187,974	\$ 553,533	\$ 325,784	\$ 779,742	\$ 5,341,816	\$ 4,987	\$ 2,889,180	\$ 1,171,525	
												\$ 3,563,760	

* Reflects adjustment for circuit breaker provisions per the third amendment to W/S service agreements.

METHOD OF DISTRIBUTION

(52740:52755) 5900	WASTEWATER TREATMENT		100.000%									
	A. TREATMENT PLANT			95.318%								
	B. LIFT & METER STATIONS			4.682%								
(52770) 5900	NO. OF STATIONS	(60)			(1)	(8)	(45)			(6)		
	SEWER MAINTENANCE											
	TOTAL MILES	945.38	100.000%									
	A. INTERCEPTOR											
	MILES	47.77	5.053%				5.053%					
	B. TRUNK LINES											
	MILES	114.33	12.094%					12.094%				
	C. LOCAL COLLECTOR											
	MILES	783.28	82.853%						82.853%			
(52730) 5900	CUSTOMER SERVICE		100.000%							100.000%		
(52744) 5900	INDUSTRIAL PRETREATMENT		100.000%								100.000%	
(52701/52760/52780) 5900	ADMINISTRATION		100.000%									100.000%

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
OPERATING EXPENSE ALLOCATION BY GOVERNMENTAL UNIT - TASK #4, PART 2
FISCAL YEAR ENDED JUNE 30, 2025**

COST CENTER	EXPENSE BY COST CENTER	INTEGRATED SYSTEM	RETAIL							WHOLESALE			
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP	CITY OF EAST GR	CALEDONIA TOWNSHIP	ADA TOWNSHIP	GAINES TOWNSHIP
WASTEWATER TREATMENT	\$ 21,360,944	\$ 21,360,944											
LIFT STATIONS:													
A. INTERCEPTOR	302,811		302,811	-	-	-	-	-	-	-	-	-	-
B. TRUNK	187,974		50,376	71,512	-	55,580	10,506	-	-	-	-	-	-
C. LOCAL COLLECTOR	553,533		98,571	51,135	-	115,700	218,727	49,601	9,201	-	-	10,597	-
SEWER LINES:													
A. INTERCEPTOR	325,784		186,251	47,125	83,270	9,138	-	-	-	-	-	-	-
B. TRUNK	779,742		285,152	192,050	171,387	67,931	43,104	19,299	819	-	-	-	-
C. LOCAL COLLECTOR	5,341,816		3,630,118	361,822	524,459	319,227	416,341	59,134	30,715	-	-	-	-
BULK METERING STATIONS	4,987		-	-	2,292	-	-	-	-	1,943	14	36	702
CUSTOMER ACCOUNTING	2,889,180		2,208,114	227,927	196,146	79,366	155,496	13,435	8,696				
INDUSTRIAL PRETREATMENT	1,171,525	1,171,525											
SUBTOTAL OPERATING EXPENSE	32,918,294	22,532,469	6,761,393	951,570	977,554	646,942	844,175	141,469	49,431	1,943	14	10,633	702
ADMINISTRATIVE EXPENSE	3,563,760	2,399,563	778,219	101,336	104,103	68,895	89,899	15,066	5,264	207	1	1,132	75
TOTAL	\$ 36,482,054	\$ 24,932,032	\$ 7,539,613	\$ 1,052,906	\$ 1,081,657	\$ 715,837	\$ 934,074	\$ 156,535	\$ 54,695	\$ 2,150	\$ 15	\$ 11,765	\$ 777

METHOD OF DISTRIBUTION

WASTEWATER TREATMENT													
A. TREATMENT PLANT	100.000%	100.00%											
B. LIFT & METER STATIONS (1)	100.000%												
NO. OF STATIONS (60)			(13)	(6)	(2)	(10)	(18)	(5)	(1)	(1)	(1)	(2)	(1)
SEWER LINES:													
TOTAL MILES: 945.38													
A. INTERCEPTOR	100.000%		57.170%	14.465%	25.560%	2.805%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
MILES 47.77			27.31	6.91	12.21	1.34	-	-	-	-	-	-	-
B. TRUNK LINES	100.000%		36.570%	24.630%	21.980%	8.712%	5.528%	2.475%	0.105%	0.000%	0.000%	0.000%	0.000%
MILES 114.33			41.81	28.16	25.13	9.96	6.32	2.83	0.12	-	-	-	-
C. LOCAL COLLECTOR	100.000%		62.137%	12.593%	9.818%	5.976%	7.794%	1.107%	0.575%	0.000%	0.000%	0.000%	0.000%
MILES 783.28			486.71	98.64	76.90	46.81	61.05	8.67	4.50	-	-	-	-
CUSTOMER ACCTG (2)	100.000%		76.728%	7.889%	6.789%	2.747%	5.382%	0.465%	0.301%				
NO. OF METERS 76,787.00			58,686.00	6,058.00	5,213.00	2,109.00	4,133.00	357.00	231.00				
INDUSTRIAL PRETREATMENT	100.000%	100.00%											
ADMINISTRATIVE EXPENSE (3)	100.000%	67.331%	21.837%	2.844%	2.921%	1.933%	2.523%	0.423%	0.148%	0.006%	0.000%	0.032%	0.002%

NOTES:

- (1) DIRECT COSTS PER SCHEDULE.
- (2) ALLOCATION BASED ON NUMBER OF METERS, INCLUSIVE OF USERS FOR WRIGHT TWP.
- (3) ALLOCATED ON DIRECT OPERATING EXPENSE, ADJUSTED FOR ANY COST ASSIGNABLE EXCLUSIVELY TO GR OR RETAIL COMMUNITIES, IF APPLICABLE.

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED OPERATING EXPENSE ALLOCATION BY COST CENTER - TASK #5, PART 1
FISCAL YEAR ENDED JUNE 30, 2025**

Cost Center-Fund	ACTIVITY	ADJUSTED EXPENSE BY ACTIVITY	WASTEWATER TREATMENT PLANT	WASTEWATER LIFT STATIONS			SEWER LINES			BULK METERING STATIONS	CUSTOMER ACCOUNTING	INDUSTRIAL PRETREAT.	ADMIN. EXPENSE
				INTERCEPTOR	TRUNK	LOCAL COLLECTOR	INTERCEPTOR	TRUNK	LOCAL COLLECTOR				
(52740:52755) 5900	WASTEWATER TREATMENT (LESS 52744 - 5900)	\$ 23,341,009	\$ 22,262,773	\$ 311,160	\$ 193,156	\$ 568,797				\$ 5,123			
(52770) 5900	SEWER MAINTENANCE	6,765,994					341,886	818,279	5,605,829				
(52730) 5900	CUSTOMER SERVICE *	3,740,108									3,740,108		
(52744) 5900	INDUSTRIAL PRETREATMENT	1,225,814										1,225,814	
	SUBTOTAL OPERATING EXPENSE	35,072,926	22,262,773	311,160	193,156	568,797	341,886	818,279	5,605,829	5,123	3,740,108	1,225,814	-
(52701/52760/52780) 5900	ADMINISTRATION	3,995,139											3,995,139
	TOTAL	\$ 39,068,065	\$ 22,262,773	\$ 311,160	\$ 193,156	\$ 568,797	\$ 341,886	\$ 818,279	\$ 5,605,829	\$ 5,123	\$ 3,740,108	\$ 1,225,814	\$ 3,995,139

* Reflects adjustment for circuit breaker provisions per the third amendment to W/S service agreements.

METHOD OF DISTRIBUTION

(52740:52755) 5900	WASTEWATER TREATMENT		100.000%									
	A. TREATMENT PLANT			95.381%								
	B. LIFT & METER STATIONS			4.619%								
	NO. OF STATIONS	(60)			(1)	(8)	(45)			(6)		
(52770) 5900	SEWER MAINTENANCE											
	TOTAL MILES	945.38	100.000%									
	A. INTERCEPTOR											
	MILES	47.77	5.053%				5.053%					
	B. TRUNK LINES											
	MILES	114.33	12.094%					12.094%				
	C. LOCAL COLLECTOR											
	MILES	783.28	82.853%						82.853%			
(52730) 5900	CUSTOMER SERVICE		100.000%								100.000%	
(52744) 5900	INDUSTRIAL PRETREATMENT		100.000%									100.000%
(52701/52760/52780) 5900	ADMINISTRATION		100.000%									100.000%

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED OPERATING EXPENSE ALLOCATION BY GOVERNMENTAL UNIT - TASK #5, PART 2
FISCAL YEAR ENDED JUNE 30, 2025**

COST CENTER	ADJUSTED EXPENSE BY COST CENTER	INTEGRATED SYSTEM	RETAIL							WHOLESALE			
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP	CITY OF EAST GR	CALEDONIA TOWNSHIP	ADA TOWNSHIP	GAINES TOWNSHIP
WASTEWATER TREATMENT	\$ 22,262,773	\$ 22,262,773											
LIFT STATIONS:													
A. INTERCEPTOR	311,160		311,160	-	-	-	-	-	-	-	-	-	-
B. TRUNK	193,156		51,765	73,483	-	57,112	10,796	-	-	-	-	-	-
C. LOCAL COLLECTOR	568,797		101,290	52,545	-	118,890	224,759	50,969	9,455	-	-	10,889	-
SEWER LINES:													
A. INTERCEPTOR	341,886		195,456	49,454	87,386	9,590	-	-	-	-	-	-	-
B. TRUNK	818,279		299,246	201,542	179,858	71,288	45,234	20,252	859	-	-	-	-
C. LOCAL COLLECTOR	5,605,829		3,483,294	705,942	550,380	335,004	436,918	62,057	32,234	-	-	-	-
BULK METERING STATIONS	5,123		-	-	2,355	-	-	-	-	1,996	14	37	721
CUSTOMER ACCOUNTING	3,740,108		2,858,451	295,057	253,916	102,741	201,293	17,392	11,258				
INDUSTRIAL PRETREATMENT	1,225,814	1,225,814											
SUBTOTAL OPERATING EXPENSE	35,072,926	23,488,587	7,300,662	1,378,023	1,073,895	694,625	919,000	150,670	53,806	1,996	14	10,926	721
ADMINISTRATIVE EXPENSE	3,995,139	2,636,613	877,679	154,684	120,546	77,972	103,158	16,913	6,040	224	2	1,226	81
TOTAL	\$ 39,068,065	\$ 26,125,200	\$ 8,178,342	\$ 1,532,707	\$ 1,194,441	\$ 772,597	\$ 1,022,158	\$ 167,583	\$ 59,846	\$ 2,220	\$ 16	\$ 12,152	\$ 802

METHOD OF DISTRIBUTION

WASTEWATER TREATMENT													
A. TREATMENT PLANT	100.000%	100.00%											
B. LIFT & METER STATIONS (1)	100.000%												
NO. OF STATIONS (60)			(13)	(6)	(2)	(10)	(18)	(5)	(1)	(1)	(1)	(2)	(1)
SEWER LINES:													
TOTAL MILES: 945.38													
A. INTERCEPTOR	100.000%		57.170%	14.465%	25.560%	2.805%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
MILES 47.77			27.31	6.91	12.21	1.34	-	-	-	-	-	-	-
B. TRUNK LINES	100.000%		36.570%	24.630%	21.980%	8.712%	5.528%	2.475%	0.105%	0.000%	0.000%	0.000%	0.000%
MILES 114.33			41.81	28.16	25.13	9.96	6.32	2.83	0.12	-	-	-	-
C. LOCAL COLLECTOR	100.000%		62.137%	12.593%	9.818%	5.976%	7.794%	1.107%	0.575%	0.000%	0.000%	0.000%	0.000%
MILES 783.28			486.71	98.64	76.90	46.81	61.05	8.67	4.50	-	-	-	-
CUSTOMER ACCTG (2)	100.000%		76.427%	7.889%	6.789%	2.747%	5.382%	0.465%	0.301%				
NO. OF METERS 76,787.00			58,686.00	6,058.00	5,213.00	2,109.00	4,133.00	357.00	231.00				
INDUSTRIAL PRETREATMENT	100.000%	100.00%											
ADMINISTRATIVE EXPENSE (3)	100.000%	65.995%	21.969%	3.872%	3.017%	1.952%	2.582%	0.423%	0.151%	0.006%	0.000%	0.031%	0.002%

NOTES:

- (1) ADJUSTED DIRECT COSTS PER SCHEDULE.
- (2) ALLOCATION BASED ON NUMBER OF METERS, INCLUSIVE OF USERS FOR WRIGHT TWP.
- (3) ALLOCATED ON DIRECT OPERATING EXPENSE, ADJUSTED FOR ANY COST ASSIGNABLE EXCLUSIVELY TO GR OR RETAIL COMMUNITIES, IF APPLICABLE.

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5 SUPPORT**

ORGANIZATIONAL UNIT: ADMINISTRATION

OBJ	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	\$ 783,419.00	\$ 49,339.73	\$ 832,758.73
70400000	TEMPORARY EMPLOYEES	2,261.55	142.43	2,403.98
70550000	TIME & ONE-HALF	4,782.07	301.17	5,083.24
71050000	EMPLOYERS SOCIAL SECURITY	57,802.76	3,640.42	61,443.18
71100000	HOSPITALIZATION INSURANCE	130,804.64	8,057.57	138,862.21
71150000	RETIREE HEALTH CARE	27,627.09	4,652.40	32,279.49
71200000	RETIREMENT FUND CONTRIBUTION	180,674.82	(3,541.23)	177,133.59
71350000	UNEMPLOYMENT COMPENSATION	1,184.56	-	1,184.56
71500000	LONGEVITY PAY	168.75	-	168.75
71650000	SHIFT DIFFERENTIAL	2.20	-	2.20
71750000	FOOD/CLEAN/CAR ALLOW	1,442.60	-	1,442.60
	TOTAL PERSONAL SERVICES	<u>1,190,170.04</u>	<u>62,592.49</u>	<u>1,252,762.53</u>
75200000	SUPPLIES	23,354.00	-	23,354.00
76700000	CLOTHING/CLEANING ALLOWANCE	1,631.35	-	1,631.35
78000000	INVENTORY - COST OF GOODS SOLD	75,956.36	-	75,956.36
79100000	SUBSCRIPTIONS AND PUBLICATIONS	414.00	-	414.00
	TOTAL SUPPLIES	<u>101,355.71</u>	<u>-</u>	<u>101,355.71</u>
69310000	GAIN-LOSS ON SALE OF ASSETS-FA	83,433.79	-	83,433.79
80100000	CONTRACTUAL SERVICES	483,231.59	-	483,231.59
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	1,630.02	-	1,630.02
80160000	CONTRACTS-EXTERNAL LEGAL SERVICES	2,524.50	-	2,524.50
80300000	ADMINISTRATIVE SERVICES	60,787.52	(60,787.52)	-
82400000	FEES	21,990.48	-	21,990.48
84000000	INSURANCE PREMIUMS	401,643.00	-	401,643.00
84500000	GENERAL LIABILITY INSURANCE/CLAIMS	300,073.00	15,690.00	315,763.00
85000000	TELEPHONE	791.02	-	791.02
85100000	POSTAGE	73.00	-	73.00
90000000	PRINTING & PUBLISHING	1,617.43	-	1,617.43
90100000	ADVERTISING - ANY MEDIA	30.00	-	30.00
95600000	PROFESSIONAL DEVELOPMENT	3,050.70	-	3,050.70
95610000	OTHER TRAVEL & TRAINING	3,660.81	-	3,660.81
95630000	FOOD-BEVERAGE	445.06	-	445.06
95800000	MEMBERSHIPS	24,709.90	-	24,709.90
92000000	ELECTRICITY	-	58,174.20	58,174.20
82820000	ENGINEERING SERVICES	2,858.75	-	2,858.75
82830000	VEHICLE USAGE/CAR MILAGE	7,403.79	-	7,403.79
82840000	COMPUTER SERVICES	15,047.34	1,787.66	16,835.00
88000000	COMMUNITY PROMOTION	1,600.00	-	1,600.00
96500000	BAD DEBT WRITE-OFFS	9,879.27	-	9,879.27
	TOTAL OTHER SERVICES & CHARGES	<u>1,426,480.97</u>	<u>14,864.34</u>	<u>1,441,345.31</u>
98000000	OFFICE EQUIPMENT & FURNITURE	1,456.03	-	1,456.03
98400000	SOFTWARE	30.00	-	30.00
	TOTAL CAPITAL	<u>1,486.03</u>	<u>-</u>	<u>1,486.03</u>
82850000	A-87 COST ALLOCATION	844,267.00	353,922.00	1,198,189.00
	TOTAL TRANSFERS/FEES	<u>844,267.00</u>	<u>353,922.00</u>	<u>1,198,189.00</u>
	ORGANIZATIONAL UNIT TOTAL	<u>\$ 3,563,759.75</u>	<u>\$ 431,378.83</u>	<u>\$ 3,995,138.58</u>

**CITY OF GRAND RAPIDS, MICHIGAN
 SEWAGE DISPOSAL SYSTEM FUND
 ADJUSTED ACTUAL EXPENSE
 YEAR ENDED JUNE 30, 2025
 RATE STUDY- TASKS NO. 4 & 5 SUPPORT**

ORGANIZATIONAL UNIT: SDSF - CUST.SERV'S

OBJ	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
82860000	UTILITY CUSTOMER SERVICE	\$ 2,889,180.00	\$ 850,928.13	\$ 3,740,108.13
	TOTAL OTHER SERVICES & CHARGES	<u>2,889,180.00</u>	<u>850,928.13</u>	<u>3,740,108.13</u>
	ORGANIZATIONAL UNIT TOTAL*	<u>\$ 2,889,180.00</u>	<u>\$ 850,928.13</u>	<u>\$ 3,740,108.13</u>

* Reflects adjustment for circuit breaker provisions per the third amendment to W/S service agreements.

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5 SUPPORT**

ORGANIZATIONAL UNIT: WASTEWATER

OBJ	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	\$ 5,300,018.96	\$ 333,795.19	\$ 5,633,814.15
70250000	ACT.ASSIGNMENT	25,681.02	\$ 1,617.39	27,298.41
70400000	TEMPORARY EMPLOYEES	28,610.67	1,801.90	30,412.57
70500000	REGULAR HOURLY RATE	6,290.07	396.15	6,686.22
70550000	TIME & ONE-HALF	172,875.69	10,887.71	183,763.40
71050000	EMPLOYERS SOCIAL SECURITY	401,151.33	25,264.51	426,415.84
71100000	HOSPITALIZATION INSURANCE	1,264,320.49	77,882.14	1,342,202.63
71150000	RETIREE HEALTH CARE	189,937.69	31,985.51	221,923.20
71200000	RETIREMENT FUND CONTRIBUTION	1,247,442.14	(24,449.87)	1,222,992.27
71350000	UNEMPLOYMENT COMPENSATION	8,142.17	-	8,142.17
71500000	LONGEVITY PAY	28,822.50	-	28,822.50
71650000	SHIFT DIFFERENTIAL	21,619.54	-	21,619.54
71700000	ELECTION WRKR-BRD MEMBERS PAY	415.00	-	415.00
	TOTAL PERSONAL SERVICES	<u>8,695,327.27</u>	<u>459,180.63</u>	<u>9,154,507.90</u>
75200000	SUPPLIES	1,176,697.68	-	1,176,697.68
75300000	PROCESS CHEMICALS	1,207,497.10	-	1,207,497.10
76700000	CLOTHING/CLEANING ALLOWANCE	38,129.60	-	38,129.60
79100000	PUBLICATIONS AND SUBSCRIPTIONS	2,831.21	-	2,831.21
	TOTAL SUPPLIES	<u>2,425,155.59</u>	<u>-</u>	<u>2,425,155.59</u>
80100000	CONTRACTUAL SERVICES	6,786,237.34	500,000.00	7,286,237.34
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	30,111.46	-	30,111.46
80150000	CONTRACT SERV-TRAINING	13,926.67	-	13,926.67
82400000	FEES	46,482.40	-	46,482.40
85000000	TELEPHONE	38,985.74	-	38,985.74
85100000	POSTAGE	3,534.29	-	3,534.29
90000000	PRINTING & PUBLISHING	588.50	-	588.50
90100000	ADVERTISING - ANY MEDIA	409.85	-	409.85
95600000	PROFESSIONAL DEVELOPMENT	38,793.38	-	38,793.38
95610000	OTHER TRAVEL & TRAINING	35,436.80	-	35,436.80
95630000	FOOD-BEVERAGE	250.58	-	250.58
95800000	MEMBERSHIPS	26,723.70	-	26,723.70
92800000	WATER	108,202.00	-	108,202.00
92900000	REFUSE COLLECTION CHARGES	12,142.91	-	12,142.91
92000000	ELECTRICITY	1,792,604.63	(58,174.20)	1,734,430.43
92100000	NATURAL GAS	1,087,443.61	-	1,087,443.61
93100000	EQUIPMENT REPAIRS	4,164.02	-	4,164.02
93300000	SOFTWARE MAINTENANCE AGREEMENTS	219,790.95	-	219,790.95
93400000	MAINTENANCE SERVICE	14,470.20	-	14,470.20
94100000	EQUIPMENT RENTALS OR LEASE	46,565.63	-	46,565.63
82800000	FLEET MANAGEMENT EQUIPMENT	300,735.76	-	300,735.76
82810000	311 CALL CENTER SERVICES	2,980.00	-	2,980.00
82830000	VEHICLE USAGE/CAR MILAGE	1,111.57	-	1,111.57
82840000	COMPUTER SERVICES	249,959.66	29,755.34	279,715.00
	TOTAL OTHER SERVICES & CHARGES	<u>10,861,651.65</u>	<u>471,581.14</u>	<u>11,333,232.79</u>
97600000	EQUIPMENT	372,214.84	-	372,214.84
98000000	FURNITURE	13,986.34	-	13,986.34
98400000	SOFTWARE	10,012.00	-	10,012.00
	TOTAL CAPITAL	<u>396,213.18</u>	<u>-</u>	<u>396,213.18</u>
99550000	OPERATING TRANS-MISC	31,900.00	-	31,900.00
	TOTAL TRANSFERS/FEES	<u>31,900.00</u>	<u>-</u>	<u>31,900.00</u>
	ORGANIZATIONAL UNIT TOTAL	<u>\$ 22,410,247.69</u>	<u>\$ 930,761.77</u>	<u>\$ 23,341,009.46</u>

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5 SUPPORT**

ORGANIZATIONAL UNIT: IND. PRETREATMENT

OBJ	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	\$ 665,752.28	\$ 41,929.08	\$ 707,681.36
70250000	ACT.ASSIGNMENT	2,320.87	146.17	2,467.04
70550000	TIME & ONE-HALF	2,896.94	182.45	3,079.39
71050000	EMPLOYERS SOCIAL SECURITY	49,213.69	3,099.48	52,313.17
71100000	HOSPITALIZATION INSURANCE	129,659.34	7,987.02	137,646.36
71150000	RETIREE HEALTH CARE	23,648.62	3,982.43	27,631.05
71200000	RETIREMENT FUND CONTRIBUTION	154,937.33	(3,036.77)	151,900.56
71350000	UNEMPLOYMENT COMPENSATION	940.91	-	940.91
71500000	LONGEVITY PAY	3,900.00	-	3,900.00
71650000	SHIFT DIFFERENTIAL	2.00	-	2.00
	TOTAL PERSONAL SERVICES	<u>1,033,271.98</u>	<u>54,289.86</u>	<u>1,087,561.84</u>
75200000	SUPPLIES	34,343.44	-	34,343.44
76700000	CLOTHING/CLEANING ALLOWANCE	3,547.59	-	3,547.59
79100000	SUBSCRIPTIONS AND PUBLICATIONS	59.00	-	59.00
	TOTAL SUPPLIES	<u>37,950.03</u>	<u>-</u>	<u>37,950.03</u>
80100000	CONTRACTUAL SERVICES	31,342.24	-	31,342.24
85000000	TELEPHONE	(205.00)	-	(205.00)
85100000	POSTAGE	2,103.64	-	2,103.64
90100000	ADVERTISING - ANY MEDIA	771.00	-	771.00
95600000	PROFESSIONAL DEVELOPMENT	984.00	-	984.00
95610000	OTHER TRAVEL & TRAINING	5,121.30	-	5,121.30
95800000	MEMBERSHIPS	2,726.80	-	2,726.80
93300000	SOFTWARE MAINTENANCE AGREEMENTS	50,706.00	-	50,706.00
93400000	MAINTENANCE SERVICE	363.60	-	363.60
82820000	ENGINEERING SERVICES	6,090.00	-	6,090.00
82830000	VEHICLE USAGE/CAR MILAGE	298.94	-	298.94
	TOTAL OTHER SERVICES & CHARGES	<u>100,302.52</u>	<u>-</u>	<u>100,302.52</u>
	ORGANIZATIONAL UNIT TOTAL	<u>\$ 1,171,524.53</u>	<u>\$ 54,289.86</u>	<u>\$ 1,225,814.39</u>

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5 SUPPORT**

ORGANIZATIONAL UNIT: REPAIR & MAINTENANCE

OBJ	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	\$ 1,734,787.61	\$ 109,256.92	\$ 1,844,044.53
70250000	ACT.ASSIGNMENT	2,694.57	169.70	2,864.27
70550000	TIME & ONE-HALF	181,272.99	11,416.57	192,689.56
71050000	EMPLOYERS SOCIAL SECURITY	139,729.74	8,800.18	148,529.92
71100000	HOSPITALIZATION INSURANCE	396,118.78	24,400.92	420,519.70
71150000	RETIREE HEALTH CARE	62,117.17	10,460.53	72,577.70
71200000	RETIREMENT FUND CONTRIBUTION	409,536.32	(8,026.91)	401,509.41
71350000	UNEMPLOYMENT COMPENSATION	2,448.28	-	2,448.28
71500000	LONGEVITY PAY	13,712.25	-	13,712.25
71650000	SHIFT DIFFERENTIAL	40.06	-	40.06
	TOTAL PERSONAL SERVICES	<u>2,942,457.77</u>	<u>156,477.91</u>	<u>3,098,935.68</u>
75200000	SUPPLIES	451,687.45	-	451,687.45
76700000	CLOTHING/CLEANING ALLOWANCE	12,111.59	-	12,111.59
79100000	SUBSCRIPTIONS AND PUBLICATIONS	268.24	-	268.24
	TOTAL SUPPLIES	<u>464,067.28</u>	<u>-</u>	<u>464,067.28</u>
80100000	CONTRACTUAL SERVICES	1,361,753.74	150,000.00	1,511,753.74
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	38,326.30	-	38,326.30
80150000	CONTRACT SERV-TRAINING	4,200.00	-	4,200.00
80400000	HOME REPAIRS	12,695.50	-	12,695.50
85000000	TELEPHONE	15,285.53	-	15,285.53
95600000	PROFESSIONAL DEVELOPMENT	9,952.97	-	9,952.97
95610000	OTHER TRAVEL & TRAINING	8,826.24	-	8,826.24
95800000	MEMBERSHIPS	1,241.00	-	1,241.00
93100000	EQUIPMENT REPAIRS	46,222.51	-	46,222.51
93300000	SOFTWARE MAINTENANCE AGREEMENTS	17,134.38	-	17,134.38
93400000	MAINTENANCE SERVICE	737.93	-	737.93
94000000	LAND RENTAL OR LEASE	7,265.69	-	7,265.69
94100000	EQUIPMENT RENTALS OR LEASE	50,723.85	-	50,723.85
82800000	FLEET MANAGEMENT EQUIPMENT	1,137,138.61	-	1,137,138.61
82810000	311 CALL CENTER SERVICES	26,069.00	-	26,069.00
82820000	ENGINEERING SERVICES	900.00	-	900.00
82830000	VEHICLE USAGE/CAR MILAGE	497.70	-	497.70
82840000	COMPUTER SERVICES	102,240.50	12,174.50	114,415.00
	TOTAL OTHER SERVICES & CHARGES	<u>2,841,211.45</u>	<u>162,174.50</u>	<u>3,003,385.95</u>
97600000	EQUIPMENT	125,372.77	-	125,372.77
98000000	FURNITURE	7,944.81	-	7,944.81
	TOTAL CAPITAL	<u>133,317.58</u>	<u>-</u>	<u>133,317.58</u>
99550000	OPERATING TRANS-MISC	66,287.81	-	66,287.81
	TOTAL TRANSFERS/FEES	<u>66,287.81</u>	<u>-</u>	<u>66,287.81</u>
	ORGANIZATIONAL UNIT TOTAL	<u>\$ 6,447,341.89</u>	<u>\$ 318,652.41</u>	<u>\$ 6,765,994.30</u>

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2025
RATE STUDY- TASKS NO. 4 & 5**

ORGANIZATIONAL SUMMARY

NO.	EXPENDITURE SUB-OBJECT DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL CURRENT
70200000	PERMANENT EMPLOYEES	\$ 8,483,977.85	\$ 534,320.92	\$ 9,018,298.77
70250000	ACT.ASSIGNMENT	30,696.46	1,933.26	32,629.72
70400000	TEMPORARY EMPLOYEES	30,872.22	1,944.33	32,816.55
70500000	REGULAR HOURLY RATE	6,290.07	396.15	6,686.22
70550000	TIME & ONE-HALF	361,827.69	22,787.90	384,615.59
71050000	EMPLOYERS SOCIAL SECURITY	647,897.52	40,804.59	688,702.11
71100000	HOSPITALIZATION INSURANCE	1,920,903.25	118,327.65	2,039,230.90
71150000	RETIREE HEALTH CARE	303,330.57	51,080.87	354,411.44
71200000	RETIREMENT FUND CONTRIBUTION	1,992,590.61	(39,054.78)	1,953,535.83
71350000	UNEMPLOYMENT COMPENSATION	12,715.92	-	12,715.92
71500000	LONGEVITY PAY	46,603.50	-	46,603.50
71650000	SHIFT DIFFERENTIAL	21,663.80	-	21,663.80
71750000	FOOD/CLEAN/CAR ALLOW	1,442.60	-	1,442.60
71700000	ELECTION WRKR-BRD MEMBERS PAY	415.00	-	415.00
	TOTAL PERSONAL SERVICES	<u>13,861,227.06</u>	<u>732,540.89</u>	<u>14,593,767.95</u>
75200000	SUPPLIES	1,686,082.57	-	1,686,082.57
75300000	PROCESS CHEMICALS	1,207,497.10	-	1,207,497.10
76700000	CLOTHING/CLEANING ALLOWANCE	55,420.13	-	55,420.13
78000000	INVENTORY - COST OF GOODS SOLD	75,956.36	-	75,956.36
79100000	SUBSCRIPTIONS AND PUBLICATIONS	3,572.45	-	3,572.45
	TOTAL SUPPLIES	<u>3,028,528.61</u>	<u>-</u>	<u>3,028,528.61</u>
69310000	GAIN-LOSS ON SALE OF ASSETS-FA	83,433.79	-	83,433.79
80100000	CONTRACTUAL SERVICES	8,662,564.91	650,000.00	9,312,564.91
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	70,067.78	-	70,067.78
80150000	CONTRACT SERV-TRAINING	18,126.67	-	18,126.67
80160000	CONTRACTS-EXTERNAL LEGAL SERVICES	2,524.50	-	2,524.50
80300000	ADMINISTRATIVE SERVICES	60,787.52	(60,787.52)	-
80400000	HOME REPAIRS	12,695.50	-	12,695.50
82400000	FEES	68,472.88	-	68,472.88
84000000	INSURANCE PREMIUMS	401,643.00	-	401,643.00
84500000	GENERAL LIABILITY INSURANCE/CLAIMS	300,073.00	15,690.00	315,763.00
85000000	TELEPHONE	54,857.29	-	54,857.29
85100000	POSTAGE	5,710.93	-	5,710.93
90000000	PRINTING & PUBLISHING	2,205.93	-	2,205.93
90100000	ADVERTISING - ANY MEDIA	1,210.85	-	1,210.85
95600000	PROFESSIONAL DEVELOPMENT	52,781.05	-	52,781.05
95610000	OTHER TRAVEL & TRAINING	53,045.15	-	53,045.15
95630000	FOOD-BEVERAGE	695.64	-	695.64
95800000	MEMBERSHIPS	55,401.40	-	55,401.40
92800000	WATER	108,202.00	-	108,202.00
92900000	REFUSE COLLECTION CHARGES	12,142.91	-	12,142.91
92000000	ELECTRICITY	1,792,604.63	-	1,792,604.63
92100000	NATURAL GAS	1,087,443.61	-	1,087,443.61
93100000	EQUIPMENT REPAIRS	50,386.53	-	50,386.53
93300000	SOFTWARE MAINTENANCE AGREEMENTS	287,631.33	-	287,631.33
93400000	MAINTENANCE SERVICE	15,571.73	-	15,571.73
94000000	LAND RENTAL OR LEASE	7,265.69	-	7,265.69
94100000	EQUIPMENT RENTALS OR LEASE	97,289.48	-	97,289.48
82800000	FLEET MANAGEMENT EQUIPMENT	1,437,874.37	-	1,437,874.37
82810000	311 CALL CENTER SERVICES	29,049.00	-	29,049.00
82820000	ENGINEERING SERVICES	9,848.75	-	9,848.75
82830000	VEHICLE USAGE/CAR MILAGE	9,312.00	-	9,312.00
82840000	COMPUTER SERVICES	367,247.50	43,717.50	410,965.00
82860000	UTILITY CUSTOMER SERVICE	2,889,180.00	850,928.13	3,740,108.13
88000000	COMMUNITY PROMOTION	1,600.00	-	1,600.00
96500000	BAD DEBT WRITE-OFFS	9,879.27	-	9,879.27
	TOTAL OTHER SERVICES & CHARGES	<u>18,118,826.59</u>	<u>1,499,548.11</u>	<u>19,618,374.70</u>
97600000	EQUIPMENT	497,587.61	-	497,587.61
98000000	FURNITURE	23,387.18	-	23,387.18
98400000	SOFTWARE	10,042.00	-	10,042.00
	TOTAL CAPITAL	<u>531,016.79</u>	<u>-</u>	<u>531,016.79</u>
82850000	A-87 COST ALLOCATION	844,267.00	353,922.00	1,198,189.00
99550000	OPERATING TRANS-MISC	98,187.81	-	98,187.81
	TOTAL TRANSFERS/FEES	<u>942,454.81</u>	<u>353,922.00</u>	<u>1,296,376.81</u>
	GRAND TOTAL- EXPENDITURES	<u>\$ 36,482,053.86</u>	<u>\$ 2,586,011.00</u>	<u>\$ 39,068,064.86</u>

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: November 1, 2025

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

**SUBJECT: 2025 SEWER RATE STUDY TASK #4
FY25 OPERATING EXPENSES - SEWAGE PUMPING STATIONS**

The attached schedule allocates the direct cost for operating and maintaining system lifting and metering stations. The operating expense consists of direct labor, utilities, operating and maintenance supplies, repairs and maintenance, and equipment rental.

The overflow regulators are components of the integrated system and subsequently not included herein.

See attachment

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE PUMPING STATIONS OPERATING COSTS
FOR THE YEAR ENDED JUNE 30, 2025**

<u>Station</u>	<u>Physical Location</u>	<u>Type</u>	<u>FY2025 5900 Expenses</u>
Market Avenue Pump Station	Grand Rapids	Interceptor	\$302,811.10
Millbank Lift Station	Grand Rapids	Local	\$6,933.65
Eastlake Lift Station	Grand Rapids	Local	\$6,869.18
Eastern Lift Station	Grand Rapids	Trunk	\$15,540.94
Oak Hollow Lift Station	Grand Rapids Twmsp	Local	\$7,334.52
Kingsbury Lift Station	Walker	Trunk	\$19,859.95
Bona Vista Lift Station	Grand Rapids	Trunk	\$15,317.41
Aberdeen Lift Station	Grand Rapids	Local	\$18,101.19
O'Brien Lift Station	Walker	Trunk	\$39,614.17
Leonard Heights Lift Station	Walker	Trunk	\$12,037.73
Guild Lift Station	Grand Rapids	Local	\$8,294.73
Orchard Vista Lift Station	Cascade Twmsp	Local	\$5,488.89
Brookview Lift Station	Grand Rapids	Trunk	\$19,517.51
Remembrance Road Lift Station	Walker	Local	\$32,132.81
Kraft Avenue Lift Station	Cascade Twmsp	Local	\$12,803.30
Thornapple Lift Station	Cascade Twmsp	Trunk	\$55,579.79
Thornhills Lift Station	Cascade Twmsp	Local	\$20,973.95
Greenbrier Lift Station	Grand Rapids Twmsp	Local	\$30,712.39
Shore Haven Lift Station	Grand Rapids Twmsp	Local	\$7,070.41
Ada Lift Station	Ada	Local	\$10,596.95
Robinhood Lift Station	Grand Rapids Twmsp	Local	\$9,377.48
Lincoln School Lift Station	Grand Rapids Twmsp	Local	\$9,124.56
Reeds Lake Blvd. Lift Station	Grand Rapids Twmsp	Local	\$11,726.39
6000 28th Street Lift Station	Cascade Twmsp	Local	\$12,651.26
Ada Meter Station	Ada	Meter	\$36.26
East Grand Rapids Meter Station	East Grand Rapids	Meter	\$1,942.62
Rickman Avenue Lift Station	Grand Rapids	Local	\$9,198.50
Michigan Street Lift Station	Grand Rapids	Local	\$12,113.71
Eagle Crest Lift Station	Grand Rapids Twmsp	Local	\$18,353.05
East Paris Lift Station	Grand Rapids Twmsp	Local	\$23,881.93
Alpine Estates Lift Station	Walker	Local	\$11,906.48
Elmdale Lift Station	Grand Rapids	Local	\$9,930.85
Collindale Lift Station	Walker	Local	\$7,095.39
Bird Avenue Lift Station	Grand Rapids Twmsp	Local	\$37,752.99
Valentine Lift Station	Grand Rapids Twmsp	Local	\$6,770.83
Cascade Springs Lift Station	Cascade Twmsp	Local	\$10,539.48
Churchill Downs Lift Station	Grand Rapids	Local	\$11,752.61
Woodsboro Court Lift Station	Grand Rapids Twmsp	Local	\$3,281.86
Meadowood Trails Lift Station	Cascade Twmsp	Local	\$8,484.59
Gaines Township Meter Station	Gaines Township	Meter	\$702.07
Kentwood Meter Station	Kentwood	Meter	\$1,162.97
Stonebridge Lift Station	Grand Rapids Twmsp	Local	\$13,994.50
Burton/Cascade Lift Station	Cascade Twmsp	Local	\$21,854.25
Crahen Lift Station	Grand Rapids Twmsp	Local	\$7,146.92
Jonathan Woods Lift Station	Cascade Twmsp	Local	\$14,465.26
Watermark Lift Station	Cascade Twmsp	Local	\$8,439.39
Mountain Ash Lift Station	Tallmadge Twmsp	Local	\$12,397.30
Reeds Hollow Lift Station	Grand Rapids Twmsp	Local	\$7,015.26
Celebration Village Lift Station	Grand Rapids Twmsp	Trunk	\$10,506.30
Saddleback Lift Station	Grand Rapids Twmsp	Local	\$7,491.98
Arbor Hills Lift Station	Grand Rapids Twmsp	Local	\$10,111.83
16th Avenue Lift Station	Marne	Local	\$9,201.17
Hayes West Lift Station	Wright TWP	Local	\$17,883.72
Hayes East Lift Station	Wright TWP	Local	\$5,042.84
Cypress Trails Lift Station	Grand Rapids Twmsp	Local	\$7,580.55
8th & Leonard Lift Station	Tallmadge Twmsp	Local	\$6,471.47
Summit Ridge Lift Station	Grand Rapids	Local	\$15,376.64
Lake Michigan Estates	Tallmadge Twmsp	Local	\$7,805.52
Bretonfield Meter Station	Kentwood	Meter	\$1,128.99
Caledonia Meter Station	Caledonia	Meter	\$13.82

\$1,049,304.16

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: September 22, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Molly Clarin
Chief Financial Officer

**SUBJECT: 2025 SEWER RATE STUDY TASK #5
KNOWN COST ADJUSTMENTS**

Known cost adjustments by which to adjust FY25 operating costs are listed below.

Expense Object – 70200000, 70250000, 70400000, 70450000, 70500000, 70550000, 71900000

The most recent labor negotiations resulted in GREIU wages increasing by 4.00% in FY2026 and FY2027. APA wages are increasing by 5.00% in FY2026 and 4.00% in FY2027. After converting these increases from a 2025 fiscal year to a 2026 calendar year basis, the result is a 6.080% factor for GREIU employees and a 7.100% factor for APA employees. A blended rate was then computed by weighting the calendar year percentages according to the percentage of Sewer Fund employees in each union (79% GREIU and 21% APA). Executive and non-reps amounted to only 1.4% of the population and were therefore excluded. **The wage increase factor to translate FY2025 actual costs to estimated calendar 2026 will be 6.298%** [6.080 X 79% + 7.100 X 21%].

Expense Object – 82840000/84500000/82850000

Adjust FY2025 actual cost to reflect adjustments in charges for central services rendered by the Information Technology Fund (data charges), the Insurance Payment Fund (workers compensation and general liability) and the General Operating Fund (cost allocation). The “Exhibit” workbook (inclusive of cost center allocations) maintained by the Budget Office has been utilized to blend FY2026 and FY2027 budget amounts thus arriving at an estimated 2026 calendar year rate as follows:

82840000-Data Charges			
Fund-Cost Center	FY2026 Request	FY2027 Forecast	Calendar 2026 Estimate
5900-52701	\$16,647	\$17,022	\$16,835
5900-52740	\$276,599	\$282,831	\$279,715
5900-52770	\$113,140	\$115,689	\$114,415
Total	\$406,386	\$415,542	\$410,964

8450000-General Liability Insurance			
Fund-Cost Center	FY2026 Request	FY2027 Forecast	Calendar 2026 Estimate
5900-52701	\$308,061	\$323,464	\$315,763

82850000-Contributions to Other Funds (Cost Allocation)			
Fund-Cost Center	FY2026 Request	FY2027 Forecast	Calendar 2026 Estimate
5900-52701	\$1,315,380	\$1,080,998	\$1,198,189

Expense Object - 71050000

Increase FY2025 actual FICA expense by 6.298% consistent with the known wage increase factor noted above.

Expense Object - 71100000

The calendar 2026 Trend Report is not completed at this time. However, unfavorable health insurance cost trends were anticipated in the calendar 2025 report. Both the medical trend increase assumption (6.5%) and the prescription drug trend increase assumption (7.5%) remained the same in the 2025 report as in the 2024 report. The health insurance fund surplus reduction implemented in the 2021 report is also less favorable for calendar 2026 rates than it was for calendar 2025 rates. Although the overall health insurance trend is still unfavorable, the 2025 report was less unfavorable than the 2024 report. The City entered contracts with new third-party administrators for health insurance and prescription drug plans on January 1, 2024. The analysis of the first six months of claims experience under the new prescription drug plan administrator is in line with the significant savings projected. However, to be conservative, the new experience was blended with the prior third-party administrator experience in the 2025 Trend Report. Finally, three-year smoothing of plan gains or losses remained in line for calendar 2026 rates as it was for calendar 2025 rates. Smoothing favorable trends has contributed to limiting projected annual increases in health insurance costs or has provided for further decreases when applicable. **Increase FY2025 health insurance actual by 6.16% to reflect these anticipated rate changes.**

The budgeted FY2026 (\$18,412.00) and FY2027 (\$20,145.00) health insurance rates were blended into a 2026 calendar year rate estimate and divided by the FY2025 base budget amount (\$18,159.00) to arrive at the increase factor [(((((\$18,412.00 + \$20,145.00) / 2)) / \$18,159.00) - 1) * 100].

Expense Object - 71150000

Retiree health care ("RHC") rates are projected to trend up in FY2026 (to 3.90%) and FY2027 (to 3.99%) from a base year rate of 3.59% in FY2025.

The RHC factor after consideration of the above rate and wage adjustments is 116.60% (or an increase of 16.60%) for GREIU members and 117.72% (or an increase of 17.72%) for APA members. These factors are then weighted in accordance with union membership within the Sewer Fund $[(16.60 * 79\%) + (17.72 * 21\%)]$.

The factor to establish calendar year 2026's retiree health care cost is 16.84%. **Increase the total of fiscal year 2025's retiree health care by this percent to establish the cost for calendar year 2026.**

Expense Object - 71200000

The pension expense factor to translate FY2025 actual costs to estimated calendar 2026 will be -1.96%. **Decrease the total of fiscal year 2025's pension expense by this percent to establish the cost for calendar year 2026.** This reflects the effect of a General Pension rate change decrease from FY25 of 23.43% to a calendar 2026 rate of 21.61% and the projected wage adjustments discussed above. The calendar 2026 rate is a blend of the FY2026 rate (22.12%) and the FY2027 rate (21.12%).

The pension factor after consideration of the above rate and wage adjustments is 97.84% (or a decrease of 2.16%) for GREIU members. The pension factor after consideration of the above rate and wage adjustments is 98.78% (or a decrease of 1.22%) for APA members. These factors are then weighted in accordance with union membership within the Sewer Fund $[(-2.16 * 79\%) + (-1.22 * 21\%)]$.

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: September 8, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: James Ouzts
Environmental Services Manager

**SUBJECT: 2025 SEWER RATE STUDY TASK #5
KNOWN COST ADJUSTMENTS**

Known cost adjustments by which to adjust FY25 operating costs are listed below:

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
5900-52701-80300000	Kent County Community Action Program (ICB) (adjusting FY25 to zero, as this program is not funded by sewer rates)	(\$60,787.52)
5900-52740-92000000	Consumers Energy Green Generation Participation (adjust to admin cost center 52701 to allocate to GR Only)	\$58,174.20
5900-52740-80100000	Engine Overhaul for the CHP System	\$500,000.00
5900-52770-80100000	Engineering Study to Update Zonegate Distribution and Map	\$150,000.00

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: November 4, 2025

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: 2025 SEWER RATE STUDY TASK #6

The Sewage Disposal System Fund's revenues by governmental unit for the year ended June 30, 2025, are disclosed on the attached page, along with the three-year average billed volume used to calculate expected revenue in the next calendar year (see Task 26 and 27). In addition, annual volume comparisons for the past five (5) years by governmental unit are included herein.

See attachments

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 6**

DETERMINE SEWAGE VOLUME AND REVENUE BY GOVERNMENTAL ENTITY FOR THE YEAR ENDED JUNE 30, 2025:

	<u>SALES REVENUE</u>	<u>3 YR AVE BILLED VOL (GALLONS)</u>	<u>3 YR AVE BILLED VOL (HCF)</u>
RETAIL:			
CITY OF GRAND RAPIDS (1)	\$ 43,450,169.57	4,870,049,228	6,510,761
CITY OF WALKER	5,834,533.16	633,721,308	847,221
CITY OF KENTWOOD	5,379,756.89	974,792,104	1,303,198
CASCADE TOWNSHIP	3,352,456.71	362,141,956	484,147
GRAND RAPIDS TOWNSHIP	3,187,644.23	298,098,944	398,528
TALLMADGE TOWNSHIP	604,294.74	37,581,016	50,242
WRIGHT TOWNSHIP (2)	260,557.99	15,832,003	21,166
SUB-TOTAL RETAIL (3)	<u>\$ 62,069,413.29</u>	<u>7,192,216,559</u>	<u>9,615,263</u>
WHOLESALE:			
CITY OF E. GRAND RAPIDS	\$ 1,045,756.73	380,487,333	508,673
CALEDONIA TOWNSHIP	282,884.07	32,448,667	43,381
ADA TOWNSHIP	1,593,054.86	273,352,000	365,444
GAINES TOWNSHIP (4)	353,460.73	125,444,000	167,706
SUB-TOTAL WHOLESALE	<u>\$ 3,275,156.39</u>	<u>811,732,000</u>	<u>1,085,204</u>
TOTAL	<u><u>\$ 65,344,569.68</u></u>	<u><u>8,003,948,559</u></u>	<u><u>10,700,467</u></u>

REVENUE CLASSIFICATION:

5900-52701-62810000 RETAIL SEWAGE SERVICE CHARGE	\$ 61,979,438.00
5900-52701-62840000 WYOMING SEWAGE SERVICE CHARGE	89,975.29
5900-52701-62820000 WHOLESALE SEWAGE SERVICE CHARGE	<u>3,275,156.39</u>
TOTAL	<u><u>\$ 65,344,569.68</u></u>

- (1) THE VOLUME & REVENUE AMOUNT FOR THE CITY OF WYOMING ARE INCLUDED IN THE GRAND RAPIDS TOTALS.
- (2) CHARGES TO USERS IN WRIGHT TOWNSHIP ARE BASED ON A REU (RESIDENTIAL EQUIVALENT UNIT) CHARGE, IN LIEU OF COMMODITY & MONTHLY SERVICE CHARGES, AND AS SUCH DOES NOT RECORD ANY BILLED VOLUME IN RETAIL SERVICE CHARGES TO WRIGHT TOWNSHIP. THE AMOUNT INCLUDED ABOVE REFLECTS THE ESTIMATED BILLED VOLUME BASED ON THE WRRF'S LIFT STATION PUMPING REPORT FOR FY 2025.
- (3) A NET REVENUE ACCRUAL OF \$48,997.12 HAS BEEN PRORATED TO ALL RETAIL CUSTOMER COMMUNITIES TO ACCRUE BILLINGS FROM THE LAST READING DATE THROUGH JUNE 30, 2025, AND ADJUST FOR PREVIOUS FISCAL YEAR ACCRUAL.
- (4) GAINES TWP RATES ARE CALCULATED BASED ON MOST RECENT FISCAL YEAR BILLED VOLUME PER CONTRACT.

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
2025 RATE STUDY TASK NO. 6**

VOLUME COMPARISONS FOR FIVE (5) YEARS BY GOVERNMENTAL UNIT
VOLUME = 1,000 GALLONS

<u>MUNICIPALITY</u>	<u>FY21 VOL BILLED</u>	<u>FY22 VOL BILLED</u>	<u>% CHANGE</u>	<u>FY23 VOL BILLED</u>	<u>% CHANGE</u>	<u>FY24 VOL BILLED</u>	<u>% CHANGE</u>	<u>FY25 VOL BILLED</u>	<u>% CHANGE</u>	<u>FY21 - FY25 % CHANGE</u>
GRAND RAPIDS	4,706,480	4,848,898	3.03%	4,889,314	0.83%	4,795,951	-1.91%	4,924,883	2.69%	4.64%
WALKER	604,510	628,004	3.89%	634,824	1.09%	613,225	-3.40%	653,116	6.51%	8.04%
KENTWOOD	1,001,673	991,359	-1.03%	999,662	0.84%	963,578	-3.61%	961,137	-0.25%	-4.05%
CASCADE	335,188	351,062	4.74%	358,418	2.10%	358,140	-0.08%	369,868	3.27%	10.35%
GRAND RAPIDS TWP	284,929	291,121	2.17%	301,740	3.65%	285,954	-5.23%	306,603	7.22%	7.61%
TALLMADGE	27,089	29,628	9.37%	36,870	24.45%	37,119	0.67%	38,753	4.40%	43.06%
WRIGHT TWP	12,023	15,037	25.07%	17,363	15.47%	12,984	-25.22%	17,149	32.07%	42.63%
EAST GRAND RAPIDS	359,057	459,754	28.04%	447,512	-2.66%	358,522	-19.89%	335,428	-6.44%	-6.58%
ADA TWP	264,616	276,776	4.60%	276,304	-0.17%	274,399	-0.69%	269,353	-1.84%	1.79%
CALEDONIA TWP	21,012	30,777	46.47%	31,098	1.04%	29,841	-4.04%	36,407	22.00%	73.27%
GAINES TWP	103,780	116,742	12.49%	116,500	-0.21%	74,400	-36.14%	125,444	68.61%	20.87%
TOTAL	7,720,357	8,039,158	4.13%	8,109,605	0.88%	7,804,112	-3.77%	8,038,141	3.00%	4.12%

GRAND RAPIDS VOLUME COMPARED TO
CUSTOMER COMMUNITIES

VOLUME = 1,000 GALLONS	<u>FY21 VOL BILLED</u>	<u>FY22 VOL BILLED</u>	<u>% OF TOTAL</u>	<u>FY23 VOL BILLED</u>	<u>% OF TOTAL</u>	<u>FY24 VOL BILLED</u>	<u>% OF TOTAL</u>	<u>FY25 VOL BILLED</u>	<u>% OF TOTAL</u>
GRAND RAPIDS	4,706,480	4,848,898	60.32%	4,889,314	60.29%	4,795,951	61.45%	4,924,883	61.27%
CUSTOMER COMMUNITIES	3,013,877	3,190,260	39.68%	3,220,292	39.71%	3,008,161	38.55%	3,113,258	38.73%
TOTAL	7,720,357	8,039,158	100.00%	8,109,605	100.00%	7,804,112	100.00%	8,038,141	100.00%

* Volumes were restated from previous Rate Studies to reflect actual billings without adjustment for accrued revenues.

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 7**

OPERATING REVENUES OTHER THAN WASTEWATER RECEIPTS:

52701-5900		
62600000	MISCELLANEOUS SERVICE FEES	\$ 1,856.62
61400000	INSPECTION FEES - UTILITIES	35,670.00
64610000	INVENTORY WITHDRAWALS (SALES)	51,856.12
67230000	INTEREST/PENALTIES ON SPEC ASSM	3,302.82
5274X-5900		
49120000	INDUSTRIAL PRETREATMENT PERMITS	\$ 142,414.76
62850000	INDUSTRIAL DISCHARGE AUTHORIZATION	3,000.00
64230000	SALES OF SCRAP MATERIAL	2,161.15
		<u>240,261.47</u>
		<u>\$ 240,261.47</u>

CREDIT: UNDERUTILIZATION OF PENALTY CREDIT FROM PREVIOUS YEAR \$ 19,561.23

INTEGRATED SYSTEM CREDITS

52701/52740-5900		
61520000	INTEGRATED SEWER CONNECTION	\$ 244,332.00
62830000	SEWAGE SURCHARGE	2,762,339.03
64240000	RENEWABLE NATURAL GAS SALES *	1,731,495.90
66710000	RENTALS-FACILITIES	25,000.00
68710000	REFUNDS-REBATES	1,430.55
		<u>4,764,597.48</u>
		<u>\$ 4,764,597.48</u>

*Renewable Natural Gas Sales totaled \$3,231,495.90 in FY2025. This figure was reduced by \$1.5M for the 2025 Rate Study as future revenues are expected to decline due to changing market prices.

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: August 27, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: James Ouzts
Environmental Services Manager

**SUBJECT: 2025 SEWER RATE STUDY – TASK #8
CHANGES IN OPERATING LEVELS**

As part of our ongoing efforts to enhance our operations and service delivery, the Water Resource Recovery Facility (WRRF) will be taking on additional responsibilities related to biodigestion, sludge thickening, and sludge hauling for a portion of the biosolids from the City of Wyoming.

This expansion in scope is a significant step forward in our commitment to improving waste management and resource recovery processes. However, it is important to note that this increased scope of service will result in higher operational costs for the biodigesters. The additional responsibilities will require more resources, including manpower, equipment, and maintenance, which will contribute to an overall increase in biodigestion operational expenses. We anticipate fully offsetting these additional costs through the collection of sludge disposal fees from the City of Wyoming. As such, this rate study should not adjust operating costs as a result of this expanded Scope of Service.

JO

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: August 27, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: James Ouzts
Environmental Services Manager

**SUBJECT: 2025 SEWER RATE STUDY – TASK #9
CHANGES IN OPERATING REVENUES**

The increased Scope of Service at our Water Resource Recovery Facility (WRRF), which includes biodigestion, sludge thickening, and sludge hauling for a portion of the biosolids from the City of Wyoming, is expected to generate additional revenue from the issuance of D-3 Renewable Identification Numbers (RINs). This is a positive development as it will contribute to our financial sustainability.

However, it is important to note that due to the recent volatility in the natural gas market, forecasting this revenue will be challenging. The fluctuations in natural gas prices can significantly impact the revenue generated from the sale of renewable natural gas (RNG).

To ensure accurate financial planning, the revenue generated from the sale of RNG will be accounted for as integrated system credits in Task 7 of the 2025 Rate Study. This approach will allow us to better manage and integrate the financial benefits of the expanded scope into our overall budget and rate-setting processes.

We also anticipate that this increase in Scope will result in additional revenues in the form of sludge disposal fees from the City of Wyoming. This revenue stream is meant to recover the additional costs associated with the expanded Scope of Service, and as such, it is not incorporated into this rate study.

JO

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: October 31, 2025

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: 2025 SEWER RATE STUDY- TASK #10

The following are sewage system projects that should be considered operative as of January 1, 2026.

<u>Description</u>	<u>Location</u>	<u>Proj. Code</u>	<u>Cost</u>
Fuller-Kalamazoo to Adams	Grand Rapids	5901220490	\$100,000
Winter Ave NW 230-Soccer Stadium	Grand Rapids	Contribution	\$168,270
Covenant Living of the Great Lakes	Walker	Contribution	\$112,545
Pheasant Preserve	Walker	Contribution	\$249,632
MDOT Fruit Ridge at I96 Lining	Walker	Contribution	\$41,780
Wildflower Townhomes	Walker	Contribution	\$115,024
GRR Ancillary, 36 th and Patterson	Kentwood	Contribution	\$113,600
Jefferson Farms East	Kentwood	Contribution	\$271,429
Garden Apartments Ph2	Cascade	Contribution	\$446,500
Garden Apartments Ph2 Forcemain	Cascade	Contribution	\$126,000
Garden Apartments Ph2 Lift Station	Cascade	Contribution	\$500,000
Glenwood Development	GR Township	Contribution	\$277,500
			<u>\$2,522,280</u>

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 11**

COMPUTE ACCUMULATED COST, DEPRECIATION AND DEPRECIATION EXPENSE AS OF JUNE 30, 2025

INTEGRATED SYSTEM

	ORIGINAL COST	ACCUMULATED DEPRECIATION	DEPRECIATION EXPENSE
LAND & EASEMENTS	\$ 1,509,913	\$ -	\$ -
LAND IMPROVEMENTS	19,542,933	16,520,555	391,560
BUILDINGS & STRUCTURES	67,914,710	42,325,762	1,374,948
PROCESS EQUIPMENT	100,727,454	35,211,749	3,541,685
AUXILIARY EQUIPMENT	37,430,937	19,598,644	2,170,460
MACHINERY & EQUIPMENT	3,678,426	2,660,952	161,156
OFFICE EQUIPMENT & FURNITURE	11,720	5,508	234
WATERMAIN	1,390,376	56,990	39,087
	<u>\$ 232,206,469</u>	<u>\$ 116,380,160</u>	<u>\$ 7,679,130</u>

NON-INTEGRATED SYSTEM

	ORIGINAL COST	ACCUMULATED DEPRECIATION	DEPRECIATION EXPENSE
LAND & EASEMENTS	\$ 4,529,713	\$ -	\$ -
LAND IMPROVEMENTS	3,509,383	3,052,621	164,749
BUILDINGS & STRUCTURES	12,918,901	5,655,189	302,068
PROCESS EQUIPMENT	15,589,624	10,463,411	514,051
AUXILIARY EQUIPMENT	4,484,540	3,726,413	122,842
MACHINERY & EQUIPMENT	1,671,790	1,662,859	5,712
SERVICEMAINS - GRAND RAPIDS	427,616,127	178,258,067	8,407,231
SERVICEMAINS - WALKER	44,732,867	23,148,970	815,587
SERVICEMAINS - KENTWOOD	44,510,953	22,938,349	784,739
SERVICEMAINS - CASCADE TWP	22,665,632	12,285,138	411,523
SERVICEMAINS - GRAND RAPIDS TWP	20,762,257	10,695,168	390,953
SERVICEMAINS - TALLMADGE TWP	6,408,677	2,592,563	128,174
SERVICEMAINS - WRIGHT TWP	125,288	48,863	2,506
	<u>\$ 609,525,752</u>	<u>\$ 274,527,611</u>	<u>\$ 12,050,135</u>
TOTAL	<u>\$ 841,732,221</u>	<u>\$ 390,907,771</u>	<u>\$ 19,729,265</u>

SOURCE: GENERAL LEDGER, AS ADJUSTED, FOR JUNE 30, 2025.

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 12**

TASK 12A DETERMINE WORKING CAPITAL NEEDS FOR MATERIALS AND SUPPLIES ON HAND.

MATERIALS AND SUPPLIES INVENTORY AS OF JUNE 30, 2025: \$ 1,393,489

TASK 12B DETERMINE WORKING CAPITAL NEEDS FOR PREPAYMENT OF OPERATING COSTS.

NO REQUIREMENT FOR PREPAYMENT OF OPERATING COSTS IS CALLED FOR IN THE ORDINARY CYCLE OF BUSINESS.

TASK 12C DETERMINE CASH WORKING CAPITAL NEEDS & DETERMINE TOTAL WORKING CAPITAL NEEDS.

MINIMUM CASH WORKING CAPITAL IS DEFINED AS THE SUM OF 90 DAYS ADJUSTED OPERATING EXPENSES.

ADJUSTED CURRENT ANNUAL EXPENSES = \$ 39,068,065 @ 90/365 = \$ 9,633,221

TOTAL WORKING CAPITAL NEEDS CONSIST OF THE FOLLOWING:

12A INVESTMENT IN INVENTORY	\$ 1,393,489
12B PREPAYMENT OF OPERATING EXPENSES	-
12C 90 DAY OPERATING EXPENSES	9,633,221
	\$ 11,026,710

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: August 21, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: James Ouzts
Environmental Services Manager

**SUBJECT: 2025 SEWER RATE STUDY- TASK #13
ZONEGATING & JOINT USE ALLOCATION METHODS**

Lengths and costs of all zoned interceptor and trunk sewer mains as well as jointly used lift stations are allocated to customer communities based on the 2016 Comprehensive Master Plan update performed by Black & Veatch, Ltd. and adjusted annually for the changes in billed flow for each customer community. A separate Zoning Study was also performed by Fishbeck in 2022. That study resulted in modifications to flow allocations throughout the collection system.

James Ouzts

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
METHODOLOGY FOR I/I & OTHER FLOW APPORTIONMENT - TASK NO. 13**

	MILLION GALLONS
1.) ANNUAL WASTEWATER TREATMENT PLANT FLOW	13,665.60
LESS: WHOLESALE BILLED FLOW	(766.63)
LESS: RETAIL BILLED FLOW	(7,271.51)
TOTAL RETAIL I/I & OTHER FLOW	5,627.46
2.) RETAIL INFLOW FROM SEPARATED AREAS (A)	448.73
RETAIL INFLOW FROM COMBINED AREAS - AMOUNT ESTIMATED (A)	598.01
LESS: ANNUAL BYPASS FROM (3) PUMPING STATIONS	-
LESS: IN-SYSTEM BYPASS & RETENTION BASIN OVERFLOW	-
TOTAL RETAIL INFLOW	1,046.74
3.) RETAIL INFILTRATION:	
TOTAL RETAIL I/I & OTHER FLOW	5,627.46
LESS: TOTAL RETAIL INFLOW (#2)	(1,046.74)
	4,580.72
LESS: MARKET AVE RETENTION BASIN (MARB) CAPTURE	(23.17)
TOTAL RETAIL INFILTRATION & OTHER FLOW	4,557.55
4.) ALLOCATION OF RETAIL INFILTRATION & OTHER FLOW - APPORTIONED ON THE BASIS OF B&V SUMMARY OF 2018 MONITORED FLOW DATA (B)	

GOVERNMENTAL UNIT(S)	PRORATA SHARE OF RETAIL INFILTRA- TION & OTHER	MILLION GALLONS
UTILITY PARTNERS	100.0000%	4,557.55
TOTAL	100.0000%	4,557.55

(A) BASED ON RECORDED RAINFALL @ WWTP & APPORTIONED PER BLACK & VEATCH'S SUMMARY OF 2018 MONITORED FLOW DATA.
(B) BASED ON INFILTRATION & OTHER FLOW APPORTIONED IN PREVIOUS YEAR & ADJUSTED FOR SYSTEM ADDITIONS & IMPROVEMENTS
IN EACH CUSTOMER COMMUNITY.

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
METHODOLOGY FOR I/I & OTHER FLOW APPORTIONMENT - TASK NO. 13 (CONTINUED)**

5.) SUMMARY: (IN MILLION GALLONS)

<u>GOVERNMENTAL UNIT(S)</u>	<u>BILLED FLOW (TASK #6)</u>	<u>INFLOW (#2 ABOVE)</u>	<u>INFILTRATION & OTHER FLOW (#4 ABOVE)</u>	<u>MARB (A) (#3 ABOVE)</u>	<u>TOTAL PLANT FLOW</u>	<u>PERCENT OF TOTAL</u>	<u>TOTAL PLANT FLOW (MGD)</u>
UTILITY PARTNERS	7,912.70	1,046.74	4,557.55	22.81	13,539.80	99.0794%	37.0953
GAINES TWP	125.44	-	-	0.36	125.80	0.9206%	0.3447
TOTAL	<u>8,038.14</u>	<u>1,046.74</u>	<u>4,557.55</u>	<u>23.17</u>	<u>13,665.60</u>	<u>100.0000%</u>	<u>37.4400</u>

(A) BASED ON BILLED FLOW (TASK #6).

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: July 30, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Andrew Meyer
Wastewater Plant Superintendent

SUBJECT: 2025 SEWER RATE STUDY – WRRF FLOW DATA

Listed below is the Water Resource Recovery Facility (WRRF) flow data measured in million gallons (MG) for the last three completed fiscal years. Plant flow decreased by 7.05% from 14,701.6 MG treated in FY2024 to 13,665.6 MG treated in FY2025. The final, in-system Combined Sewer Overflow point was eliminated July 13, 2015 and is no longer applicable to this report. Data was generated using ESD eRIS software.

Month	FY 2023	FY 2024	FY 2025	% incr (decr)
July	1100.7	1305.9	1310.7	0.37%
August	1120.8	1227.5	1174.4	(4.32%)
September	999.7	1086.2	1019.4	(6.15%)
October	1069.1	1237.2	1021.2	(17.46%)
November	1052.0	1142.3	1040.5	(8.91%)
December	1210.8	1128.1	1087.8	(3.57%)
January	1273.4	1388.5	1132.8	(18.42%)
February	1262.6	1254.1	986.2	(21.36%)
March	1712.4	1319.7	1217.3	(7.76%)
April	1823.5	1264.6	1330.2	5.18%
May	1280.1	1218.8	1250.2	2.57%
June	1077.0	1128.9	1094.9	(3.01%)
Total	14982.0	14701.6	13665.6	(7.05%)

Data Measured	FY 2023	FY 2024	FY 2025	% incr (decr)
Water Resource Recovery Facility (WRRF) avg daily flow (MG)	41.0	40.3	37.4	(7.20%)
Rainfall Recorded at WRRF (inches)	47.72	22.78	27.31	19.89%
Market Ave Retention Basin (MARB) inflow (MG)	11.21	18.64	23.17	24.30%
Market Ave Retention Basin (MARB) outflow (MG)	0	0	0	N/A

cc: Jeff McCaul, P.E. - Assistant City Engineer

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MEMORANDUM

CITY OF GRAND RAPIDS

DATE: August 21, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: James Ouzts
Environmental Services Department Manager

SUBJECT: 2025 SEWER RATE STUDY – TASK #14

Zonegating maps for the sewage system are included in the Comprehensive Master Plan Update 2020 from Fishbeck (finalized July, 2021). The report also contains comprehensive information with respect to the basis for zonegating service mains and other system components, such as lift stations, that service more than one community. A follow-up report was also prepared by Fishbeck in October, 2022 which specifically focused on Zonegating flow allocations. All zonegating work papers are on file at the Water Resource Recovery Administration Building located at 1300 Market Ave., SW, Grand Rapids, MI 49503.

James Ouzts

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 15**

COMPUTE CONSTRUCTION COST RATE BASE (NET BOOK VALUE OF ASSETS, PLUS WORKING CAPITAL, LESS CSO REVENUE REQUIREMENTS FOR CSO FIXED ASSETS INCLUDED IN TASK #11/21, LESS CONTRIBUTIONS BY OTHERS).

ORIGINAL CONSTRUCTION COST	- TASK #10	\$ 2,522,280	
	- TASK #11/21	608,720,752	
	- TASK #16/21	<u>(187,300,597)</u>	\$ 423,942,435
LESS: ACCUMULATED DEPRECIATION	- TASK #10	\$ -	
	TASK #11/21	274,495,941	
	TASK #16/21	<u>(92,441,969)</u>	<u>(182,053,972)</u>
			241,888,463
WORKING CAPITAL REQUIREMENT	- TASK #12	\$ 11,026,710	
		<u>11,026,710</u>	<u>11,026,710</u>
			252,915,172
CONTRIBUTIONS BY OTHERS	- TASK #21	\$ 218,748,177	
LESS: AMORTIZATION		(167,855,277)	
		<u>(50,892,900)</u>	<u>(50,892,900)</u>
CONSTRUCTION COST RATE BASE			<u><u>\$ 202,022,272</u></u>

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: September 8, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Lindsay Sagorski Munsell
Assistant Water System Manager

SUBJECT: 2025 Sewer Rate Study Integrated Connection Fees Task #15A

Below is the Integrated Sewer Connection Fee Schedule of rates effective January 1, 2026. Per the Fifth Amendment to the Water & Sanitary Sewer Service Agreements, adopted by City Commission on March 27, 2018 (Res. 87571), the methodology for connection to the water and sewer systems is calculated based on the cost of connection to the System and is evaluated annually as part of the Rate Study and shall be administered the same across the retail system.

The cost of connecting to the integrated system includes two components: the **Plan Review and Connection (“PRC”) fee**, which is based on actual labor costs incurred for engineering review of the connection and varies with the size of the meter, and the **Meter Capacity Charge (“MCC”)**, which is reflective of the cost of purchasing the physical meter.

The integrated connection fees effective January 1, 2026, shall be as follows:

Residential Users (three residential units or less)

Plan Review and Connection Fee (PRC Fee)			
Meter Size	2025	2026	% Change
3/4 inch	\$395	\$400	1.27%
1 inch	\$415	\$420	1.20%
1-1/2 inch	\$415	\$420	1.20%

All other Users (including residential of more than 3 units, commercial, industrial, governmental and religious)

Plan Review and Connection Fee (PRC Fee)			
Meter Size	2025	2026	% Change
3/4 inch	\$765	\$815	6.54%
1 inch	\$1,030	\$1,075	4.37%

1-1/2 inch	\$1,370	\$1,460	6.57%
2 inch	\$1,890	\$2,015	6.61%
3 inch	\$2,355	\$2,485	5.52%
4 inch	\$3,390	\$3,600	6.19%
6 inch	\$4,780	\$5,115	7.01%

Plus the Meter Capacity Fee based on the meter size (when water and sanitary sewer connections are made at the same time only one MCC shall be charged) as follows:

Meter Capacity Charge (MCC)			
Meter Size	2025	2026	% Change
¾ inch	\$210	\$225	7.14%
1 inch	\$295	\$315	6.78%
1 ½ inch	\$985	\$1,065	8.12%
2 inch	\$1,155	\$1,250	8.23%
3 inch	\$2,355	\$2,355	0.00%
4 inch	\$3,146	\$3,147	0.03%
6 inch	\$5,201	\$5,202	0.02%
8 inch	\$10,480	\$11,320	8.02%
10 inch	\$13,675	\$14,770	8.01%

Commercial Plan Assessment Fee – For instances where there is an established connection or property has been previously reviewed to allow for connection to the System which require less System resources to verify system connection requirements.

Commercial Plan Assessment Fee			
	2025	2026	% Change
All Sizes	\$125	\$125	0.00%

Further information on the new integrated connection fee methodology can be provided through the Utility Business Office.

LMS

Cc: James Ouzts
Brian Bradley

Wayne Jernberg

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
CSO REVENUE REQUIREMENTS - TASK 16
PRINCIPAL & INTEREST ON REVENUE BONDS & SRF
DEBT FOR CALENDAR YEAR 2026 - ACCRUAL BASIS**

DATE	SRF/REVENUE REFERENCE		REVENUE BONDS			TOTAL		TOTAL PRINCIPAL & INTEREST		
	5073-	SERIES	PRINCIPAL	INTEREST	EST. FEES	PRINCIPAL	INTEREST			
07/01/26	N/A	2010A	(1)		\$ 316,270.00	\$ 625.00	\$ -	\$ 316,895.00	\$ 316,895.00	
01/01/27	N/A	2010A	(1)		316,270.00	625.00	0.00	316,895.00	316,895.00	
07/01/26	N/A	2016	(2)			284,088.75	625.00	0.00	284,713.75	284,713.75
01/01/27	N/A	2016	(2)	712,800.00	284,088.75	625.00	712,800.00	284,713.75	997,513.75	
07/01/26	N/A	2021	(3)		436,269.79	687.50	0.00	436,957.29	436,957.29	
01/01/27	N/A	2021	(3)	3,275,337.02	436,269.79	687.50	3,275,337.02	436,957.29	3,712,294.31	
							<u>\$ 3,988,137.02</u>	<u>\$ 2,077,132.08</u>	<u>\$ 6,065,269.09</u>	

(1) DS ON ES CSO PORTION OF 2010A ISSUE. (\$14.05M)

(2) DS ON ES CSO PORTION OF REFUNDED 2008 ISSUE

(3) PRORATED AMOUNT OF REFUNDED 2013 AND 2014 (2005 CSO REFUNDING) ISSUES RELATED TO CSO DEBT

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWER DISPOSAL SYSTEM FUND
TASK NO. 16A**

INCLUDE MAJOR PROJECT COST FOR UPCOMING SYSTEM IMPROVEMENTS (NON-INTEGRATED)

THE ESTIMATED TOTAL PROJECT COST FOR RECOMMENDED SEWAGE SYSTEM IMPROVEMENTS ARE SUMMARIZED IN THE FOLLOWING TABLE.

ITEM NO.	DESCRIPTION	ESTIMATED COST	BUDGET YEAR
1	ALPINE ESTATES LIFT STATION	400,000	2026
2	EAST PARIS LIFT STATION FORCEMAIN REPLACEMENT	300,000	2026
3	WOODLAWN CEMETERY SANITARY SEWER CIPP	500,000	2026
4	LIFT STATION UPGRADES	350,000	2026
5	ORCHARD VISTA LS UPGRADE	250,000	2026
6	2035-GODFREY AVE - OXFORD ST TO MARKET AVE	4,200,000	2026
7	VAR LOC CIPP REHAB OF S/S	850,000	2026
8	PLEASANT ST - CHURCH PL TO CESAR E CHAVEZ	150,000	2026
9	PLASTER CREEK IMPROVEMENTS	137,500	2026
10	FORCEMAIN AIR RELIEF VALVE REPLACEMENT	60,000	2026
11	B STREET - GODFREY AVE TO UNDERHILL AVE	120,000	2026
12	COLLINDALE GRAVITY SEWER AND LIFT STATION IMPROVEMENTS	335,000	2026
13	VITAL STREET & CSO SEPARATION AT VARIOUS LOCATIONS	150,000	2026
14	VALENTINE LIFT STATION UPGRADES	100,000	2026
15	FORCEMAIN AIR RELIEF VALVE REPLACEMENT	60,000	2027
16	BRISTOL AVE SANITARY SEWER	1,500,000	2027
17	EAST PARIS LIFT STATION FORCEMAIN REPLACEMENT	850,000	2027
18	LIFT STATION UPGRADES	350,000	2027
19	6862-A.C. FORCEMAIN REPLACEMENT - EASTERN AVENUE LIFT STATION	250,000	2027
20	VAR LOC CIPP REHAB OF S/S	900,000	2027
21	PLASTER CREEK IMPROVEMENTS	1,000,000	2027
22	GODFREY AVE - OXFORD ST TO CHESTNUT ST	3,000,000	2027
23	WOODLAWN CEMETARY SANITARY SEWER CIPP	500,000	2027
24	VITAL STREET & CSO SEPARATION AT VARIOUS LOCATIONS	100,000	2027
25	BRANDYWINE SANITARY TRUNK SEWER	1,000,000	2027
26	6864-A.C. FORCEMAIN REPLACEMENT - LINCOLN SCHOOL LIFT STATION	250,000	2028
27	FORCEMAIN AIR RELIEF VALVE REPLACEMENT	60,000	2028
28	VITAL STREET & CSO SEPARATION AT VARIOUS LOCATIONS	50,000	2028
29	LIFT STATION UPGRADES	100,000	2028
30	4532 - BUTTERWORTH - HOGADONE TO SEWARD AVE	100,000	2028
31	WOODLAWN CEMETARY SANITARY SEWER CIPP	500,000	2028
32	6862-A.C. FORCEMAIN REPLACEMENT - EASTERN AVENUE LIFT STATION	1,000,000	2028
33	VAR LOC CIPP REHAB OF S/S	950,000	2028
34	2530-BURTON/BRETON SANITARY TRUNK SEWER	3,000,000	2028
35	VITAL STREET & CSO SEPARATION AT VARIOUS LOCATIONS	50,000	2029
36	ORCHARD VISTA FORCEMAIN REPLACEMENT	250,000	2029
37	GODFREY AVE - CHESTNUT AVE TO GRAND RIVER	5,500,000	2029
38	VAR LOC CIPP REHAB OF S/S	1,000,000	2029
39	6864-A.C. FORCEMAIN REPLACEMENT - LINCOLN SCHOOL LIFT STATION	2,000,000	2029
40	BURTON/BRETON SE COLLECTION AREA CONSTRUCTION	500,000	2030
41	NELAND - BATES TO SHERMAN	1,000,000	2030
42	BEACON ST - GRANDVILLE TO CAULFIELD	500,000	2030
43	B ST - GRANDVILLE TO CAULFIELD ALLEY	305,000	2030
44	2537 - LAFAYETTE AVENUE - FULTON TO FOUNTAIN	270,000	2030
45	VAR LOC CIPP REHAB OF S/S	1,050,000	2030
46	ORCHARD VISTA FORCEMAIN REPLACEMENT	1,000,000	2030
47	FENSKE AREA SANITARY PUMP STATION	750,000	2030
48	VITAL STREET & CSO SEPARATION AT VARIOUS LOCATIONS	50,000	2030
49	2516-WHISKEY CREEK SANITARY TRUNK	3,700,000	2031
50	2528-KENT COUNTRY CLUB SANITARY TRUNK SEWER	1,600,000	2031
51	BOSTON/BLAINE SE COLLECTION AREA CONSTRUCTION	2,000,000	2031
		<u>\$44,947,500</u>	

NOTE: NONE OF THE PROJECTS ABOVE ARE INCLUDED IN RECOMMENDED REVENUE REQUIREMENTS FOR CALENDAR YEAR 2025. COSTS SHOWN ARE IN 2025 DOLLARS.

SOURCE: BRIAN BRADLEY, HYDRAULIC ENGINEER, OCTOBER 2025

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 17**

BONDS - PRINCIPAL & INTEREST PAYMENTS (SENIOR)

FISCAL YEAR ENDING JUNE 30,	PRINCIPAL	INTEREST	PRIN & INT
2026	\$ 14,540,000	\$ 8,702,589	\$ 23,242,589
2027	15,060,000	8,219,392	23,279,392
2028	15,570,000	7,700,535	23,270,535
2029	11,385,000	7,149,652	18,534,652
2030	12,650,000	6,835,012	19,485,012
2031	13,030,000	6,453,850	19,483,850
2032	13,425,000	6,050,316	19,475,316
2033	13,865,000	5,619,582	19,484,582
2034	15,925,000	5,159,803	21,084,803
2035	14,210,000	4,637,596	18,847,596
2036	9,585,000	4,138,313	13,723,313
2037	10,010,000	3,703,861	13,713,861
2038	10,460,000	3,263,135	13,723,135
2039	8,650,000	2,802,114	11,452,114
2040	9,010,000	2,441,647	11,451,647
2041	9,380,000	2,065,700	11,445,700
2042	5,560,000	1,657,797	7,217,797
2043	3,825,000	1,421,850	5,246,850
2044	4,020,000	1,230,600	5,250,600
2045	4,220,000	1,029,600	5,249,600
2046	4,430,000	818,600	5,248,600
2047	4,630,000	617,550	5,247,550
2048	4,840,000	407,300	5,247,300
2049	2,295,000	187,400	2,482,400
2050	2,390,000	95,600	2,485,600
2051	-	-	-
	<u>\$ 232,965,000</u>	<u>\$ 92,409,392</u>	<u>\$ 325,374,392</u>

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 18**

DETERMINE SEWER SYSTEM EQUITY IN THE CONSTRUCTION COST RATE BASE BY
SUBTRACTING DEBT OUTSTANDING FROM THE TOTAL RATE BASE.

CONSTRUCTION COST RATE BASE - TASK NO. 15	\$ 202,022,272
LESS: BONDED INDEBTEDNESS IN CCRB (CASH BASIS) - TASK NO. 20	(174,980,051)
NET SEWER SYSTEM EQUITY	<u>\$ 27,042,221</u>

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE OF RETURN ON EQUITY - TASK NO. 19**

AT THE APRIL 5, 1977, COMMITTEE OF THE WHOLE MEETING, THE CITY COMMISSION DECIDED THE LEVEL OF RETURN ON SEWER SYSTEM EQUITY. THE LEVEL DECIDED UPON WAS ONE PERCENT MORE THAN THE AVERAGE BOND BUYER'S INDEX OF MUNICIPAL BONDS FOR THE PREVIOUS TWELVE MONTH PERIOD.

BOND BUYER'S INDEX OF 20 MUNICIPAL BONDS

<u>DATE</u>	<u>RATE</u>	<u>DATE</u>	<u>RATE</u>
12-Sep-24	3.830%	13-Mar-25	4.290%
19-Sep-24	3.810%	20-Mar-25	4.300%
26-Sep-24	3.810%	27-Mar-25	4.450%
03-Oct-24	3.740%	03-Apr-25	4.340%
10-Oct-24	3.910%	10-Apr-25	5.110%
17-Oct-24	3.920%	17-Apr-25	5.200%
24-Oct-24	4.180%	24-Apr-25	5.240%
31-Oct-24	4.160%	01-May-25	5.140%
07-Nov-24	4.280%	08-May-25	5.160%
14-Nov-24	4.140%	15-May-25	5.200%
21-Nov-24	4.120%	22-May-25	5.270%
27-Nov-24	4.030%	29-May-25	5.250%
05-Dec-24	3.980%	05-Jun-25	5.270%
12-Dec-24	4.010%	12-Jun-25	5.270%
19-Dec-24	4.100%	18-Jun-25	5.250%
26-Dec-24	4.080%	26-Jun-25	5.200%
02-Jan-25	4.060%	03-Jul-25	5.200%
09-Jan-25	4.160%	10-Jul-25	5.210%
16-Jan-25	4.280%	17-Jul-25	5.300%
23-Jan-25	4.190%	24-Jul-25	5.290%
30-Jan-25	4.130%	31-Jul-25	5.290%
06-Feb-25	4.060%	07-Aug-25	5.200%
13-Feb-25	4.250%	14-Aug-25	5.210%
20-Feb-25	4.250%	21-Aug-25	5.250%
27-Feb-25	4.150%	28-Aug-25	5.230%
06-Mar-25	4.150%	04-Sep-25	5.220%
		<u>52 WEEKS</u>	<u>4.579%</u>

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 20**

DETERMINE COMPOSITE RATE OF RETURN ON CONSTRUCTION COST RATE BASE

	RATE BASE	@	RATE OF RETURN	=	RETURN ON INVESTMENT
SEWER SYSTEM EQUITY IN THE CONSTRUCTION COST RATE BASE (CCRB)	\$ 27,042,221	@	5.579%	=	\$ 1,508,748
SEWER SYSTEM INDEBTEDNESS IN THE CCRB					
2010 BONDS	15,895,000	@	5.00%	=	794,750
2010A BONDS	7,280,000	@	4.37%	=	318,136
2011 SRF BONDS	2,639,675	@	2.50%	=	65,992
2013 SRF BONDS	554,125	@	2.00%	=	11,083
2016 BONDS (partially refunded 2008 Bonds)	21,342,200	@	5.00%	=	1,067,110
2018 BONDS	37,265,000	@	5.00%	=	1,863,250
2020 BONDS	33,735,000	@	4.64%	=	1,565,304
2021 BONDS (refunded 2012, 2013, 2014 Bonds)	48,769,051	@	2.28%	=	1,111,934
2023 CWRFB BONDS	7,500,000	@	1.88%	=	140,625
LESS INTEREST ON BOND RESERVE ACCOUNTS					(394,992)
	\$ 202,022,272				\$ 8,051,940
COMPOSITE RATE OF RETURN ON INVESTMENT			\$ 8,051,940	=	3.986%

Noted Disclosure:

TOTAL BONDED INDEBTEDNESS IN CCRB (from above) \$ 174,980,051 TASK NO. 18

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
CONSTRUCTION COST RATE BASE & RETURN ON SYSTEM INVESTMENT- TASK NO. 21- PART 1
FISCAL YEAR ENDED JUNE 30, 2025**

PHYSICAL LOCATION

DESCRIPTION	INTEGRATED SYSTEM	RETAIL								WHOLESALE				TOTAL
		CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP	CITY OF EAST GR	CALEDONIA TOWNSHIP	ADA TOWNSHIP	GAINES TOWNSHIP		
COST	\$ 232,206,469	\$ 263,228,123	\$ 45,163,914	\$ 32,457,896	\$ 22,594,254	\$ 23,678,255	\$ 5,735,670	\$ 118,230	\$ -	\$ -	\$ -	\$ -	\$ 625,182,811	
LESS: ACCUMULATED DEPRECIATION	116,380,160	100,452,460	23,743,465	18,224,854	11,871,679	11,176,714	2,409,467	78,030	-	-	-	-	284,336,829	
NET BOOK VALUE	\$ 115,826,309	\$ 162,775,663	\$ 21,420,449	\$ 14,233,042	\$ 10,722,575	\$ 12,501,541	\$ 3,326,203	\$ 40,200	\$ -	\$ -	\$ -	\$ -	\$ 340,845,982	
WORKING CAPITAL REQUIREMENT	7,384,919	2,234,563	443,935	325,619	226,378	316,025	41,350	30,654	4,411	1,103	12,901	4,852	11,026,710	
	\$ 123,211,228	\$ 165,010,226	\$ 21,864,384	\$ 14,558,661	\$ 10,948,953	\$ 12,817,566	\$ 3,367,553	\$ 70,854	\$ 4,411	\$ 1,103	\$ 12,901	\$ 4,852	\$ 351,872,691	
CONTRIBUTIONS	50,267,759	70,270,811	28,976,939	27,241,195	19,140,078	17,516,188	5,335,207	-	-	-	-	-	218,748,177	
LESS AMORTIZATION	(53,442,004)	(56,869,622)	(15,732,545)	(16,777,302)	(11,330,755)	(9,365,715)	(2,188,241)	-	-	-	-	-	(165,706,184)	
	\$ 3,174,245	\$ (13,401,189)	\$ (13,244,394)	\$ (10,463,893)	\$ (7,809,323)	\$ (8,150,473)	\$ (3,146,966)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (53,041,993)	
CONSTRUCTION COST RATE BASE	\$ 126,385,473	\$ 151,609,037	\$ 8,619,990	\$ 4,094,768	\$ 3,139,630	\$ 4,667,093	\$ 220,587	\$ 70,854	\$ 4,411	\$ 1,103	\$ 12,901	\$ 4,852	\$ 298,830,698	
RETURN ON INVESTMENT- TASK 20	3.986%	\$ 5,037,725	\$ 6,043,136	\$ 343,593	\$ 163,217	\$ 125,146	\$ 186,030	\$ 8,793	\$ 2,824	\$ 176	\$ 44	\$ 514	\$ 193	\$ 11,911,391
ZONEGATED														
COST	\$ -	\$ (361,130)	\$ 6,411,607	\$ 1,988,795	\$ 3,896,746	\$ 7,835,223	\$ 1,927,471	\$ 1,429,536	\$ 357,069	\$ 245,804	\$ 6,233,073	\$ 1,001,899	\$ 30,966,093	
LESS: ACCUMULATED DEPRECIATION	-	(895,559)	3,203,483	1,517,380	1,628,588	3,708,609	732,470	696,111	261,883	182,578	2,317,580	744,180	14,097,303	
NET BOOK VALUE	\$ -	\$ 534,429	\$ 3,208,124	\$ 471,415	\$ 2,268,158	\$ 4,126,614	\$ 1,195,001	\$ 733,425	\$ 95,186	\$ 63,226	\$ 3,915,493	\$ 257,719	\$ 16,868,790	
WORKING CAPITAL REQUIREMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	
	\$ -	\$ 534,429	\$ 3,208,124	\$ 471,415	\$ 2,268,158	\$ 4,126,614	\$ 1,195,001	\$ 733,425	\$ 95,186	\$ 63,226	\$ 3,915,493	\$ 257,719	\$ 16,868,790	
CONTRIBUTIONS	-	-	7,390	950,911	297,031	231,915	209	149	1,796	204,125	270,701	832,056	2,796,283	
LESS AMORTIZATION	-	-	(7,390)	(760,729)	(237,625)	(185,891)	(209)	(149)	(1,437)	(145,601)	(216,561)	(593,501)	(2,149,093)	
	\$ -	\$ -	\$ -	\$ (190,182)	\$ (59,406)	\$ (46,024)	\$ -	\$ -	\$ (359)	\$ (58,524)	\$ (54,140)	\$ (238,555)	\$ (647,190)	
CONSTRUCTION COST RATE BASE	\$ -	\$ 534,429	\$ 3,208,124	\$ 281,233	\$ 2,208,752	\$ 4,080,590	\$ 1,195,001	\$ 733,425	\$ 94,827	\$ 4,702	\$ 3,861,353	\$ 19,164	\$ 16,221,600	
RETURN ON INVESTMENT- TASK 19/21	\$ -	\$ 48,522	\$ 291,273	\$ 25,534	\$ 200,538	\$ 370,486	\$ 108,497	\$ 66,589	\$ 8,610	\$ 427	\$ 350,581	\$ 764	\$ 1,471,821	
RETURN ON INVESTMENT- TASK 19/21	9.079%	9.079%	9.079%	9.079%	9.079%	9.079%	9.079%	9.079%	9.079%	9.079%	9.079%	3.986%		
TOTAL RETURN ON INVESTMENT	\$ 5,037,725	\$ 6,091,658	\$ 634,866	\$ 188,751	\$ 325,684	\$ 556,516	\$ 117,290	\$ 69,413	\$ 8,786	\$ 471	\$ 351,095	\$ 957	\$ 13,383,212	

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
CONSTRUCTION COST & ACCUMULATED DEPRECIATION- TASK NO. 21- PART 2
FISCAL YEAR ENDED JUNE 30, 2025**

CONSTRUCTION COST

COST CENTER	AMOUNT	INTEGRATED SYSTEM	RETAIL							WHOLESALE				TOTAL
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP	CITY OF EAST GR	CALEDONIA TOWNSHIP	ADA TOWNSHIP	GAINES TOWNSHIP	
BY PHYSICAL LOCATION- TASK 11		\$ 232,206,469	\$ 463,047,775	\$ 48,121,963	\$ 44,510,953	\$ 23,364,289	\$ 23,518,803	\$ 6,765,623	\$ 196,346	\$ -	\$ -	\$ -	\$ -	\$ 841,732,221
ADD: IN SERVICE- TASK 10/8		-	268,270	518,981	385,029	1,072,500	277,500	-	-	-	-	-	-	2,522,280
MARNE CONNECTOR AGREEMENT		-	(211,573)	-	-	-	-	(515,311)	(78,116)	-	-	-	-	(805,000)
SADDLEBACK SEWER		-	(1,187,160)	-	1,115,707	71,453	-	-	-	-	-	-	-	-
TASK 11/16/21- CSO FA AMT		-	(187,300,597)	-	-	-	-	-	-	-	-	-	-	(187,300,597)
LIFT STATIONS / CHAMBERS:														
FULLER-BROOKVIEW	\$ 1,252,893		(966,294)	-	-	-	966,294	-	-	-	-	-	-	-
FULTON- MIDDLEBORROW	37,983		(37,983)	-	-	-	37,983	-	-	-	-	-	-	-
WEALTHY ST EXT. CHAMBER	458,953		(136,879)	128,209	-	-	-	8,670	-	-	-	-	-	-
WEALTHY	20,444		(6,889)	6,630	-	-	-	60	199	-	-	-	-	-
MARKET	12,965,095		(1,748,862)	1,354,204	-	-	329,054	38,377	27,227	-	-	-	-	-
VANPORTFLIET / LEONARD HTS	1,239,326		409,523	(409,523)	-	-	-	-	-	-	-	-	-	-
REMEMBRANCE / 3 MILE	1,213,244		-	(201,180)	-	-	-	46,552	154,628	-	-	-	-	-
16th AVENUE	71,058		-	-	-	-	-	-	-	-	-	-	-	-
HAYES- WEST	141,105		-	-	-	-	-	(141,105)	141,105	-	-	-	-	-
HAYES- EAST	215,841		-	-	-	-	-	-	-	-	-	-	-	-
O'BRIEN	546,532		19,664	(70,114)	-	-	-	50,450	-	-	-	-	-	-
SERVICEMAINS			(9,282,002)	2,126,351	(11,564,998)	1,982,758	6,383,844	1,409,825	1,106,377	357,069	245,804	6,233,073	1,001,899	-
ADJUSTED BY ZONEGATING		\$ 232,206,469	\$ 262,866,993	\$ 51,575,521	\$ 34,446,691	\$ 26,491,000	\$ 31,513,478	\$ 7,663,141	\$ 1,547,766	\$ 357,069	\$ 245,804	\$ 6,233,073	\$ 1,001,899	\$ 656,148,904
ZONEGATING ADJUSTMENT		\$ -	\$ (361,130)	\$ 6,411,607	\$ 1,988,795	\$ 3,896,746	\$ 7,835,223	\$ 1,927,471	\$ 1,429,536	\$ 357,069	\$ 245,804	\$ 6,233,073	\$ 1,001,899	\$ 30,966,093
PHYSICAL LOCATION		\$ 232,206,469	\$ 263,228,123	\$ 45,163,914	\$ 32,457,896	\$ 22,594,254	\$ 23,678,255	\$ 5,735,670	\$ 118,230	\$ -	\$ -	\$ -	\$ -	\$ 625,182,811

ACCUMULATED DEPRECIATION

BY PHYSICAL LOCATION- TASK 11		\$ 116,380,160	\$ 199,704,008	\$ 25,144,102	\$ 22,938,349	\$ 12,507,364	\$ 11,294,762	\$ 2,830,989	\$ 108,037	\$ -	\$ -	\$ -	\$ -	\$ 390,907,771
ADD: IN SERVICE- TASK 10		-	-	-	-	-	-	-	-	-	-	-	-	-
MARNE CONNECTOR AGREEMENT		-	(172,961)	-	-	-	-	(195,080)	(30,007)	-	-	-	-	(398,048)
SADDLEBACK SEWER		-	-	-	344,942	21,436	-	-	-	-	-	-	-	366,378
TASK 11/16/21- CSO ACC DEP		-	(92,441,969)	-	-	-	-	-	-	-	-	-	-	(92,441,969)
LIFT STATIONS / CHAMBERS:														
FULLER-BROOKVIEW	\$ 923,798		(712,479)	-	-	-	712,479	-	-	-	-	-	-	-
FULTON- MIDDLEBORROW	37,983		(37,983)	-	-	-	37,983	-	-	-	-	-	-	-
WEALTHY ST EXT. CHAMBER	235,902		(70,355)	65,899	-	-	-	4,456	-	-	-	-	-	-
WEALTHY	20,444		(6,889)	6,630	-	-	-	60	199	-	-	-	-	-
MARKET	9,648,193		(1,301,445)	1,007,754	-	-	244,871	28,559	20,261	-	-	-	-	-
VANPORTFLIET / LEONARD HTS	551,076		182,098	(182,098)	-	-	-	-	-	-	-	-	-	-
REMEMBRANCE / 3 MILE	967,960		-	(160,508)	-	-	-	37,141	123,367	-	-	-	-	-
16th AVENUE	59,174		-	-	-	-	-	-	-	-	-	-	-	-
HAYES- WEST	101,376		-	-	-	-	-	(101,376)	101,376	-	-	-	-	-
HAYES- EAST	137,050		-	-	-	-	-	-	-	-	-	-	-	-
O'BRIEN	379,293		13,647	(48,660)	-	-	-	35,013	-	-	-	-	-	-
SERVICEMAINS			(5,598,771)	1,113,829	(3,541,057)	971,467	2,595,228	502,175	450,908	261,883	182,578	2,317,580	744,180	-
ADJUSTED BY ZONEGATING		\$ 116,380,160	\$ 99,556,901	\$ 26,946,948	\$ 19,742,234	\$ 13,500,267	\$ 14,885,323	\$ 3,141,937	\$ 774,141	\$ 261,883	\$ 182,578	\$ 2,317,580	\$ 744,180	\$ 298,434,132
ZONEGATING ADJUSTMENT		\$ -	\$ (895,559)	\$ 3,203,483	\$ 1,517,380	\$ 1,628,588	\$ 3,708,609	\$ 732,470	\$ 696,111	\$ 261,883	\$ 182,578	\$ 2,317,580	\$ 744,180	\$ 14,097,303
PHYSICAL LOCATION		\$ 116,380,160	\$ 100,452,460	\$ 23,743,465	\$ 18,224,854	\$ 11,871,679	\$ 11,176,714	\$ 2,409,467	\$ 78,030	\$ -	\$ -	\$ -	\$ -	\$ 284,336,829

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
CONTRIBUTIONS & AMORTIZED CONTRIBUTIONS- TASK NO. 21- PART 3
FISCAL YEAR ENDED JUNE 30, 2025**

CONTRIBUTIONS BY OTHERS

COST CENTER	AMOUNT	INTEGRATED SYSTEM	RETAIL							WHOLESALE			TOTAL	
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP	CITY OF EAST GR	CALEDONIA TOWNSHIP	ADA TOWNSHIP		GAINES TOWNSHIP
2024 RATE STUDY (LOCATION)		\$ 50,267,759	\$ 69,763,238	\$ 27,841,704	\$ 27,058,395	\$ 19,140,078	\$ 17,444,116	\$ 5,335,207	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 216,850,497
ADDITIONS:														
CONNECTION & FRONT FOOT FEES			60,945	-	182,800	-	72,072	-	-	-	-	-	-	315,817
FIXED ASSET CONTRIBUTIONS		-	446,628	1,135,235	-	-	-	-	-	-	-	-	-	1,581,863
		\$ 50,267,759	\$ 70,270,811	\$ 28,976,939	\$ 27,241,195	\$ 19,140,078	\$ 17,516,188	\$ 5,335,207	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 218,748,177
PLASTER CREEK INTERCEPTOR GRANT	\$ 2,244,621		-	-	950,911	297,031	230,119	-	-	1,796	27,137	270,701	110,615	
INTERCEPTOR	1,314,819		-	-	-	-	-	-	-	-	176,988	-	721,441	
LIFT STATION	70,753		-	7,390	-	-	1,796	209	149	-	-	-	-	
ADJUSTED BY ZONEGATING		\$ 50,267,759	\$ 70,270,811	\$ 28,984,329	\$ 28,192,106	\$ 19,437,109	\$ 17,748,103	\$ 5,335,416	\$ 149	\$ 1,796	\$ 204,125	\$ 270,701	\$ 832,056	\$ 218,748,177
LESS: ZONEGATING ADJUSTMENT		\$ -	\$ -	\$ 7,390	\$ 950,911	\$ 297,031	\$ 231,915	\$ 209	\$ 149	\$ 1,796	\$ 204,125	\$ 270,701	\$ 832,056	\$ -
PHYSICAL LOCATION		\$ 50,267,759	\$ 70,270,811	\$ 28,976,939	\$ 27,241,195	\$ 19,140,078	\$ 17,516,188	\$ 5,335,207	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 218,748,177

AMORTIZED CONTRIBUTIONS

2024 RATE STUDY (LOCATION)		\$ 52,436,649	\$ 55,504,395	\$ 15,186,038	\$ 16,234,574	\$ 10,947,953	\$ 9,018,857	\$ 2,081,492	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 161,409,958
CURRENT YEAR ADJUSTMENT		1,005,355	1,365,227	546,507	542,728	382,802	346,858	106,749	-	-	-	-	-	4,296,226
		\$ 53,442,004	\$ 56,869,622	\$ 15,732,545	\$ 16,777,302	\$ 11,330,755	\$ 9,365,715	\$ 2,188,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165,706,184
PLASTER CREEK INTERCEPTOR GRANT	\$ 1,795,697		-	-	760,729	237,625	184,095	-	-	1,437	21,710	216,561	88,492	
INTERCEPTOR	920,373		-	-	-	-	-	-	-	-	123,891	-	505,009	
LIFT STATION	70,753		-	7,390	-	-	1,796	209	149	-	-	-	-	
ADJUSTED BY ZONEGATING		\$ 53,442,004	\$ 56,869,622	\$ 15,739,935	\$ 17,538,031	\$ 11,568,380	\$ 9,551,606	\$ 2,188,450	\$ 149	\$ 1,437	\$ 145,601	\$ 216,561	\$ 593,501	\$ 165,706,184
LESS: ZONEGATING ADJUSTMENT		\$ -	\$ -	\$ 7,390	\$ 760,729	\$ 237,625	\$ 185,891	\$ 209	\$ 149	\$ 1,437	\$ 145,601	\$ 216,561	\$ 593,501	\$ -
PHYSICAL LOCATION		\$ 53,442,004	\$ 56,869,622	\$ 15,732,545	\$ 16,777,302	\$ 11,330,755	\$ 9,365,715	\$ 2,188,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165,706,184

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
RECONCILIATION OF CONSTRUCTION COST & ACCUMULATED DEPRECIATION- PHYSICAL LOCATION & ZONEGATING
FISCAL YEAR ENDED JUNE 30, 2025**

COST CENTER	AMOUNT	INTEGRATED SYSTEM	RETAIL							WHOLESALE				TOTAL
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP	CITY OF EAST GR	CALEDONIA TOWNSHIP	ADA TOWNSHIP	GAINES TOWNSHIP	
CONSTRUCTION COST- BY PHYSICAL LOCATION:														
BY PHYSICAL LOCATION- TASK 11		\$ 232,206,469	\$ 470,320,078	\$ 44,732,867	\$ 44,510,953	\$ 22,665,632	\$ 20,762,257	\$ 6,408,677	\$ 125,288	\$ -	\$ -	\$ -	\$ -	\$ 841,732,221
IN SERVICE- TASK 10/8		-	268,270	518,981	385,029	1,072,500	277,500	-	-	-	-	-	-	2,522,280
MARNE CONNECTOR AGREEMENT		-	(211,573)	-	-	-	-	(515,311)	(78,116)	-	-	-	-	(805,000)
SADDLEBACK SEWER			(1,187,160)		1,115,707	71,453								-
TASK 11/16/21- CSO COST			(187,300,597)											(187,300,597)
O'BRIEN			(546,532)	546,532										-
VANPORTFLIET / LEONARD HTS			(1,239,326)	1,239,326										-
REMEMBRANCE / 3 MILE			(1,213,244)	1,213,244										-
16th AVENUE			(71,058)						71,058					-
HAYES- WEST			(141,105)					141,105						-
HAYES- EAST			(215,841)					215,841						-
KINGSBURY	\$ 323,154		(323,154)	323,154										-
MEADOWWOOD TRAILS	66,841		(66,841)			66,841								-
OAK HOLLOW	66,840		(66,840)				66,840							-
COLLINDALE	66,840		(66,840)	66,840										-
THORNAPPLE	224,216		(224,216)			224,216								-
6000 28TH ST	111,401		(111,401)			111,401								-
THORNHILLS	118,407		(118,407)			118,407								-
ROBINHOOD	178,399		(178,399)				178,399							-
CASCADE SPRINGS	65,478		(65,478)			65,478								-
SHOREHAVEN	72,602		(72,602)				72,602							-
EAGLECREST	345,633		(345,633)				345,633							-
GREENBRIER	48,486		(48,486)				48,486							-
LINCOLN SCHOOL	153,651		(153,651)				153,651							-
REEDS LAKE	962,898		(962,898)				962,898							-
KRAFT	72,602		(72,602)			72,602								-
ORCHARD VISTA	39,712		(39,712)			39,712								-
BIRD AVE-ALPINE ESTATES	797,860		(797,860)				797,860							-
EAST PARIS	323,478		(323,478)				323,478							-
SERVICE MAINS														
LESS: SERVICE MAINS- TOTAL SUBS- PHY. LOC.			(38,878,203)	(13,840,328)	(19,707,869)	(2,312,401)	(140,457)	(590,665)	-	-	-	-	-	(75,469,923)
ADD: SERVICE MAINS- TOTAL ADDS- PHY. LOC.			12,213,480	10,363,298	6,154,076	398,413	22,409	76,023	-	-	-	-	-	29,227,699
TOTAL- PHYSICAL LOCATION COST		\$ 232,206,469	\$ 247,758,691	\$ 45,163,914	\$ 32,457,896	\$ 22,594,254	\$ 23,871,556	\$ 5,735,670	\$ 118,230	\$ -	\$ -	\$ -	\$ -	\$ 609,906,680
CONSTRUCTION COST- ZONEGATING:														
LIFT STATIONS / CHAMBERS:														
FULLER-BROOKVIEW	\$ 1,252,893		(966,294)	-	-	-	966,294	-	-	-	-	-	-	-
FULTON- MIDDLEBORROW	37,983		(37,983)	-	-	-	37,983	-	-	-	-	-	-	-
WEALTHY ST EXT. CHAMBER	458,953		(136,879)	128,209	-	-	-	8,670	-	-	-	-	-	-
WEALTHY	20,444		(6,889)	6,630	-	-	-	60	199	-	-	-	-	-
MARKET	12,965,095		(1,748,862)	1,354,204	-	-	329,054	38,377	27,227	-	-	-	-	-
VANPORTFLIET / LEONARD HTS	1,239,326		409,523	(409,523)	-	-	-	-	-	-	-	-	-	-
REMEMBRANCE / 3 MILE	1,213,244		-	(201,180)	-	-	-	46,552	154,628	-	-	-	-	-
16th AVENUE	71,058		-	-	-	-	-	-	-	-	-	-	-	-
HAYES- WEST	141,105		-	-	-	-	-	(141,105)	141,105	-	-	-	-	-
HAYES- EAST	215,841		-	-	-	-	-	-	-	-	-	-	-	-
O'BRIEN	546,532		19,664	(70,114)	-	-	-	50,450	-	-	-	-	-	-
SERVICEMAINS- ZONEGATED COST			2,106,590	5,603,381	1,988,795	3,896,746	6,501,892	1,924,467	1,106,377	357,069	245,804	6,233,073	1,001,899	30,966,093
TOTAL- ZONEGATED COST	\$ -	\$ (361,130)	\$ 6,411,607	\$ 1,988,795	\$ 3,896,746	\$ 7,835,223	\$ 1,927,471	\$ 1,429,536	\$ 357,069	\$ 245,804	\$ 6,233,073	\$ 1,001,899	\$ -	\$ 30,966,093
GRAND TOTAL- COST	\$ 232,206,469	\$ 247,397,561	\$ 51,575,521	\$ 34,446,691	\$ 26,491,000	\$ 31,706,779	\$ 7,663,141	\$ 1,547,766	\$ 357,069	\$ 245,804	\$ 6,233,073	\$ 1,001,899	\$ -	\$ 640,872,773

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
RECONCILIATION OF CONSTRUCTION COST & ACCUMULATED DEPRECIATION- PHYSICAL LOCATION & ZONEGATING
FISCAL YEAR ENDED JUNE 30, 2025**

COST CENTER	AMOUNT	INTEGRATED SYSTEM	RETAIL							WHOLESALE				TOTAL
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP	CITY OF EAST GR	CALEDONIA TOWNSHIP	ADA TOWNSHIP	GAINES TOWNSHIP	
ACCUMULATED DEPRECIATION- BY PHYSICAL LOCATION:														
BY PHYSICAL LOCATION- TASK 11		\$ 116,380,160	\$ 201,151,468	\$ 23,475,211	\$ 22,938,349	\$ 12,985,636	\$ 11,119,806	\$ 2,695,292	\$ 161,849	\$ -	\$ -	\$ -	\$ -	\$ 390,907,771
IN SERVICE- TASK 10		-	-	-	-	-	-	-	-	-	-	-	-	-
MARNE CONNECTOR AGREEMENT		-	(172,961)	-	-	-	-	(195,080)	(30,007)	-	-	-	-	(398,048)
SADDLEBACK SEWER					344,942	21,436								366,378
TASK 11/16/21- CSO ACC. DEPRECIATION			(92,441,969)											(92,441,969)
O'BRIEN			(379,293)	379,293										-
VANPORTFLIET			(551,076)	551,076										-
REMEMBRANCE / 3 MILE			(967,960)	967,960										-
16th AVENUE			(59,174)						59,174					-
HAYES- WEST			(101,376)					101,376						-
HAYES- EAST			(137,050)					137,050						-
KINGSBURY	\$ 193,381		(193,381)	193,381										-
MEADOWWOOD TRAILS	33,420		(33,420)			33,420								-
OAK HOLLOW	33,420		(33,420)				33,420							-
COLLINDALE	33,420		(33,420)	33,420										-
THORNAPPLE	166,001		(166,001)			166,001								-
6000 28TH ST	59,414		(59,414)			59,414								-
THORNHILLS	71,044		(71,044)			71,044								-
ROBINHOOD	112,986		(112,986)				112,986							-
CASCADE SPRINGS	56,748		(56,748)			56,748								-
SHOREHAVEN	45,981		(45,981)				45,981							-
EAGLECREST	122,327		(122,327)				122,327							-
GREENBRIER	27,475		(27,475)				27,475							-
LINCOLN SCHOOL	83,356		(83,356)				83,356							-
REEDS LAKE	424,638		(424,638)				424,638							-
KRAFT	45,981		(45,981)			45,981								-
ORCHARD VISTA	22,503		(22,503)			22,503								-
BIRD AVE-ALPINE ESTATES	368,204		(368,204)				368,204							-
EAST PARIS	226,435		(226,435)				226,435							-
SERVICE MAINS														-
LESS: SERVICE MAINS- TOTAL SUBS- PHY. LOC.			(15,170,883)	(5,706,207)	(7,819,881)	(783,710)	(140,457)	(259,893)	-	-	-	-	-	(29,881,031)
ADD: SERVICE MAINS- TOTAL ADDS- PHY. LOC.			7,312,174	4,305,570	2,761,444	126,590	22,409	33,450	-	-	-	-	-	14,561,637
		<u>\$ 116,380,160</u>	<u>\$ 96,355,166</u>	<u>\$ 24,199,704</u>	<u>\$ 18,224,854</u>	<u>\$ 12,805,063</u>	<u>\$ 12,446,580</u>	<u>\$ 2,512,195</u>	<u>\$ 191,016</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 283,114,738</u>
ACCUMULATED DEPRECIATION- ZONEGATED														
LIFT STATIONS / CHAMBERS:														
FULLER-BROOKVIEW	\$ 923,798		(712,479)	-	-	-	712,479	-	-	-	-	-	-	-
FULTON- MIDDLEBORROW	37,983		(37,983)	-	-	-	37,983	-	-	-	-	-	-	-
WEALTHY ST EXT. CHAMBER	235,902		(70,355)	65,899	-	-	-	4,456	-	-	-	-	-	-
WEALTHY	20,444		(6,889)	6,630	-	-	-	60	199	-	-	-	-	-
MARKET	9,648,193		(1,301,445)	1,007,754	-	-	244,871	28,559	20,261	-	-	-	-	-
VANPORTFLIET	551,076		182,098	(182,098)	-	-	-	-	-	-	-	-	-	-
REMEMBRANCE / 3 MILE	967,960		-	(160,508)	-	-	-	37,141	123,367	-	-	-	-	-
16th AVENUE	59,174		-	-	-	-	-	-	-	-	-	-	-	-
HAYES- WEST	101,376		-	-	-	-	-	(101,376)	101,376	-	-	-	-	-
HAYES- EAST	137,050		-	-	-	-	-	-	-	-	-	-	-	-
O'BRIEN	379,293		13,647	(48,660)	-	-	-	35,013	-	-	-	-	-	-
SERVICEMAINS-ZONEGATED ACC. DEPRECIATION			1,037,847	2,514,466	1,517,380	1,628,588	2,713,276	728,617	450,908	261,883	182,578	2,317,580	744,180	14,097,303
TOTAL- ZONEGATED ACC. DEPRECIATION		<u>\$ -</u>	<u>\$ (895,559)</u>	<u>\$ 3,203,483</u>	<u>\$ 1,517,380</u>	<u>\$ 1,628,588</u>	<u>\$ 3,708,609</u>	<u>\$ 732,470</u>	<u>\$ 696,111</u>	<u>\$ 261,883</u>	<u>\$ 182,578</u>	<u>\$ 2,317,580</u>	<u>\$ 744,180</u>	<u>\$ 14,097,303</u>
GRAND TOTAL- ACC. DEPRECIATION		<u>\$ 116,380,160</u>	<u>\$ 95,459,607</u>	<u>\$ 27,403,187</u>	<u>\$ 19,742,234</u>	<u>\$ 14,433,651</u>	<u>\$ 16,155,189</u>	<u>\$ 3,244,665</u>	<u>\$ 887,127</u>	<u>\$ 261,883</u>	<u>\$ 182,578</u>	<u>\$ 2,317,580</u>	<u>\$ 744,180</u>	<u>\$ 297,212,041</u>

**CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED OPERATING EXPENSE ZONEGATING ALLOCATION BY GOVERNMENTAL UNIT - TASK #22
FISCAL YEAR ENDED JUNE 30, 2025**

COST CENTER	ADJUSTED EXPENSE BY COST CENTER	INTEGRATED SYSTEM	RETAIL							WHOLESALE			
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP	CITY OF EAST GR	CALEDONIA TOWNSHIP	ADA TOWNSHIP	GAINES TOWNSHIP
WASTEWATER TREATMENT	\$ 22,262,773	\$ 22,262,773											
LIFT STATIONS:													
A. INTERCEPTOR	311,160		269,188	32,501	-	-	7,897	921	653	-	-	-	-
B. TRUNK	193,156		41,850	64,172	-	57,112	26,264	3,758	-	-	-	-	-
C. LOCAL COLLECTOR	568,797		101,290	47,070	-	118,890	224,759	33,859	32,040	-	-	10,889	-
SEWER LINES:													
A. INTERCEPTOR	341,886		195,456	49,454	87,386	9,590	-	-	-	-	-	-	-
B. TRUNK	818,279		299,246	201,542	179,858	71,288	45,234	20,252	859	-	-	-	-
C. LOCAL COLLECTOR	5,605,829		3,483,294	705,942	550,380	335,004	436,918	62,057	32,234	-	-	-	-
D. ZONEGATING			(141,350)	16,389	(38,075)	25,479	62,838	(6,727)	20,540	12,167	3,650	30,274	14,815
BULK METERING STATIONS	5,123		-	-	2,355	-	-	-	-	1,996	14	37	721
CUSTOMER ACCOUNTING *	3,740,108		2,858,451	295,057	253,916	102,741	201,293	17,392	11,258				
INDUSTRIAL PRETREATMENT	1,225,814	1,225,814											
SUBTOTAL OPERATING EXPENSE	35,072,926	23,488,587	7,107,425	1,412,127	1,035,820	720,104	1,005,203	131,512	97,584	14,163	3,664	41,200	15,536
ADMINISTRATIVE EXPENSE	3,995,139	2,636,613	855,988	158,512	116,272	80,832	112,835	14,762	10,954	1,590	411	4,625	1,744
TOTAL	\$ 39,068,064	\$ 26,125,201	\$ 7,963,414	\$ 1,570,639	\$ 1,152,092	\$ 800,936	\$ 1,118,038	\$ 146,274	\$ 108,538	\$ 15,753	\$ 4,075	\$ 45,825	\$ 17,280

* Reflects adjustment for circuit breaker provisions per the third amendment to W/S service agreements.

METHOD OF DISTRIBUTION

WASTEWATER TREATMENT	100.000%	100.00%											
LIFT STATIONS:	(54)												
A. INTERCEPTORS	(1)	100.000%	(1)	-	-	-	-	-	-	-	-	-	-
B. TRUNK	(8)	100.000%	(3)	(3)	-	(1)	(1)	-	-	-	-	-	-
C. LOCAL	(45)	100.000%	(9)	(3)	-	(9)	(17)	(5)	(1)	-	-	(1)	-
SEWER LINES:													
TOTAL MILES:	945.38												
A. INTERCEPTOR MILES	47.77	100.000%	57.170%	14.465%	25.560%	2.805%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
B. TRUNK LINES MILES	114.33	100.000%	36.570%	24.630%	21.980%	8.712%	5.528%	2.475%	0.105%	0.000%	0.000%	0.000%	0.000%
C. LOCAL COLLECTOR MILES	783.28	100.000%	62.137%	12.593%	9.818%	5.976%	7.794%	1.107%	0.575%	0.000%	0.000%	0.000%	0.000%
D. ZONEGATING MILES	(6)		(19.75)	2.29	(5.32)	3.56	8.78	(0.94)	2.87	1.70	0.51	4.23	2.07
BULK METERING STATIONS	(6)		-	-	(2)	-	-	-	-	(1)	(1)	(1)	(1)
CUSTOMER ACCTG (1) NO. OF METERS	76,787.00	100.000%	76.427%	7.889%	6.789%	2.747%	5.382%	0.465%	0.301%				
INDUSTRIAL PRETREATMENT	100.000%	100.00%											
ADMINISTRATIVE EXPENSE (2)	100.000%	65.996%	21.426%	3.968%	2.910%	2.023%	2.824%	0.369%	0.274%	0.040%	0.010%	0.116%	0.044%

NOTES:

- (1) MAINTENANCE & COLLECTION COSTS ARE ALLOCATED ON THE NUMBER OF METERS, INCLUSIVE OF USERS FOR WRIGHT TWP.
- (2) ALLOCATED ON DIRECT OPERATING EXPENSE, ADJUSTED FOR ANY COST ASSIGNABLE EXCLUSIVELY TO GR OR RETAIL COMMUNITIES, IF APPLICABLE.

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 23**

ASSIGN OTHER OPERATING REVENUES TO EACH GOVERNMENTAL ENTITY.

BASIS OF ALLOCATION: RETAIL BILLINGS BY GOVERNMENTAL ENTITY - TASK NO. 6 & 7

	<u>RETAIL BILLINGS</u>	<u>PERCENTAGE OF TOTAL</u>	<u>ALLOCATION *</u>
CITY OF GRAND RAPIDS	\$ 43,450,170	70.0026%	\$ 181,882
CITY OF WALKER	5,834,533	9.4000%	24,423
CITY OF KENTWOOD	5,379,757	8.6673%	22,520
CASCADE TOWNSHIP	3,352,457	5.4011%	14,033
GRAND RAPIDS TOWNSHIP	3,187,644	5.1356%	13,343
TALLMADGE TOWNSHIP	604,295	0.9736%	2,530
WRIGHT TOWNSHIP	260,558	0.4198%	1,091
	<u>\$ 62,069,414</u>	<u>100.0000%</u>	<u>\$ 259,822</u>

** Reflects adjustment for circuit breaker provisions per 3rd amendment of W/S agreements*

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ASSIGN DEPRECIATION EXPENSE TO CUSTOMER COMMUNITIES- TASK NO. 24
FISCAL YEAR ENDED JUNE 30, 2025

COST CENTER	DEPRECIATION EXPENSE	INTEGRATED SYSTEM	RETAIL							WHOLESALE				TOTAL
			CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP	CITY OF EAST GR	CALEDONIA TOWNSHIP	ADA TOWNSHIP	GAINES TOWNSHIP	
BY PHYSICAL LOCATION- TASK 11		\$ 7,679,130	\$ 9,372,416	\$ 885,280	\$ 784,739	\$ 434,812	\$ 442,208	\$ 128,174	\$ 2,506					\$ 19,729,265
ADD: IN SERVICE- TASK 10/8		-	5,365	10,380	7,701	28,117	5,550	-	-					57,113
MARNE CONNECTOR AGREEMENT			(2,525)											(14,395)
SADDLEBACK SEWER						22,313	1,429	(10,307)	(1,563)					23,742
LESS: TASK 11/16/21- CSO DEP. EXP.			(3,777,228)											(3,777,228)
LIFT STATIONS / CHAMBERS:														
FULLER-BROOKVIEW (GR)	\$ 18,488		(14,259)	-	-	-	14,259	-	-	-	-	-	-	-
FULTON- MIDDLEBORO (GR)	-		-	-	-	-	-	-	-	-	-	-	-	-
WEALTHY ST EXT. CHAMBER	8,261		(2,464)	2,308	-	-	-	156	-	-	-	-	-	-
WEALTHY	-		-	-	-	-	-	-	-	-	-	-	-	-
MARKET	360,046		(48,567)	37,607	-	-	9,138	1,066	756	-	-	-	-	-
VANPORTFLIET	34,991		11,562	(11,562)	-	-	-	-	-	-	-	-	-	-
REMEMBRANCE / 3 MILE	9,679		-	(1,605)	-	-	-	371	1,234	-	-	-	-	-
O'BRIEN	12,023		433	(1,543)	-	-	-	1,110	-	-	-	-	-	-
KINGSBURY	10,772													
MEADOWOOD TRAILS	2,228													
OAK HOLLOW	2,228													
COLLINDALE	2,228													
THORNAPPLE	7,474													
6000 28TH ST	3,713													
THORNHILLS	3,947													
ROBINHOOD	5,947													
CASCADE SPRINGS	2,183													
SHOREHAVEN	2,420													
EAGLECREST	8,944													
GREENBRIER	1,616													
LINCOLN SCHOOL	5,121													
REEDS LAKE	24,979													
KRAFT	2,420													
ORCHARD VISTA	1,324													
16TH AVE	775		(775)	-	-	-	-	-	775	-	-	-	-	-
HAYES- WEST	2,057		(2,057)	-	-	-	-	-	2,057	-	-	-	-	-
HAYES- EAST	3,205		(3,205)	-	-	-	-	3,205	-	-	-	-	-	-
BIRD AVE-ALPINE ESTATES	23,258		(23,258)				23,258							
EAST PARIS	10,783		(10,783)				10,783							
SERVICEMAINS			(142,062)	29,288	(234,361)	36,637	117,327	27,665	21,988	2,704	4,430	118,328	18,056	-
ADJUSTED BY ZONEGATING		7,679,130	5,362,593	950,153	580,392	500,995	622,523	151,440	27,753	2,704	4,430	118,328	18,056	16,018,497
LESS CONTRIBUTIONS AMORTIZED														
TASK NO. 21		(1,005,355)	(1,365,227)	(546,507)	(528,299)	(382,802)	(346,858)	(106,749)	-	-	-	-	(14,429)	(4,296,226)
TOTAL		\$ 6,673,775	\$ 3,997,366	\$ 403,646	\$ 52,093	\$ 118,193	\$ 275,665	\$ 44,691	\$ 27,753	\$ 2,704	\$ 4,430	\$ 118,328	\$ 3,627	\$ 11,722,270

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ACCUMULATE REVENUE REQUIREMENTS BY CUSTOMER COMMUNITIES- TASK NO. 25
FISCAL YEAR ENDED JUNE 30, 2025

COST CENTER	INTEGRATED SYSTEM	RETAIL							WHOLESALE				TOTAL
		CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP	CITY OF EAST GR	CALEDONIA TOWNSHIP	ADA TOWNSHIP	GAINES TOWNSHIP	
OPERATION & MAINTENANCE EXPENSE- TASK NO. 22	\$ 26,125,201	\$ 7,963,414	\$ 1,570,639	\$ 1,152,092	\$ 800,936	\$ 1,118,038	\$ 146,274	\$ 108,538	\$ 15,753	\$ 4,075	\$ 45,825	\$ 17,280	\$ 39,068,064
DEPRECIATION EXPENSE TASK NO. 24	6,673,775	3,997,366	403,646	52,093	118,193	275,665	44,691	27,753	2,704	4,430	118,328	3,627	11,722,270
RETURN ON SYSTEM INVESTMENT TASK NO. 21	5,037,725	6,091,658	634,866	188,751	325,684	556,516	117,290	69,413	8,786	471	351,095	957	13,383,212
REVENUE CREDITS- TASK NO. 23		(181,882)	(24,423)	(22,520)	(14,033)	(13,343)	(2,530)	(1,091)					(259,822)
CSO DEBT SERVICE REQUIREMENTS ALLOCATE:		6,065,269											6,065,269
INTEGRATED SYSTEM CREDITS		(2,776,724)	(466,227)	(597,738)	(312,293)	(215,659)	(39,272)	(14,934)	(158,541)	(30,968)	(152,241)	-	(4,764,597)
INTEGRATED SYSTEM (A)	(37,836,701)	21,847,580	3,668,328	4,703,067	2,457,153	1,696,829	308,994	117,504	1,247,418	243,659	1,197,844	348,325	-
LESS: CIRCUIT BREAKER (B)		(22,915)	-	(20,559)	(31,455)	(159,506)	-	(47,217)					(281,652)
	<u>\$ -</u>	<u>\$ 42,983,765</u>	<u>\$ 5,786,829</u>	<u>\$ 5,455,186</u>	<u>\$ 3,344,185</u>	<u>\$ 3,258,540</u>	<u>\$ 575,447</u>	<u>\$ 259,966</u>	<u>\$ 1,116,120</u>	<u>\$ 221,667</u>	<u>\$ 1,560,851</u>	<u>\$ 370,189</u>	<u>\$ 64,932,745</u>

(A) ALLOCATED TO CUSTOMER COMMUNITIES UNDER OLD CONTRACT BASIS OF PLANT FLOW. REMAINING ALLOCATION TO UAB PARTNERS UNDER UNIFORM SERVICE AGREEMENTS BASED ON PLANT FLOW & LAND, AS NOTED BELOW

	CITY OF GR	CITY OF WALKER	CITY OF KENTWOOD	CASCADE TOWNSHIP	GR TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP	CITY OF EAST GR	CALEDONIA TOWNSHIP	ADA TOWNSHIP	GAINES TOWNSHIP	TOTAL
OLD METHOD- PLANT FLOW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 348,325	\$ 348,325
NEW METHOD- PLANT FLOW / LAND	21,847,580	3,668,328	4,703,067	2,457,153	1,696,829	308,994	117,504	1,247,418	243,659	1,197,844	-	37,488,376
	<u>\$ 21,847,580</u>	<u>\$ 3,668,328</u>	<u>\$ 4,703,067</u>	<u>\$ 2,457,153</u>	<u>\$ 1,696,829</u>	<u>\$ 308,994</u>	<u>\$ 117,504</u>	<u>\$ 1,247,418</u>	<u>\$ 243,659</u>	<u>\$ 1,197,844</u>	<u>\$ 348,325</u>	<u>\$ 37,836,701</u>

(B) PURSUANT TO CITY AND CUSTOMER COMMUNITY CIRCUIT BREAKER, AS PROVIDED FOR BY THE THIRD AMENDMENT TO THE UNIFORM SERVICE AGREEMENTS

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 25A**

REVIEW THE REVENUE REQUIREMENTS TO ASSURE COMPLIANCE WITH THE APPLICABLE BOND ORDINANCE PROVISIONS.

	<u>YEAR ENDED 6/30/25</u>	<u>PRO FORMA * 6/30/26</u>
REVENUES:		
RETAIL/WHOLESALE SEWAGE SERVICE	\$ 65,344,570	\$ 66,159,092
CONNECTION FEES/FRONT FOOT FEES	560,149	450,000
SEWAGE SURCHARGES	2,765,339	2,335,330
RENEWABLE NATURAL GAS SALES	3,231,496	2,000,000
OTHER OPERATING REVENUES	1,071,896	884,500
INTEREST ON INVESTMENTS	1,913,056	2,029,267
MISCELLANEOUS	28,705	35,000
TOTAL REVENUES	<u>\$ 74,915,210</u>	<u>\$ 73,893,189</u>
OPERATING EXPENSES:		
OPERATIONS & MAINTENANCE	\$ 36,482,054	\$ 44,300,498
DEPRECIATION	19,729,265	19,729,265
TOTAL EXPENSES	<u>\$ 56,211,319</u>	<u>\$ 64,029,763</u>
ADDITIONS: DEPRECIATION	<u>19,729,265</u>	<u>19,729,265</u>
NET EARNINGS OF THE SYSTEM	<u><u>\$ 38,433,156</u></u>	<u><u>\$ 29,592,691</u></u>
DEBT SERVICE		
SERIES 2021 BONDS	\$ 7,927,138	\$ 7,934,501
SERIES 2020 BONDS	1,817,200	1,542,950
SERIES 2018 BONDS	2,761,000	2,763,250
SERIES 2016 BONDS	3,882,500	3,879,500
SERIES 2014 BONDS	-	-
SERIES 2010A BONDS (after BAB subsidy)	957,637	957,637
SERIES 2010 BONDS	5,834,750	5,839,750
SENIOR LIEN	23,180,225	22,917,589
JUNIOR LIEN **	612,049	607,699
TOTAL	<u><u>\$ 23,792,274</u></u>	<u><u>\$ 23,525,288</u></u>
COVERAGE RATIO - SENIOR DEBT	<u>1.66</u>	<u>1.29</u>
COVERAGE RATIO - ALL DEBT	<u><u>1.62</u></u>	<u><u>1.26</u></u>

* SEWAGE SERVICE ADJUSTED FOR RATE REVISIONS OF 2.91% AND -3.09% EFFECTIVE 1/1/25 AND 1/1/26, RESPECTIVELY; OTHER REVENUES AND OPERATIONS & MAINTENANCE EXPENSE PER 2025 FISCAL PLAN, ADJUSTED FOR CARRYFORWARDS & KNOWN COST ADJUSTMENTS.

** AMOUNTS IN PRO FORMA ARE BASED ON MAXIMUM PRINCIPAL AND DO NOT INCLUDE PRINCIPAL FORGIVENESS IF NOT YET FINALIZED.

SUMMARY

**SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 26**

INITIAL SYSTEM REVENUE REQUIREMENTS		\$ 65,214,397
REVENUES FROM CURRENT RATES		
REU CHARGE	\$ 267,097	
MONTHLY METER CHARGE	19,785,746	
MONTHLY BILLING CHARGE	3,797,781	
COMMODITY CHARGE	<u>43,149,541</u>	<u>(67,000,165)</u>
INITIAL REQUIRED REVENUE INCREASE (DECREASE)		<u>\$ (1,785,768)</u>
INITIAL PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		<u>-2.67%</u>
INITIAL SYSTEM REVENUE REQUIREMENTS FROM ABOVE		\$ 65,214,397
LESS: AMOUNT OF CIRCUIT BREAKER RELIEF TO REDUCE RR's TO RETAIL		(281,652)
SYSTEM REVENUE REQUIREMENTS		<u>\$ 64,932,745</u>
ACTUAL REQUIRED AMOUNT OF REVENUE INCREASE (DECREASE)		<u>\$ (2,067,420)</u>
ACTUAL PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		<u>-3.09%</u>

**SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 26**

METER SIZE	EQUIV. FACTOR	CITY OF GR		CITY OF WALKER		CITY OF KENTWOOD		CASCADE TWP		GR TWP		TALLMADGE TWP		WRIGHT TWP	
		METERS *	EQUIV.	METERS *	EQUIV.	METERS *	EQUIV.	METERS *	EQUIV.	METERS *	EQUIV.	METERS *	EQUIV.	USERS*	REU
A 3/4" or less	1.0000	54,401	54,401	5,345	5,345	4,109	4,109	1,591	1,591	3,674	3,674	309	309	-	-
B 1"	1.7778	2,338	4,156	413	734	525	933	258	459	295	524	31	55	-	-
C 1 1/4"	2.7778	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D 1 1/2"	4.0000	1,057	4,228	191	764	351	1,404	183	732	122	488	11	44	-	-
E 2"	7.1111	657	4,672	88	626	187	1,330	65	462	27	192	3	21	-	-
F 3"	16.0000	127	2,032	8	128	25	400	9	144	8	128	2	32	-	-
G 4"	28.4444	73	2,076	7	199	13	370	3	85	2	57	-	-	-	-
H 6" and over	64.0000	33	2,112	6	384	3	192	-	-	5	320	1	64	-	-
<i>Other- Wright Twp</i>		<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	231	377.000
		<u>58,686</u>	<u>73,677</u>	<u>6,058</u>	<u>8,180</u>	<u>5,213</u>	<u>8,738</u>	<u>2,109</u>	<u>3,473</u>	<u>4,133</u>	<u>5,383</u>	<u>357</u>	<u>525</u>	<u>231</u>	<u>377.000</u>
TOTAL														<u>76,787</u>	

Source: City of Grand Rapids, Michigan, Water/Sewer Customer Accounts/Meters Report, dated November 2, 2025
Source: City of Grand Rapids, Michigan, Wright Township REU Accounts Report, dated November 3, 2025

CITY OF GRAND RAPIDS, MICHIGAN

**SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 26**

SYSTEM REVENUE REQUIREMENTS * \$ 42,983,765

REVENUES FROM CURRENT RATES

MONTHLY METER CHARGE

73,677 meter equivalents x \$ 13.78 x 12 = \$ 12,183,229

MONTHLY BILLING CHARGE

58,686 meters x \$ 3.53 x 12 = 2,485,939

COMMODITY CHARGE

6,510,761 units (100 CF) x \$ 4.53 = 29,493,747 (44,162,915)

REQUIRED REVENUE INCREASE (DECREASE) \$ (1,179,150)

PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES -2.67%

* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF \$ 22,915

CITY OF GRAND RAPIDS, MICHIGAN

**SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 27**

COMMODITY CHARGE:

$$\frac{\text{INTEGRATED SYSTEM COST}}{\text{BILLED UNITS}} = \frac{\$27,912,849}{6,510,761} = \underline{\underline{\$ 4.29 /100 CF *}}$$

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS ** \$ 42,983,765

NEW COMMODITY CHARGE
6,510,761 x \$ 4.29 \$ 27,931,165

NEW MONTHLY BILLING CHARGE
58,686 x \$ 4.06 x 12 2,859,182 (30,790,347)

\$ 12,193,418

$$\text{MONTHLY METER CHARGE} = \frac{\$12,193,418}{73,677 \times 12} = \underline{\underline{\$ 13.79 \text{ MONTHLY}}}$$

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE			PRESENT
		METER	BILLING	TOTAL	
3/4" or less	1.0000	\$ 13.79	\$ 4.06	\$ 17.85	\$ 17.31
1"	1.7778	24.52	4.06	28.58	28.03
1 1/4"	2.7778	38.31	4.06	42.37	41.81
1 1/2"	4.0000	55.16	4.06	59.22	58.65
2"	7.1111	98.06	4.06	102.12	101.52
3"	16.0000	220.64	4.06	224.70	224.01
4"	28.4444	392.25	4.06	396.31	395.49
6" and over	64.0000	882.56	4.06	886.62	885.45

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2026

**REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF \$ 22,915

CITY OF WALKER, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

SYSTEM REVENUE REQUIREMENTS		\$	5,786,829
REVENUES FROM CURRENT RATES			
MONTHLY METER CHARGE			
8,180 meter equivalents	x	\$ 31.96	x 12 = \$ 3,137,194
MONTHLY BILLING CHARGE			
6,058 meters	x	\$ 3.53	x 12 = 256,617
COMMODITY CHARGE			
847,221 units (100 CF)	x	\$ 3.20	= <u>2,711,107</u>
			<u>(6,104,918)</u>
REQUIRED REVENUE INCREASE (DECREASE)		\$	<u>(318,089)</u>
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES			<u>-5.21%</u>

CITY OF KENTWOOD, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

SYSTEM REVENUE REQUIREMENTS *		\$	5,455,186
REVENUES FROM CURRENT RATES			
MONTHLY METER CHARGE			
8,738 meter equivalents	x	\$ 6.48	x 12 = \$ 679,467
MONTHLY BILLING CHARGE			
5,213 meters	x	\$ 3.53	x 12 = 220,823
COMMODITY CHARGE			
1,303,198 units (100 CF)	x	\$ 3.61	= <u>4,704,545</u>
			<u>(5,604,835)</u>
REQUIRED REVENUE INCREASE (DECREASE)		\$	<u>(149,649)</u>
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES			<u>-2.67%</u>
* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF		\$	20,559

CASCADE TOWNSHIP
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

SYSTEM REVENUE REQUIREMENTS * \$ 3,344,185

REVENUES FROM CURRENT RATES

MONTHLY METER CHARGE

3,473 meter equivalents x \$ 39.06 x 12 = \$ 1,627,865

MONTHLY BILLING CHARGE

2,109 meters x \$ 3.53 x 12 = 89,337

COMMODITY CHARGE

484,147 units (100 CF) x \$ 3.55 = 1,718,722 (3,435,924)

REQUIRED REVENUE INCREASE (DECREASE) \$ (91,739)

PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES -2.67%

* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF \$ 31,455

CASCADE TOWNSHIP
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 27

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT \$ 3.46 /100 CF *
 \$ 3.55 x 97.33%

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS **	\$ 3,344,185
NEW COMMODITY CHARGE 484,147 x \$ 3.46	\$ 1,675,149
NEW MONTHLY BILLING CHARGE 2,109 x \$ 4.06 x 12	<u>102,750</u> <u>(1,777,899)</u>
	<u>\$ 1,566,286</u>

MONTHLY METER CHARGE = $\frac{\$1,566,286}{3,473 \times 12} = \underline{\underline{\$ 37.58 \text{ MONTHLY}}}$

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE			PRESENT
		METER	BILLING	TOTAL	
3/4" or less	1.0000	\$ 37.58	\$ 4.06	\$ 41.64	\$ 42.59
1"	1.7778	66.81	4.06	70.87	72.97
1 1/4"	2.7778	104.39	4.06	108.45	112.03
1 1/2"	4.0000	150.32	4.06	154.38	159.77
2"	7.1111	267.24	4.06	271.30	281.29
3"	16.0000	601.28	4.06	605.34	628.49
4"	28.4444	1,068.94	4.06	1,073.00	1,114.57
6" and over	64.0000	2,405.12	4.06	2,409.18	2,503.37

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2026

** REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF \$ 31,455

GRAND RAPIDS TOWNSHIP
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

SYSTEM REVENUE REQUIREMENTS * \$ 3,258,540

REVENUES FROM CURRENT RATES

MONTHLY METER CHARGE

5,383 meter equivalents x \$ 30.98 x 12 = \$ 2,001,184

MONTHLY BILLING CHARGE

4,133 meters x \$ 3.53 x 12 = 175,074

COMMODITY CHARGE

398,528 units (100 CF) x \$ 2.94 = 1,171,672 (3,347,930)

REQUIRED REVENUE INCREASE (DECREASE) \$ (89,390)

PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES -2.67%

* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF \$ 159,506

TALLMADGE TOWNSHIP
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

SYSTEM REVENUE REQUIREMENTS		\$	575,447
REVENUES FROM CURRENT RATES			
MONTHLY METER CHARGE			
525 meter equivalents	x	\$ 24.89	x 12 =
			\$ 156,807
MONTHLY BILLING CHARGE			
357 meters	x	\$ 3.53	x 12 =
			15,123
COMMODITY CHARGE			
50,242 units (100 CF)	x	\$ 8.84	=
			<u>444,139</u>
			<u>(616,069)</u>
REQUIRED REVENUE INCREASE (DECREASE)			<u>\$ (40,622)</u>
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES			<u><u>-6.59%</u></u>

WRIGHT TOWNSHIP
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

SYSTEM REVENUE REQUIREMENTS *	\$	259,966
REVENUES FROM CURRENT RATES		
REU CHARGE		
377.000 meter equivalents	x \$ 59.04	x 12 = \$ 267,097
MONTHLY METER CHARGE		
377.000 meter equivalents	x \$ -	x 12 = -
MONTHLY BILLING CHARGE		
231 meters	x \$ -	x 12 = -
COMMODITY CHARGE		
21,166 units (100 CF)	x \$ -	= <u> </u> - <u> </u> (267,097)
REQUIRED REVENUE INCREASE (DECREASE)	\$	<u><u>(7,131)</u></u>
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		<u><u>-2.67%</u></u>

* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF \$ 47,217

WRIGHT TOWNSHIP
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 27

MONTHLY REU CHARGE:

$$\frac{\text{SYSTEM REVENUE REQUIREMENTS **}}{\text{TOTAL REU'S x 12 MONTHS}} = \frac{\$259,966}{377.000 \times 12} = \$ \underline{\underline{57.46}} \quad \text{MONTHLY REU CHARGE *}$$

EXAMPLES OF APPROXIMATE MONTHLY CHARGE BY NUMBER OF REU:

<u>NUMBER OF REU</u>	<u>AMOUNT</u>	<u>NUMBER OF REU</u>	<u>AMOUNT</u>	<u>NUMBER OF REU</u>	<u>AMOUNT</u>
1.0000	\$ 57.46	7.5000	\$ 430.95	19.0000	\$ 1,091.74
1.5000	86.19	8.0000	459.68	20.0000	1,149.20
2.0000	114.92	8.5000	488.41	25.0000	1,436.50
2.5000	143.65	9.0000	517.14	30.0000	1,723.80
3.0000	172.38	9.5000	545.87	35.0000	2,011.10
3.5000	201.11	10.0000	574.60	40.0000	2,298.40
4.0000	229.84	11.0000	632.06	50.0000	2,873.00
4.4000	252.82	12.0000	689.52	60.0000	3,447.60
4.5000	258.57	13.0000	746.98	70.0000	4,022.20
5.0000	287.30	14.0000	804.44	80.0000	4,596.80
5.5000	316.03	15.0000	861.90	90.0000	5,171.40
6.0000	344.76	16.0000	919.36	100.0000	5,746.00
6.5000	373.49	17.0000	976.82	150.0000	8,619.00
7.0000	402.22	18.0000	1,034.28	200.0000	11,492.00

*NEW RATES EFFECTIVE ON JANUARY 1, 2026

**REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF \$ 47,217

CITY OF EAST GRAND RAPIDS, MICHIGAN

**SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 26**

INTEGRATED SYSTEM REVENUE REQUIREMENTS		\$ 1,088,877
COMMODITY CHARGE		
380.487 units (MG) x	\$ 3,092.00	1,176,466
		<hr/>
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)		<u>\$ (87,589)</u>
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS		\$ 27,243
MONTHLY SERVICE CHARGE		
\$2,104	x 12 MONTHS	25,248
		<hr/>
REQUIRED SERVICE REVENUE INCREASE (DECREASE)		<u>\$ 1,995</u>
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		<u>-7.12%</u>

CITY OF EAST GRAND RAPIDS, MICHIGAN

**SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 27**

SYSTEM REVENUE REQUIREMENTS	\$ 1,116,120
NEW COMMODITY CHARGE *	
380.487 x \$ 2,862.00 =	(1,088,954)
	<hr/>
	<u>\$ 27,166</u>

MONTHLY SERVICE CHARGE * = \$ 27,166 / 12 = \$2,264

* NEW RATES EFFECTIVE ON JANUARY 1, 2026

CALEDONIA TOWNSHIP
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

INTEGRATED SYSTEM REVENUE REQUIREMENTS		\$ 212,691
COMMODITY CHARGE		
32.449 units (MG) x	\$ 7,465.00	242,232
		242,232
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)		\$ (29,541)
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS		\$ 8,976
MONTHLY SERVICE CHARGE		
\$743	x 12 MONTHS	8,916
		8,916
REQUIRED SERVICE REVENUE INCREASE (DECREASE)		\$ 60
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		-11.74%

CALEDONIA TOWNSHIP
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 27

SYSTEM REVENUE REQUIREMENTS	\$ 221,667
NEW COMMODITY CHARGE *	
32.449 x \$ 6,555.00 =	(212,703)
	<hr/>
	<u>\$ 8,964</u>

MONTHLY SERVICE CHARGE * = \$ 8,964 / 12 = \$747

* NEW RATES EFFECTIVE ON JANUARY 1, 2026

ADA TOWNSHIP
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

INTEGRATED SYSTEM REVENUE REQUIREMENTS	\$ 1,045,603
COMMODITY CHARGE	
273.352 units (MG) x \$ 4,178.00	1,142,065

REQUIRED COMMODITY REVENUE INCREASE (DECREASE)	<u><u>\$ (96,462)</u></u>
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS	\$ 515,248
MONTHLY SERVICE CHARGE	
\$41,633 x 12 MONTHS	499,596

REQUIRED SERVICE REVENUE INCREASE (DECREASE)	<u><u>\$ 15,652</u></u>
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES	<u><u>-4.92%</u></u>

ADA TOWNSHIP
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 27

SYSTEM REVENUE REQUIREMENTS	\$ 1,560,851
NEW COMMODITY CHARGE * 273.352 x \$ 3,825.00 =	(1,045,571)
	<hr/>
	<u>\$ 515,280</u>

MONTHLY SERVICE CHARGE * = \$515,280 / 12 = \$42,940

* NEW RATES EFFECTIVE ON JANUARY 1, 2026

GAINES TOWNSHIP
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 26

INTEGRATED SYSTEM REVENUE REQUIREMENTS		\$ 348,325
COMMODITY CHARGE		
125.444 units (MG) x	\$ 2,749.00	344,846
		344,846
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)		\$ 3,479
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS		\$ 21,864
MONTHLY SERVICE CHARGE		
\$1,759	x 12 MONTHS	21,108
		21,108
REQUIRED SERVICE REVENUE INCREASE (DECREASE)		\$ 756
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		1.16%

GAINES TOWNSHIP
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RATE ANALYSIS - TASK NO. 27

SYSTEM REVENUE REQUIREMENTS	\$ 370,189
NEW COMMODITY CHARGE *	
125.444 x \$ 2,777.00 =	(348,358)
	<hr/>
	<u>\$ 21,831</u>

MONTHLY SERVICE CHARGE * = \$ 21,831 / 12 = \$1,819

* NEW RATES EFFECTIVE ON JANUARY 1, 2026

**SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
RE-EVALUATE FRONT FOOT CHARGES
TASK NO. 28**

The City Engineer's Office has reviewed recent construction costs for sanitary sewer facilities and recommends the following front foot assessment rates:

Sewer User Type	Definition	2025 Rate	2026 Rate	% Change
Domestic	Property is domicile for single or multiple family use, such as homes, apartments, duplexes, condominium, etc.	\$ 122.00	\$ 138.00	13.11%
Commercial - Industrial	Property used to offer services and / or products, such as retail/wholesale stores, gas stations, restaurants, hotels, schools, churches, etc., and manufacturing or processing facilities (industrial).	\$ 180.00	\$ 167.00	-7.22%

**SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
EVALUATE SEWER LATERAL CHARGES
TASK NO. 29**

The City Engineer’s Office has evaluated the recent costs for a six inch (6”) sanitary sewer lateral and recommends the following sanitary sewer lateral charges:

R.O.W. Width	Year	Lateral Charge	% Change
50 feet	2025	\$3,600	16.67%
	2026	\$4,200	
60 feet	2025	\$4,200	19.05%
	2026	\$5,000	
66 feet	2025	\$4,600	17.39%
	2026	\$5,400	
80 feet	2025	\$5,500	18.18%
	2026	\$6,500	
100 feet	2025	\$6,700	17.91%
	2026	\$7,900	

MEMORANDUM

CITY OF GRAND RAPIDS

Date: November 3, 2025

To: Tai Verbrugge
Utility Financial Officer

From: Tiffany L. Berry
Assistant Environmental Service Manager

Subject: **Sewer Rate Study – Task #30 - Surcharges**

The Water Resource Recovery Facility (WRRF) has a limited amount of capacity which is typically allocated to industries having discharges exceeding ordinance limits. These industries are charged for utilizing this remaining plant capacity in four categories of conventional pollutants. These pollutants are:

- 1) Biochemical Oxygen Demand (BOD),
- 2) Total Suspended Solids (TSS),
- 3) Total Phosphorus (Phos), and
- 4) Ammonia Nitrogen (NH₃).

This benefits the industries in that it reduces their pretreatment requirements and benefits the system by utilizing available system capacity.

As shown on the attached sheets, the surcharge methodology includes evaluating various cost centers at the Water Resource Recovery Facility and allocating costs based on unit process operating cost. Cumulative costs can then be allocated to the four conventional pollutant categories identified above to determine appropriate surcharge rates.

**CITY OF GRAND RAPIDS MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
EVALUATION OF WASTEWATER SURCHARGES FOR INDUSTRIAL CUSTOMERS- BOD, TSS, PHOS & NH3
TASK NO. 30- PART 1**

Description	Rate Study Year 2025	Volume	Wastewater Surcharges				Industrial	Other
			BOD	TSS	Phos	NH3		
Operation & Maintenance (See Part 2)	\$ 38,263,663	\$ 6,598,693	\$ 5,812,798	\$ 6,958,208	\$ 1,574,594	\$ 762,032	\$ 1,225,814	\$ 15,331,524
Depreciation (See Part 3)	11,477,788	2,007,283	1,768,192	2,116,627	478,975	231,828	-	4,874,883
Return on System Investment (See Part 3)	13,312,540	1,527,484	1,345,541	1,610,690	364,485	176,414	-	8,287,926
Total	\$ 63,053,991	\$ 10,133,460	\$ 8,926,531	\$ 10,685,525	\$ 2,418,054	\$ 1,170,274	\$ 1,225,814	\$ 28,494,333

Recommended Surcharge Rate - 2026

\$ 0.439 \$ 0.576 \$ 4.743 \$ 0.554

Actual Surcharge Rate - 2025

\$ 0.482 \$ 0.647 \$ 5.032 \$ 0.575

Change in Surcharge Rate - Amount- 2025 to 2026

\$ (0.043) \$ (0.071) \$ (0.289) \$ (0.021)

Change in Surcharge Rate - Percent- 2025 to 2026

-8.92% -10.97% -5.74% -3.65%

Loadings - lb/day (Per K.Anderson) *

55,747 50,851 1,397 5,782

Loadings - lb/year

20,347,533 18,560,737 509,783 2,110,552

* Loadings are the average of the last three years.

TASK NO. 30 - PART 2

**CITY OF GRAND RAPIDS MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
EVALUATION OF HIGH STRENGTH SURCHARGES- BOD, TSS, PHOS & NH3
ALLOCATION OF OPERATION & MAINTENANCE EXPENSE & DETERMINATION OF WWTP ALLOCATION FACTORS**

	Primary Allocation		See Task 30 - Part 4		Component Allocation (3)						
	Base Year- 2025	Calendar Year- 2026	Allocation Basis	Line No. Ref.	Volume	Wastewater Surcharges				Industrial	Other
	Allocation (1)	Allocation (2)				BOD	TSS	Phos	NH3		
Wastewater Treatment Plant											
Pre-Treatment	\$ 2,155,892	\$ 2,201,516	WWTP	(1)	\$ 2,201,516	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Primary Treatment	3,525,589	3,600,200	WWTP	(2)	-	1,080,060	2,160,120	-	360,020	-	-
Secondary Treatment	4,746,842	4,847,298	WWTP	(3)	1,211,824	1,938,919	727,095	727,095	242,365	-	-
Disinfection/Dechlorination	1,664,052	1,699,268	WWTP	(4)	1,699,268	-	-	-	-	-	-
Phosphorus Removal	1,347,193	1,375,703	WWTP	(5)	687,851	-	-	687,852	-	-	-
Residue Handling/Disposal	7,816,914	7,982,340	WWTP	(6)	798,234	2,793,819	4,070,993	159,647	159,647	-	-
	<u>\$ 21,256,482</u>	<u>\$ 21,706,325</u>			<u>\$ 6,598,693</u>	<u>\$ 5,812,798</u>	<u>\$ 6,958,208</u>	<u>\$ 1,574,594</u>	<u>\$ 762,032</u>	<u>\$ -</u>	<u>\$ -</u>
Lift Stations											
Interceptor		300,216	Collection	(11)	-	-	-	-	-	-	300,216
Trunk		187,053	Collection	(11)	-	-	-	-	-	-	187,053
Local Collector		489,773	Collection	(11)	-	-	-	-	-	-	489,773
Sewer Lines											
Interceptor		335,629	Collection	(11)	-	-	-	-	-	-	335,629
Trunk		790,214	Collection	(11)	-	-	-	-	-	-	790,214
Local Collector		5,490,151	Collection	(11)	0	-	-	-	-	-	5,490,151
Bulk Meter Stations		3,241	Collection	(7)	-	-	-	-	-	-	3,241
Customer Accounting		3,740,108	Admin	(8)	0	-	-	-	-	-	3,740,108
Industrial Pretreatment		1,225,814	Industry	(9)	-	-	-	-	-	1,225,814	-
Subtotal		\$ 34,268,525			\$ 6,598,694	\$ 5,812,798	\$ 6,958,208	\$ 1,574,594	\$ 762,032	\$ 1,225,814	\$ 11,336,385
Admin		3,995,139	Admin	(10)	(0)	-	-	-	-	-	3,995,139
Total		<u>\$ 38,263,663</u>			<u>\$ 6,598,693</u>	<u>\$ 5,812,798</u>	<u>\$ 6,958,208</u>	<u>\$ 1,574,594</u>	<u>\$ 762,032</u>	<u>\$ 1,225,814</u>	<u>\$ 15,331,524</u>
WWTP Allocation Factors		100.000%			30.400%	26.779%	32.056%	7.254%	3.511%	0.000%	0.000%

(1) Per K.Anderson 10/30/2025

(2) Primary Allocation of Current Year for Calendar 2026, based on 2025 Base Year.

(3) - (11) Refer to Task 30- Part 4 as noted.

TASK NO. 30 - PART 3

**CITY OF GRAND RAPIDS MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
EVALUATION OF HIGH STRENGTH SURCHARGES- BOD, TSS, PHOS & NH3
ALLOCATION OF DEPRECIATION EXPENSE & RETURN ON SYSTEM INVESTMENT**

Depreciation Expense- Task 24

<i>Description</i>	<i>Amount</i>	<i>Volume</i>	Wastewater Surcharges				<i>Industrial</i>	<i>Other</i>
			BOD	TSS	Phos	NH3		
<i>Integrated System (1)</i>	\$ 6,602,905	\$ 2,007,283	\$ 1,768,192	\$ 2,116,627	\$ 478,975	\$ 231,828	\$ -	\$ -
<i>Other</i>	4,874,883	-	-	-	-	-	-	4,874,883
<i>Total</i>	<u>\$ 11,477,788</u>	<u>\$ 2,007,283</u>	<u>\$ 1,768,192</u>	<u>\$ 2,116,627</u>	<u>\$ 478,975</u>	<u>\$ 231,828</u>	<u>\$ -</u>	<u>\$ 4,874,883</u>

Return on System Investment- Task 21

<i>Description</i>	<i>Amount</i>	<i>Volume</i>	Wastewater Surcharges				<i>Industrial</i>	<i>Other</i>
			BOD	TSS	Phos	NH3		
<i>Integrated System (1)</i>	\$ 5,024,614	\$ 1,527,484	\$ 1,345,541	\$ 1,610,690	\$ 364,485	\$ 176,414	\$ -	\$ -
<i>Other</i>	8,287,926	-	-	-	-	-	-	8,287,926
<i>Total</i>	<u>\$ 13,312,540</u>	<u>\$ 1,527,484</u>	<u>\$ 1,345,541</u>	<u>\$ 1,610,690</u>	<u>\$ 364,485</u>	<u>\$ 176,414</u>	<u>\$ -</u>	<u>\$ 8,287,926</u>

(1) Allocated on WWTP Allocation Factors * **30.4000%** **26.7790%** **32.0560%** **7.2540%** **3.5110%**

*** Refer to Task No. 30 - Part 2**

TASK NO. 30 - PART 4

**CITY OF GRAND RAPIDS MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
EVALUATION OF HIGH STRENGTH SURCHARGES- BOD, TSS, PHOS & NH3
FUNCTIONAL COST ALLOCATION FACTORS**

Line No. Ref.	Cost Function	Total %	Allocation Basis	Volume %	Wastewater Surcharges				Industrial %	Other %
					BOD %	TSS %	Phos %	NH3 %		
(1)	Pre-Treatment (a)	100.000%	WWTP	100.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
(2)	Primary Treatment (a)	100.000%	WWTP	0.000%	30.000%	60.000%	0.000%	10.000%	0.000%	0.000%
(3)	Secondary Treatment (a)	100.000%	WWTP	25.000%	40.000%	15.000%	15.000%	5.000%	0.000%	0.000%
(4)	Disinfection/Dechlorination (a)	100.000%	WWTP	100.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
(5)	Phosphorus Removal (a)	100.000%	WWTP	50.000%	0.000%	0.000%	50.000%	0.000%	0.000%	0.000%
(6)	Residue Handling/Disposal (a)	100.000%	WWTP	10.000%	35.000%	51.000%	2.000%	2.000%	0.000%	0.000%
(7)	Bulk Metering Stations	100.000%	Collection	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
(8)	Customer Accounting	100.000%	Admin	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
(9)	Industrial Pretreatment	100.000%	Industry	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%	0.000%
(10)	Admin	100.000%	Admin	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%
(11)	Collection System	100.000%	Collection	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	100.000%

(a) With the exception of phosphorus removal, foregoing based on "Final Allocation Table" in August 1, 2003 memo from Randall Fisher & Mike Lunn to Eric DeLong regarding 2001 Surcharge Rate Evaluation. Evaluation by WWTP staff for 2013 RS Review concluded percentages for phosphorus removal shall remain allocated 50/50 to the categories above, as initially recommended in the 2006 RS Review, to recommend 2025 RS adjustments.

MEMORANDUM

CITY OF GRAND RAPIDS

Date: November 3, 2025

To: Tai Verbrugge
Utility Financial Officer

From: Tiffany L. Berry
Assistant Environmental Service Manager

Subject: **Sewer Rate Study – Task #31 – IPP Permit Fee & Discharge Authorization Fee Structure**

The City of Grand Rapids Industrial Pretreatment Program (IPP) Permit fee structure is based on the actual cost of administration and implementation. Administration includes all the costs associated with clerical work, data, software, permitting, and inspection requirements. The implementation costs include all sampling and associated laboratory analyses required by the permit. These two fees are identified on permit documents as a Permit Fee and an Analytical Fee.

A discharge authorization fee is added this year to differentiate between the costs associated with a Significant Industrial User (SIU) permit and a discharge authorization. A discharge authorization is written authorization specifying the conditions for discharge of a one-time or short-term duration discharge, or other discharges not meeting the definition of a Significant Industrial User such as construction groundwater dewatering activities.

Permit Fee: This fee is based on the actual costs associated with administering the permit program, including time spent on permit required inspections, clerical requirements, data handling requirements, and software maintenance costs.

Discharge Authorization fee: This fee is based on actual costs associated with the administration and implementation of one-time or short-term discharges. These include all costs associated with clerical work, data, software, permitting, and inspections. Implementation costs include all costs associated with sampling and associated laboratory analysis as required in discharge authorizations.

Analytical Fee: This fee is based on actual costs associated with each permit. The costs, and an explanation of how they are determined, are outlined in an accompanying attachment. Labor time, including sampling and sample delivery to our laboratory, was derived from experience:

Composite samples:	1.5 hours each
Grab samples:	1.0 hours each

Five examples of analytical fees are attached herewith.

City of Grand Rapids
Cost of Services Provided by IPP

FY FY26

	Permit Fee:	\$ 1,000.00	
IPP Costs:	Discharge Authorization Fee	\$ 665.00	
	Labor:	\$ 82.74	per hour
	Vehicle:	\$ 7.83	per hour
	Sampler:	\$ 75.00	per day

IPP Accounting:	Composite Labor:	1.5	hours per sample
	Grab Sample Labor:	1.0	hours per sample

Laboratory Costs:	metals		
	1 metal	\$ 13.00	ea.
	2 metals	\$ 18.00	total
	3 metals	\$ 23.00	total
	4 metals	\$ 28.00	total
	5 metals	\$ 33.00	total
	6 metals	\$ 38.00	total
	7 metals	\$ 43.00	total
	8 metals	\$ 48.00	total
	9 metals	\$ 53.00	total
	10 metals	\$ 58.00	total
	11 metals	\$ 63.00	total
	12 metals	\$ 68.00	total
	13 metals	\$ 73.00	total
	14 metals	\$ 78.00	total
	TSS	\$ 12.00	ea.
	BOD	\$ 24.00	ea.
	BOD 7	\$ 24.00	ea.
	COD	\$ 17.00	ea.
	Total Phosphorus	\$ 12.00	ea.
	pH	\$ 6.50	ea.
	EPA 624.1	\$ 49.00	ea.
	EPA 625.1	\$ 108.00	ea.
	BTEX/MTBE	\$ 49.00	ea.
	Sulfide	\$ 24.00	ea.
	Oil & Grease	\$ 24.00	ea.
	Total cyanide	\$ 24.00	ea.
	Hexavalent chromium	\$ 29.00	ea.
	Fecal coliform	\$ 19.50	ea.
	Ammonia nitrogen	\$ 17.00	ea.
	Mercury (EPA 245.1)	\$ 21.00	ea.
	Pesticides	\$ 66.00	ea.
	PCBs	\$ 66.00	ea.
	Phenols, Total	\$ 26.00	ea.

PFAS EPA 537 Modified (sample, duplicate and blank are separate samples)	\$ 325.00	ea.
PFAS by LCMSMS (sample, duplicate and blank are separate samples)	\$ 350.00	ea.
PFAS by EPA Draft method 1633 (sample, duplicate and blank are separate samples)	\$ 325.00	ea.
EPA 1666 Volatile organics in pharmaceuticals	\$ 49.00	ea.
EPA 524.2 Purgeable Organics	\$ 49.00	ea.
Methyl Blue Active substances (MBAS)	\$ 68.00	ea.
Color	\$ 17.00	ea.
GC-MS Fingerprint	\$ 132.00	ea.

Explanation of Costs:

Labor: Labor is the hourly pay rate of an Industrial Pretreatment Program Inspector (classification 23A @ "F" step = \$41.372 x 2) per the latest agreement between the City of Grand Rapids and the Grand Rapids Employees Independent Union plus 100% as specified in section 2.81(1) of the City of Grand Rapids Sewage Disposal System Ordinance. If personnel in a different classification are required, time will be billed based on that classification's pay scale plus 100%.

Vehicle: Hourly rate is the actual cost charged to City departments for vehicle use plus 25% for overhead.

Sampler: Sampler costs are based on the most recently approved competitive bid obtained for contract work provided to the Grand Rapids Water Resource Recovery Facility.

Analysis: Laboratory costs are based on the most recently approved competitive bid obtained for contract work provided to the Grand Rapids Water Resource Recovery Facility.

Permit No: Example 3

Company: Pharmaceutical Manufacturing

Facility Address:
City, State, Zip

Permit Fee: \$ 1,000.00
Analytical Fee: \$ 219.07
Amount Due: \$ 1,219.07

Composite Samples:	0					
IPP Requirements:	man hours =	0.0	x	\$ 82.74	=	\$ -
	sampler days =	0.0	x	\$ 75.00	=	\$ -
	vehicle hours =	0.0	x	\$ 7.83	=	\$ -
				Total IPP Composite Costs:		\$ -
Laboratory Analysis: (each composite)	metals		x	\$ 13.00	=	\$ -
	TSS		x	\$ 12.00	=	\$ -
	BOD		x	\$ 24.00	=	\$ -
	Total Phosphorus		x	\$ 12.00	=	\$ -
	pH		x	\$ 6.50	=	\$ -
	EPA 625		x	\$ 108.00	=	\$ -
	sulfide		x	\$ 24.00	=	\$ -
	oil & grease		x	\$ 24.00	=	\$ -
	hex chrome		x	\$ 29.00	=	\$ -
	fecal coliform		x	\$ 19.50	=	\$ -
	other		x		=	\$ -
				total per composite:		\$ -
				Total Laboratory Composite Costs:		\$ -
				Total Composite Sample Costs:		\$ -
Grab Samples:	1					
IPP Requirements:	man hours =	1.0	x	\$ 82.74	=	\$ 82.74
	vehicle hours =	1.0	x	\$ 7.83	=	\$ 7.83
				Total IPP Grab Costs:		\$ 90.57
Laboratory Analysis: (each grab)	metals		x	\$ 13.00	=	\$ -
	TSS		x	\$ 12.00	=	\$ -
	BOD		x	\$ 24.00	=	\$ -
	Total Phosphorus		x	\$ 12.00	=	\$ -
	pH	1	x	\$ 6.50	=	\$ 6.50
	EPA 624	1	x	\$ 49.00	=	\$ 49.00
	EPA 625		x	\$ 108.00	=	\$ -
	BTEX/MTBE		x	\$ 49.00	=	\$ -
	sulfide		x	\$ 24.00	=	\$ -
	oil & grease	1	x	\$ 24.00	=	\$ 24.00
	total cyanide		x	\$ 24.00	=	\$ -
	hex chrome		x	\$ 29.00	=	\$ -
	EPA 524.2		x	\$ 49.00	=	\$ -
	EPA 1666	1	x	\$ 49.00	=	\$ 49.00
				total per grab:		\$ 128.50
				Total Laboratory Grab Costs:		\$ 128.50
				Total Grab Sample Costs:		\$ 219.07
				Total Analytical Permit Costs:		\$ 219.07

Permit No: Example 4
 Company: Soap and Detergent Manufacturing
 Facility Address:
 City, State, Zip

Permit Fee: \$ 1,000.00
 Analytical Fee: \$ 282.36
 Amount Due: \$ 1,282.36

Composite Samples:		1					
IPP Requirements:	man hours =	1.5	x	\$ 82.74	=	\$ 124.12	
	sampler days =	1.0	x	\$ 75.00	=	\$ 75.00	
	vehicle hours =	1.5	x	\$ 7.83	=	\$ 11.75	
	Total IPP Composite Costs:						\$ 210.86
Laboratory Analysis: (each composite)	metals		x	\$ 13.00	=	\$ -	
	TSS		x	\$ 12.00	=	\$ -	
	BOD7	1	x	\$ 24.00	=	\$ 24.00	
	Total phosphorus		x	\$ 12.00	=	\$ -	
	pH		x	\$ 6.50	=	\$ -	
	EPA 625		x	\$ 108.00	=	\$ -	
	sulfide		x	\$ 24.00	=	\$ -	
	oil & grease		x	\$ 24.00	=	\$ -	
	hex chrome		x	\$ 29.00	=	\$ -	
	fecal coliform		x	\$ 19.50	=	\$ -	
	COD	1	x	\$ 17.00	=	\$ 17.00	
total per composite:						\$ 41.00	
Total Laboratory Composite Costs:						\$ 41.00	
Total Composite Sample Costs:						\$ 251.86	
Grab Samples:		1					
IPP Requirements:	man hours =	0.0	x	\$ 75.48	=	\$ -	
	vehicle hours =	0.0	x	\$ 4.42	=	\$ -	
Total IPP Grab Costs:						\$ -	
Laboratory Analysis: (each grab)	metals		x	\$ 13.00	=	\$ -	
	TSS		x	\$ 12.00	=	\$ -	
	BOD		x	\$ 24.00	=	\$ -	
	Total Phosphorus		x	\$ 12.00	=	\$ -	
	pH	1	x	\$ 6.50	=	\$ 6.50	
	EPA 624		x	\$ 49.00	=	\$ -	
	EPA 625		x	\$ 108.00	=	\$ -	
	BTEX/MTBE		x	\$ 49.00	=	\$ -	
	sulfide		x	\$ 24.00	=	\$ -	
	oil & grease	1	x	\$ 24.00	=	\$ 24.00	
	total cyanide		x	\$ 24.00	=	\$ -	
	hex chrome		x	\$ 29.00	=	\$ -	
	fecal coliform		x	\$ 19.50	=	\$ -	
COD		x	\$ 17.00	=	\$ -		
total per grab:						\$ 30.50	
Total Laboratory Grab Costs:						\$ 30.50	
Total Grab Sample Costs:						\$ 30.50	
Total Analytical Permit Costs:						\$ 282.36	

Permit No: Example 5

Company: Surcharge
 Facility Address:
 City, State, Zip

Permit Fee: \$ 1,000.00
 Analytical Fee: \$ 1,520.94
 Amount Due: \$ 2,520.94

Composite Samples:	<u>12</u>				
IPP Requirements:	man hours =		x \$ 82.74 = \$	-	
	sampler days =		x \$ 75.00 = \$	-	
	vehicle hours =	18.0	x \$ 7.83 = \$	140.94	
			Total IPP Composite Costs:	\$ 140.94	
Laboratory Analysis:	Metals		\$ 38.00 = \$	38.00	
<i>(each composite)</i>	TSS	1	x \$ 12.00 = \$	12.00	
	BOD	1	x \$ 24.00 = \$	24.00	
	Total phosphorus	1	x \$ 12.00 = \$	12.00	
	Ammonia nitrogen	1	x \$ 17.00 = \$	17.00	
	EPA 625.1		x \$ 108.00 = \$	-	
	Sulfide		x \$ 24.00 = \$	-	
	other		x = \$	-	
			total per composite:	\$ 103.00	
			Total Laboratory Composite Costs:	\$ 1,236.00	
			Total Composite Sample Costs:	\$ 1,376.94	
Grab Samples:	<u>4</u>				
IPP Requirements:	man hours =	0.0	x \$ 82.74 = \$	-	
	vehicle hours =	0.0	x \$ 7.83 = \$	-	
			Total IPP Grab Costs:	\$ -	
Laboratory Analysis:	Metals		\$ - = \$	-	
<i>(each grab)</i>	pH	1	x \$ 12.00 = \$	12.00	
	EPA 624.1		x \$ 6.50 = \$	-	
	EPA 625.1		x \$ 49.00 = \$	-	
	BTEX/MTBE		x \$ 108.00 = \$	-	
	Sulfide		x \$ 49.00 = \$	-	
	Oil & grease	1	x \$ 24.00 = \$	24.00	
	Total cyanide		x \$ 24.00 = \$	-	
	Hexavalent Chromium		x \$ 24.00 = \$	-	
	other		x = \$	-	
			total per grab:	\$ 36.00	
			Total Laboratory Grab Costs:	\$ 144.00	
			Total Grab Sample Costs:	\$ 144.00	
			Total Analytical Permit Costs:	\$ 1,520.94	

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: August 29, 2025

TO: Tai Verbrugge,
Utility Financial Officer

FROM: Lindsay Sagorski Munsell, PE
Assistant Water System Manager

SUBJECT: 2025 SEWER RATE STUDY- TASK #32 - SANITARY SEWER OVERSIZING RATES

Sanitary Sewer oversizing rates are established for this year as noted below:

<u>Pipe Size</u>	<u>2024 Rate</u>	<u>2025 Rate</u>	<u>2026 Rate</u>	<u>2025 to 2026 % Change</u>
8"-10"	\$8.72/ft	\$11.07/ft	\$12.33/ft	11.38%
8"-12"	\$18.18/ft	\$20.45/ft	\$25.59/ft	25.13%
8"-15"	\$34.88/ft	\$38.46/ft	\$49.61/ft	28.99%
10"-12"	\$9.46/ft	\$9.38/ft	\$13.26/ft	41.36%
10"-15"	\$26.16/ft	\$27.39/ft	\$37.28/ft	36.11%
12"-15"	\$16.70/ft	\$18.01/ft	\$24.02/ft	33.37%

These rates have been determined in accordance with the Sewer Disposal System Rules and Regulations, and are approved for use from January 1, 2026, through December 31, 2026.

Due to the ongoing volatility in the economic marketplace, some material prices have been impacted again this year. The information we gathered from vendors showed an increase in all pipe products over last year. As a result of the price fluctuation, we are seeing parallel changes in the Oversizing Rates.

Background information and calculations to establish these rates are on file in the Utility Engineering, Distribution and Collection Office located at 1900 Oak Industrial Drive NE. If you have any questions regarding this matter, please call me at 616-456-4291.

LS/AO

Cc: James Ouzts
Cindy Irving
Jeff McCaul

Wayne Jernberg
Brian Bradley

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 33**

SERVICE AREA MAPS AND SERVICE AREA LAND MASS SUMMARIES

The following summarizes Utility Service Districts (USD) land mass square miles for UAB partner communities, per information on file as of June 30, 2025:

UAB Partners	Sq. Miles of USD by CC	Percent
Grand Rapids	45.390	37.505%
Walker	19.230	15.889%
Kentwood	14.413	11.909%
Cascade	16.814	13.893%
Grand Rapids Township	8.582	7.091%
Tallmadge Township	2.617	2.162%
Wright Township	0.898	0.742%
East Grand Rapids	3.325	2.747%
Ada	7.258	5.997%
Caledonia Township	2.499	2.065%
Total	121.026	100.000%

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 34**

INDIVIDUAL CIRCUIT BREAKER AND CITY & CUSTOMER COMMUNITY CIRCUIT BREAKER

The Third Amendment to the Water and Sanitary Sewer Agreements stipulates penalty fees shall be used to fund the circuit breaker provisions noted above. The following summarizes those values:

<u>Description</u>	<u>AMOUNT</u>	<u>PERCENT</u>
Individual Circuit Breaker (ICB)	\$ 96,746	12.50%
City & Customer Community Circuit Breaker (CCCCB)	677,222	87.50%
Total	<u>\$ 773,968</u>	<u>100.00%</u>

The following tables summarize the amount, if any, of the Circuit Breaker to be applied as a revenue credit in next year's Rate Study:

<u>Description</u>	<u>AMOUNT</u>	<u>PERCENT</u>
City & Customer Community Circuit Breaker Amount- Above	\$ 677,222	100.00%
Less: Amount Applied in Current Rate Study	(281,652)	-41.59%
Total CCCCCB Revenue Credit- Next Year's Rate Study	<u>\$ 395,570</u>	<u>58.41%</u>

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: November 1, 2025

TO: Tai Verbrugge
Utility Financial Officer

FROM: Jared Grabinski
Assistant Environmental Services Manager

SUBJECT: 2025 SEWER RATE STUDY - TASK #35 - FDD Opt Out Charge

The Footing Drain Disconnection Ordinance (FDD) authorizes the City Manager or his designee to identify FDD Project Areas within the City of Grand Rapids based on the severity of System groundwater and stormwater inflow surcharge problems. Once designated, the ordinance requires homeowners within the FDD Project Areas to disconnect their footing drains from the City's sanitary sewer system at City expense.

The additional charge for non-compliance with the footing drain disconnection ordinance has been calculated based on current information and is recommended to be \$79.73 / month which is the actual cost to the system for the additional flow.

JMG

**CITY OF GRAND RAPIDS, MICHIGAN
SEWER RATE STUDY
SEWER SUPPLY SYSTEM FUND
TASK NO. 35**

DETERMINE FOOTING DRAIN OPT OUT SEWER RATE.

1. Avoided Claims for Sewage Backups

Annual claim costs

Annual Backup Claims	\$150,000 /year ¹	Estimated annual claims cost
System Retail Customers	76,787	Total retail customers ²
Grand Rapids Retail Customers	<u>58,686</u>	Total retail customers in Grand Rapids ²
Annual Cost	\$1.95 /yr/cust.	Annual cost for claims in Grand Rapids

2. Avoided Costs to treat the additional flow generated by footing drains

Flow Estimate

DWF	48,700 gal/year	Average generation rate
WWF	<u>24,300</u> gal/year	Average generation rate
Total	73,000 gal/year	Average per house

Unit Conveyance & Treatment Costs

Annual average FD flows	0.073000 MG/yr	Average per house
Conveyance	\$556 /MG	Unit conveyance cost ³
Treatment	<u>\$1,747</u> /MG	Unit treatment cost ³
Conveyance & Treatment	\$2,303 /MG	
Annual Cost	\$168.12 /yr/cust.	Annual cost for a connected FD

3. Actual MDNRE penalties for SSO's

Penalties for SSO

Grand Rapids Customers	58,686	
Penalties	\$25,000	Per occurrence
Potential SSOs	0 /year	Occurrences
Annual cost	<u>0</u> /year	
	\$0.00 /yr/cust.	Annual cost for penalties

4. Avoided Transport & Future Projects

Cost Per FDD

Pilot Project Costs	1,788 \$/yr/FDD cust.	Annual cost of FDD work ⁵
FDD Equivalents	<u>25,598</u> FDD	FDDs needed to correct backup problems
Total Cost	\$45,769,224	Annualized Conveyance and Storage Costs
Grand Rapids Customers	<u>58,686</u>	Customers in Grand Rapids
Cost Per single Family Home	\$779.90 \$/home/not removed	Annualized cost for Grand Rapids Customers

5. Avoided Administrative (Engineering & Legal) Costs

Associated with Administration of claims, construction

Legal	0.5	Citywide claims administration
Engineering	<u>1.5</u>	Citywide engineering investigation
Staffing	2.0	Total staffing
Rate	\$200,000 /year	Average loaded staffing rate ⁴
Total	\$400,000 /year	
Customers	<u>58,686</u>	In Grand Rapids
	\$6.82 \$/yr/cust.	

Annual Cost Summary

1. Avoided Claims	\$1.95	
2. Avoided Treatment	\$168.12	
3. Actual MDNRE Penalties for SSOs	\$0.00	
4. Avoided Future Projects	\$779.90	
5. Administration	<u>\$6.82</u>	
TOTAL	\$956.79 \$/yr/cust.	
	\$79.73 /month/cust.	Monthly fee for not disconnecting

Notes:

- ¹ Sinking fund annual budget
- ² Customer numbers per 2025 Rate Study
- ³ Value for sewer maintenance and WRRF costs from 2025 rate study.
- ⁴ Estimated staff rate with benefits
- ⁵ Total cost per FDD amortized over 20 years with 2.5% interest rate

**CITY OF GRAND RAPIDS, MICHIGAN
APPENDICES
ANNUAL WATER/SEWER RATE REVIEW**

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Resolution Approving Proposed Grand Rapids Water/Sewer Rates	B
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Customer Community Contributions	D
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CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: November 13, 2025

TO: Mark Washington, City Manager

COMMITTEE: Committee of the Whole
LIAISON: Mark Washington, City Manager

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: **2025 Water/Sewer Rate Study – Introduction and Initiation of the 20 Day Comment Period**

A comprehensive review of operating and capital costs by community, in conjunction with customer base variation and usage, is performed annually for the purpose of recommending water and sewer rate adjustments for the City of Grand Rapids and its partner communities. The City of Grand Rapids continues to adhere to its water and sewer rate-setting methodology first established in 1976-77. The methodology yields consistent performance in providing for the long-term financing needs of the Water Supply and Sewage Disposal Systems and assuring adequate debt service coverage pursuant to the Systems' master bond ordinance covenants. This year's review marks the 49th annual water/sewer rate study report.

The City's review of the Water Supply and Sewage Disposal Systems' performance has identified the revenue requirements for water and sewer operations and service for calendar year 2026. Water Supply System revenue requirements increased by \$3,646,171 or 6.38% more than revenues generated by existing rates and charges. Sewage Disposal System revenue requirements decreased by (\$2,067,420) or 3.09% less than revenues generated by existing rates and charges. For additional context, annual inflation for the 12-month period ending with September 2025 was 2.69%, according to the Consumer Price Index for All Urban Consumers (CPI-U).

Billed volume is used in the rate study to forecast the next calendar year's expected revenue. In 2010, the rate study began using a three-year average of billed volume to smooth significant volume variances and prevent reactionary rate fluctuations. Therefore, although the Water System experienced a 3.39% increase in billed volume year-over-year, the three-year average only increased by 1.69%. This growth was driven in part by the addition of new customers, as the number of billed water meters increased by 0.53% in the past year. This produces downward pressure on water rates by allowing the system to spread out its fixed costs across more users & greater volume. The Sewer System

likewise enjoyed some downward pressure on rates, as it saw a modest 0.60% increase in the three-year average of billed volume and a 0.23% increase in the number of meters.

Two primary factors accounted for most of the water rate change. First and foremost was the installation of significant capital assets, valued at a total of \$50M. These projects included the installation of water mains in Cascade to protect residents from PFAS contamination, the replacement of electrical systems at the Franklin Pump Station, and new pressure release valves at 36th & 28th. While much of this cost was funded through low-interest loans in partnership with the State's Drinking Water Revolving Fund, the depreciation expense from the new assets added \$1.6M to the system's costs. Additionally, the system is required to collect a return on investment in these assets. This return is based on the national Bond Buyer's Index, which tracks the average cost of issuing municipal bonds, and which has risen by nearly a full percentage point in the past year. With a larger asset base and a higher interest rate, the required return on investment rose by nearly \$2.4M, accounting for the single largest upward pressure on the water rates.

Water's operational expenses also rose by \$1.5M, accounting for 2.71% of the overall 6.91% rate increase. New union contracts were signed this past summer, and their respective wage increases to account for inflation were a factor in this year's study. The Water System also continues to invest heavily in replacing private-side lead service lines for residents of the City of Grand Rapids, in accordance with Environmental Protection Agency (EPA) and The State of Michigan Environment, Great Lakes & Energy Division (EGLE) regulatory requirements.

The Sewage Disposal System put \$11.7M worth of assets into service, with much of that cost revolving around sanitary service main replacements and the replacement of critical equipment at the Water Resource Recovery Facility. Sewer continues to pay down its existing debt while avoiding new issuances, and as a result, the new assets & their required return on investment only raised Sewer's costs by \$270k this year. Operational costs fell year-over-year for the Sewer System, as the previous year included large, periodic expenses like the Comprehensive Master Plan (once per five years), retrofitting of the system's Operational Technology (OT) infrastructure, and engineering studies to optimize plant operations. Without these significant contracts on the books this year, the savings more than offset the increase in personnel costs from the new union contracts.

Additionally, the Sewage Disposal System benefited from continued sales of Renewable Natural Gas (RNG) produced by the biodigester, as well as the related renewable energy credits. We were able to take advantage of some favorable spot contracts to sell these commodities in the short term, but we anticipate somewhat reduced returns as we look to negotiate a long-term contract that will provide more stability and a more predictable revenue stream.

Recommended rate adjustments incorporate provisions of the third amendment to the uniform service agreements with customer communities, which eliminates penalty fee credits from retail revenue requirements to fund the Individual Circuit Breaker (ICB) and

the City and Customer Community Circuit Breaker (CCCCB). This amendment generated \$173,972 to support the ICB, the program aimed at assisting retail customers requiring assistance in payment of their water/sewer bills. This amount will again be supplemented with an additional appropriation of non-operating revenue. The third amendment also provides for a City and Customer Community Circuit Breaker, if sufficient funding is available, to limit each retail service area revenue requirement change to a level in line with the overall systems' initial average change. Total City and Customer Community Circuit Breaker funds used in the 2025 rate study was \$822,236 in relief.

Attached are detailed schedules that show, by customer community, revenue requirement changes and rate adjustment the impacts for a typical domestic and commercial customer with the system average quarterly consumption.

The Preliminary 2025 Water and Sewer Rate Study has been made available to the Utility Advisory Board partners and other customer communities on November 6, 2025. All partner and customer communities have a thirty-day comment period following notification of the rates as provided in the water/sewer service agreements. Approval of the resolution for the 2026 Water and Sewer rates by the City Commission is scheduled for Tuesday, December 16, 2025.

The annual rate study, along with explanatory materials, will be filed with the City Clerk's Office no later than the close of business on November 13, 2025, and are available for public review and comment. This is at least twenty (20) days prior to the City Commission's consideration of an approval resolution. Those wishing to provide feedback may submit comments to the City Clerk's Office or by sending an email to info@grcity.us. Public notice will also be published in the newspaper, and the rate study and supplemental materials have been posted on the City's website at:

<https://www.grandrapidsmi.gov/Government/Departments/Water-System/Water-and-Sewer-Rate-Studies>.

The Utility Finance team will also be hosting open office hours in a central public location to provide citizens with the opportunity to ask questions and voice their thoughts in person. These office hours will be held at the Main Branch of the Grand Rapids Public Library (111 Library St NE), from 10:00am – 2:00pm on the following dates:

- Monday, November 17
- Friday, November 21
- Monday, November 24

Comments will be reported and considered as part of the FY2027 budget planning process.

**CITY OF GRAND RAPIDS, MICHIGAN
2025 PRELIMINARY WATER/SEWER RATE STUDY
SUMMARY OF REVENUE REQUIREMENT CHANGES
FOR RATES EFFECTIVE JANUARY 1, 2026**

	<u>WATER (1)</u>		<u>SEWER (1)</u>		
	<u>AMOUNT</u>	<u>PERCENT</u>	<u>AMOUNT</u>	<u>PERCENT</u>	
RETAIL COMMUNITIES	GRAND RAPIDS	\$ 2,283,970	6.80%	\$ (1,179,150)	-2.67%
	WALKER	319,922	7.23%	(318,089)	-5.21%
	KENTWOOD	16,661	0.31%	(149,649)	-2.67%
	CASCADE TWP	444,307	10.79%	(91,739)	-2.67%
	GRAND RAPIDS TWP	232,238	7.59%	(89,390)	-2.67%
	TALLMADGE TWP	(9,000)	-3.07%	(40,622)	-6.59%
	WRIGHT TWP	N/A	N/A	(7,131)	-2.67%
WHOLESALE COMMUNITIES	EAST GRAND RAPIDS	(76,715)	-7.67%	(85,594)	-7.12%
	ADA TWP	88,764	5.35%	(80,810)	-4.92%
	OTTAWA COUNTY	(214,538)	-7.11%	NA	NA
	GAINES TWP	N/A	N/A	4,235	1.16%
	CALEDONIA TWP	560,563	N/A	(29,481)	-11.74%
<hr/>					
SYSTEM	\$ 3,646,171	6.38%	\$ (2,067,420)	-3.09%	

(1) Change in revenue requirements based on revenues currently generated from rates, customer base and volumes reported in the preliminary rate study (Includes consideration for relief from CCCCBB).

DISCLOSE RELIEF PROVIDED BY CITY & CUSTOMER COMMUNITY CIRCUIT BREAKER (CCCCBB)

	<u>WATER</u>		<u>SEWER</u>	
	<u>AMOUNT</u>	<u>PERCENT</u>	<u>AMOUNT</u>	<u>PERCENT</u>
SYSTEM REVENUE REQUIREMENT	\$ 60,787,035	6.38%	\$ 64,932,745	-3.09%
ADD: CCCCBB RELIEF	540,584	0.95%	281,652	0.42%
SYSTEM CHANGE- WITHOUT RELIEF	<u>\$ 61,327,619</u>	<u>7.33%</u>	<u>\$ 65,214,397</u>	<u>-2.67%</u>

CITY OF GRAND RAPIDS, MICHIGAN
2025 PRELIMINARY WATER/SEWER RATE STUDY
IMPACT OF RATE ADJUSTMENTS ON DOMESTIC USERS
BY CUSTOMER COMMUNITY *
FOR RATES EFFECTIVE JANUARY 1, 2026

	<u>APPROXIMATE QUARTERLY BILL</u>		<u>CHANGE</u>	
	<u>2025</u>	<u>2026</u>	<u>DOLLARS</u>	<u>PERCENT</u>
GRAND RAPIDS				
WATER	\$ 95.31	\$ 101.76	\$ 6.45	6.77%
SEWER	115.35	113.61	(1.74)	-1.51%
	<u>\$ 210.66</u>	<u>\$ 215.37</u>	<u>\$ 4.71</u>	2.24%
BASE RATIO	1.00	1.00		
WALKER				
WATER	\$ 91.71	\$ 98.40	\$ 6.69	7.29%
SEWER	151.27	143.97	(7.30)	-4.83%
	<u>\$ 242.98</u>	<u>\$ 242.37</u>	<u>\$ (0.61)</u>	-0.25%
RATIO TO GR	1.15	1.13		
KENTWOOD				
WATER	\$ 95.40	\$ 95.58	\$ 0.18	0.19%
SEWER	80.57	79.26	(1.31)	-1.63%
	<u>\$ 175.97</u>	<u>\$ 174.84</u>	<u>\$ (1.13)</u>	-0.64%
RATIO TO GR	0.84	0.81		
CASCADE TWP				
WATER	\$ 120.36	\$ 133.56	\$ 13.20	10.97%
SEWER	177.47	173.36	(4.11)	-2.32%
	<u>\$ 297.83</u>	<u>\$ 306.92</u>	<u>\$ 9.09</u>	3.05%
RATIO TO GR	1.41	1.43		
GRAND RAPIDS TWP				
WATER	\$ 105.30	\$ 113.22	\$ 7.92	7.52%
SEWER	144.69	141.26	(3.43)	-2.37%
	<u>\$ 249.99</u>	<u>\$ 254.48</u>	<u>\$ 4.49</u>	1.80%
RATIO TO GR	1.19	1.18		
TALLMADGE TWP				
WATER	\$ 66.24	\$ 63.69	\$ (2.55)	-3.85%
SEWER	209.02	195.95	(13.07)	-6.25%
	<u>\$ 275.26</u>	<u>\$ 259.64</u>	<u>\$ (15.62)</u>	-5.67%
RATIO TO GR	1.31	1.21		

* THE COMPARISONS ABOVE ARE BASED ON SYSTEM AVERAGE DOMESTIC CUSTOMER
 QUARTERLY CONSUMPTION OF: WATER- 21.00 UNITS OR 15,708 GALLONS
 SEWER - 14.00 UNITS OR 10,472 GALLONS
 NO. OF MONTHS: 3

REU (RESIDENTIAL EQUIVALENT UNIT) CUSTOMER COMMUNITY- APPROXIMATE QUARTERLY BILL

WRIGHT TWP-				
SEWER (No. of REU 1.00)	<u>\$ 177.12</u>	<u>\$ 172.38</u>	<u>\$ (4.74)</u>	-2.68%

**CITY OF GRAND RAPIDS, MICHIGAN
2025 PRELIMINARY WATER/SEWER RATE STUDY
IMPACT OF RATE ADJUSTMENTS ON COMMERCIAL USERS
BY CUSTOMER COMMUNITY
FOR RATES EFFECTIVE JANUARY 1, 2026**

	<u>APPROXIMATE QUARTERLY BILL</u>		<u>CHANGE</u>	
	<u>2025</u>	<u>2026</u>	<u>DOLLARS</u>	<u>PERCENT</u>
GRAND RAPIDS				
WATER	\$ 596.88	\$ 637.23	\$ 40.35	6.76%
SEWER	990.09	943.74	(46.35)	-4.68%
	<u>\$ 1,586.97</u>	<u>\$ 1,580.97</u>	<u>\$ (6.00)</u>	-0.38%
BASE RATIO	1.00	1.00		
WALKER				
WATER	\$ 507.33	\$ 544.74	\$ 37.41	7.37%
SEWER	821.05	777.06	(43.99)	-5.36%
	<u>\$ 1,328.38</u>	<u>\$ 1,321.80</u>	<u>\$ (6.58)</u>	-0.50%
RATIO TO GR	0.84	0.84		
KENTWOOD				
WATER	\$ 485.04	\$ 487.11	\$ 2.07	0.43%
SEWER	767.15	746.07	(21.08)	-2.75%
	<u>\$ 1,252.19</u>	<u>\$ 1,233.18</u>	<u>\$ (19.01)</u>	-1.52%
RATIO TO GR	0.79	0.78		
CASCADE TWP				
WATER	\$ 614.25	\$ 681.90	\$ 67.65	11.01%
SEWER	928.91	904.61	(24.30)	-2.62%
	<u>\$ 1,543.16</u>	<u>\$ 1,586.51</u>	<u>\$ 43.35</u>	2.81%
RATIO TO GR	0.97	1.00		
GRAND RAPIDS TWP				
WATER	\$ 560.34	\$ 603.30	\$ 42.96	7.67%
SEWER	763.83	742.49	(21.34)	-2.79%
	<u>\$ 1,324.17</u>	<u>\$ 1,345.79</u>	<u>\$ 21.62</u>	1.63%
RATIO TO GR	0.83	0.85		
TALLMADGE TWP				
WATER	\$ 551.97	\$ 528.84	\$ (23.13)	-4.19%
SEWER	1,911.34	1,785.29	(126.05)	-6.59%
	<u>\$ 2,463.31</u>	<u>\$ 2,314.13</u>	<u>\$ (149.18)</u>	-6.06%
RATIO TO GR	1.55	1.46		

* THE COMPARISONS ABOVE ARE BASED ON SYSTEM AVERAGE COMMERCIAL CUSTOMER
 QUARTERLY CONSUMPTION OF : WATER- 207.00 UNITS OR 154,836 GALLONS
 SEWER - 200.00 UNITS OR 149,600 GALLONS
 NO. OF MONTHS: 3

REU (RESIDENTIAL EQUIVALENT UNIT) CUSTOMER COMMUNITY- APPROXIMATE QUARTERLY BILL

WRIGHT TWP				
SEWER (No. of REU 1.00)	<u>\$ 177.12</u>	<u>\$ 172.38</u>	<u>\$ (4.74)</u>	-2.68%

**CITY OF GRAND RAPIDS, MICHIGAN
2025 PRELIMINARY WATER/SEWER RATE STUDY
WATER & SEWER RATES FOR GRAND RAPIDS & RETAIL CUSTOMER COMMUNITIES
EFFECTIVE JANUARY 1, 2026**

WATER RATES

	<u>METER CODE</u>	<u>GRAND RAPIDS</u>	<u>WALKER</u>	<u>KENTWOOD</u>	<u>CASCADE</u>	<u>GR. RAPIDS TOWNSHIP</u>	<u>TALLMADGE TOWNSHIP</u>	<u>WRIGHT TOWNSHIP</u>
COMMODITY CHARGE (HCF)		\$ 2.74	\$ 2.23	\$ 1.92	\$ 2.67	\$ 2.42	\$ 2.50	NA
MONTHLY SERVICE CHARGE BY METER SIZE								
3/4" & Less	A	\$ 14.74	\$ 17.19	\$ 18.42	\$ 25.83	\$ 20.80	\$ 3.73	NA
1"	B	\$ 23.35	\$ 27.71	\$ 29.89	\$ 43.07	\$ 34.12	\$ 3.78	NA
1-1/4"	C	\$ 34.42	\$ 41.23	\$ 44.64	\$ 65.23	\$ 51.25	\$ 3.84	NA
1-1/2"	D	\$ 47.95	\$ 57.75	\$ 62.67	\$ 92.31	\$ 72.19	\$ 3.91	NA
2"	E	\$ 82.39	\$ 99.81	\$ 108.56	\$ 161.25	\$ 125.48	\$ 4.10	NA
3"	F	\$ 180.79	\$ 219.99	\$ 239.67	\$ 358.23	\$ 277.75	\$ 4.63	NA
4"	G	\$ 318.55	\$ 388.24	\$ 423.22	\$ 634.00	\$ 490.92	\$ 5.38	NA
6" & Over	H	\$ 712.15	\$ 868.95	\$ 947.67	\$ 1,421.91	\$ 1,099.99	\$ 7.51	NA

SEWER RATES

	<u>METER CODE</u>	<u>GRAND RAPIDS</u>	<u>WALKER</u>	<u>KENTWOOD</u>	<u>CASCADE</u>	<u>GR. RAPIDS TOWNSHIP</u>	<u>TALLMADGE TOWNSHIP</u>	<u>WRIGHT TOWNSHIP</u>
COMMODITY CHARGE (HCF)		\$ 4.29	\$ 3.03	\$ 3.51	\$ 3.46	\$ 2.86	\$ 8.26	NA
REU Charge (Monthly) *		NA	NA	NA	NA	NA	NA	\$ 57.46
MONTHLY SERVICE CHARGE BY METER SIZE								
3/4" & Less	A	\$ 17.85	\$ 33.85	\$ 10.04	\$ 41.64	\$ 33.74	\$ 26.77	NA
1"	B	\$ 28.58	\$ 57.02	\$ 14.69	\$ 70.87	\$ 56.83	\$ 44.43	NA
1-1/4"	C	\$ 42.37	\$ 86.81	\$ 20.67	\$ 108.45	\$ 86.51	\$ 67.14	NA
1-1/2"	D	\$ 59.22	\$ 123.22	\$ 27.98	\$ 154.38	\$ 122.78	\$ 94.90	NA
2"	E	\$ 102.12	\$ 215.90	\$ 46.58	\$ 271.30	\$ 215.12	\$ 165.55	NA
3"	F	\$ 224.70	\$ 480.70	\$ 99.74	\$ 605.34	\$ 478.94	\$ 367.42	NA
4"	G	\$ 396.31	\$ 851.42	\$ 174.16	\$ 1,073.00	\$ 848.29	\$ 650.03	NA
6" & Over	H	\$ 886.62	\$ 1,910.62	\$ 386.78	\$ 2,409.18	\$ 1,903.58	\$ 1,457.50	NA

* REU - Residential Equivalent Unit (Wright Township Only)

FIRE PROTECTION RATES- ALL GOVERNMENTAL UNITS

6"	H	\$ 24.03		10"	J	\$ 66.80
8"	I	\$ 42.63		12"	K	\$ 96.12

NOTE: Monthly defined as 1/12th of 365 days.

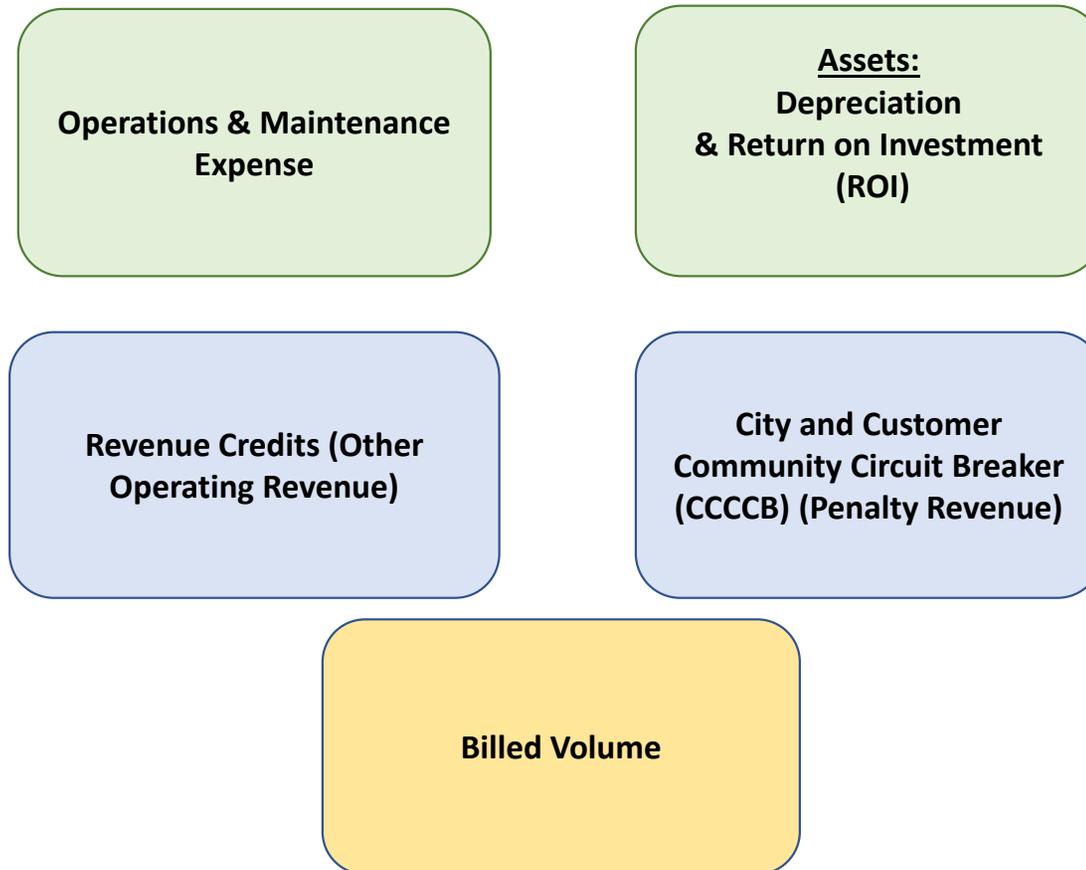
CITY OF GRAND RAPIDS, MICHIGAN
2025 PRELIMINARY WATER/SEWER RATE STUDY
IMPACT OF RATE ADJUSTMENTS ON WHOLESALE CUSTOMER COMMUNITIES
EFFECTIVE JANUARY 1, 2026

	<u>2025</u>	<u>2026</u>	<u>PERCENTAGE CHANGE</u>
EAST GRAND RAPIDS			
WATER - SERVICE (MONTHLY)	\$19,839.00	\$19,265.00	-2.89%
- COMMODITY (100 CF)	\$1.31	\$1.19	-9.16%
SEWER - SERVICE (MONTHLY)	\$2,104.00	\$2,264.00	7.60%
- COMMODITY (MG)	\$3,092.00	\$2,862.00	-7.44%
ADA TWP			
WATER - SERVICE	\$61,151.00	\$75,796.00	23.95%
- COMMODITY	\$1.49	\$1.35	-9.40%
SEWER - SERVICE	\$41,633.00	\$42,940.00	3.14%
- COMMODITY	\$4,178.00	\$3,825.00	-8.45%
OTTAWA COUNTY			
WATER - SERVICE	\$0.00	\$0.00	N/A
- COMMODITY	\$1.44	\$1.34	-6.94%
GAINES TWP			
SEWER - SERVICE	\$1,759.00	\$1,819.00	3.41%
- COMMODITY	\$2,749.00	\$2,777.00	1.02%
CALEDONIA TWP			
WATER - SERVICE (MONTHLY)	N/A	\$69,993.00	N/A
- COMMODITY (100 CF)	N/A	\$1.69	N/A
SEWER - SERVICE	\$743.00	\$747.00	0.54%
- COMMODITY	\$7,465.00	\$6,555.00	-12.19%

NOTE: Monthly defined as 1/12th of 365 days.



Building Blocks of the Revenue Requirement



2026 Rate Impact by Community

Retail Communities: charges assessed directly to User based on water consumption (except for Wright Twp – REUs). Readiness to Serve (RTS) based on meter size and Commodity based on volume. City of GR maintains assets and bills users directly.

Wholesale Communities: charges assessed directly to Wholesale Community based on water consumption measured through a master meter at the point of service in the customer community. Readiness to Serve (RTS) based on non-integrated system requirements and Commodity based on volume. Customer community maintains assets and bills users directly.

	WATER (1)		SEWER (1)		
	AMOUNT	PERCENT	AMOUNT	PERCENT	
RETAIL COMMUNITIES	GRAND RAPIDS	\$ 2,283,970	6.80%	\$ (1,179,150)	-2.67%
	WALKER	319,922	7.23%	(318,089)	-5.21%
	KENTWOOD	16,661	0.31%	(149,649)	-2.67%
	CASCADE TWP	444,307	10.79%	(91,739)	-2.67%
	GRAND RAPIDS TWP	232,238	7.59%	(89,390)	-2.67%
	TALLMADGE TWP	(9,000)	-3.07%	(40,622)	-6.59%
	WRIGHT TWP	N/A	N/A	(7,131)	-2.67%
WHOLESALE COMMUNITIES	EAST GRAND RAPIDS	(76,715)	-7.67%	(85,594)	-7.12%
	ADA TWP	88,764	5.35%	(80,810)	-4.92%
	OTTAWA COUNTY	(214,538)	-7.11%	NA	NA
	GAINES TWP	N/A	N/A	4,235	1.16%
	CALEDONIA TWP	560,563	85.81%	(29,481)	-11.74%
SYSTEM	\$ 3,646,171	6.38%	\$ (2,067,420)	-3.09%	

(1) Change in revenue requirements based on revenues currently generated from rates, customer base and volumes reported in the preliminary rate study (Includes consideration for relief from CCCCB).

15-Year Historical Rate Changes

Rate Study Year	Water Supply System			Sewage Disposal System		
	Revenue Requirements	% change in RR over prev year	% gross rate incr (decr) **	Revenue Requirements	% change in RR over prev year	% gross rate incr (decr) **
2011	41,802,404	1.46%	5.15%	50,082,541	0.82%	2.89%
2012	39,247,442	-6.11%	-4.41%	48,183,681	-3.79%	-2.46%
2013	38,646,748	-1.53%	-4.30%	48,946,212	1.58%	2.46%
2014	40,055,985	3.65%	2.50%	49,962,043	2.08%	2.81%
2015	40,178,439	0.31%	1.00%	49,868,027	-0.19%	0.30%
2016	41,187,517	2.51%	3.63%	50,400,344	1.07%	0.36%
2017	42,828,972	3.99%	2.45%	52,319,981	3.81%	3.08%
2018	43,868,464	2.43%	2.71%	54,611,300	4.38%	3.28%
2019	45,752,997	4.30%	2.47%	56,969,417	4.32%	3.49%
2020	45,501,943	-0.55%	0.62%	61,242,290	7.50%	7.92%
2021	47,692,896	4.82%	4.08%	62,943,059	2.78%	4.00%
2022	50,122,073	5.09%	5.68%	63,232,742	0.46%	1.07%
2023	54,408,787	8.55%	6.50%	64,540,737	2.07%	1.33%
2024	55,750,731	2.47%	2.80%	66,702,105	3.35%	2.91%
2025*	60,787,035	9.03%	6.38%	64,932,745	-2.65%	-3.09%
AVG	45,855,496	2.69%	2.48%	56,329,148	1.84%	2.02%

* Revenue Requirements per the 2025 Preliminary Rate Study.
 ** The percentage gross rate increase (decrease) differs from the annual percentage change in Revenue Requirements due to differences in usage volumes/customers/application of Circuit Breaker
 - Annual inflation for the 12 months ending September 2025 was 2.69%



Avg Bill Change by Community (Retail)

	<i>APPROXIMATE QUARTERLY BILL</i>		<i>CHANGE</i>	
	<i>2025</i>	<i>2026</i>	<i>DOLLARS</i>	<i>PERCENT</i>
GRAND RAPIDS				
WATER	\$ 95.31	\$ 101.76	\$ 6.45	6.77%
SEWER	115.35	113.61	(1.74)	-1.51%
	<u>\$ 210.66</u>	<u>\$ 215.37</u>	<u>\$ 4.71</u>	<u>2.24%</u>
WALKER				
WATER	\$ 91.71	\$ 98.40	\$ 6.69	7.29%
SEWER	151.27	143.97	(7.30)	-4.83%
	<u>\$ 242.98</u>	<u>\$ 242.37</u>	<u>\$ (0.61)</u>	<u>-0.25%</u>
KENTWOOD				
WATER	\$ 95.40	\$ 95.58	\$ 0.18	0.19%
SEWER	80.57	79.26	(1.31)	-1.63%
	<u>\$ 175.97</u>	<u>\$ 174.84</u>	<u>\$ (1.13)</u>	<u>-0.64%</u>
CASCADE TWP				
WATER	\$ 120.36	\$ 133.56	\$ 13.20	10.97%
SEWER	177.47	173.36	(4.11)	-2.32%
	<u>\$ 297.83</u>	<u>\$ 306.92</u>	<u>\$ 9.09</u>	<u>3.05%</u>
GRAND RAPIDS TWP				
WATER	\$ 105.30	\$ 113.22	\$ 7.92	7.52%
SEWER	144.69	141.26	(3.43)	-2.37%
	<u>\$ 249.99</u>	<u>\$ 254.48</u>	<u>\$ 4.49</u>	<u>1.80%</u>
TALLMADGE TWP				
WATER	\$ 66.24	\$ 63.69	\$ (2.55)	-3.85%
SEWER	209.02	195.95	(13.07)	-6.25%
	<u>\$ 275.26</u>	<u>\$ 259.64</u>	<u>\$ (15.62)</u>	<u>-5.67%</u>

These comparisons are based on the quarterly consumption of the average domestic household across the system:

Water	21.00 HCF	15,708 gal
Sewer	14.00 HCF	10,472 gal
# of Months	3	



Rate Impact Factors - Water

2025 Water Rate Study Rate Drivers	% Impact
Increases:	
Assets – Return on System Investment & Depreciation \$50.5M new assets into service, mostly non-integrated Bond Index went up nearly a full point (3.77% → 4.58%)	6.44%
Operations & Maintenance Cost of labor (largest O&M expense) up 4.7% Fleet costs up 22%, electricity up 10%, overhead up 14%	2.72%
Unused Penalty Credits from Last Year (\$12k vs \$223k)	0.48%
Decreases:	
Revenue Expectation (3-yr avg water billed volume up)	(2.43%)
Integrated Revenues / Community Affordability Program	(0.83%)
Proposed System Average Rate Increase	6.38%

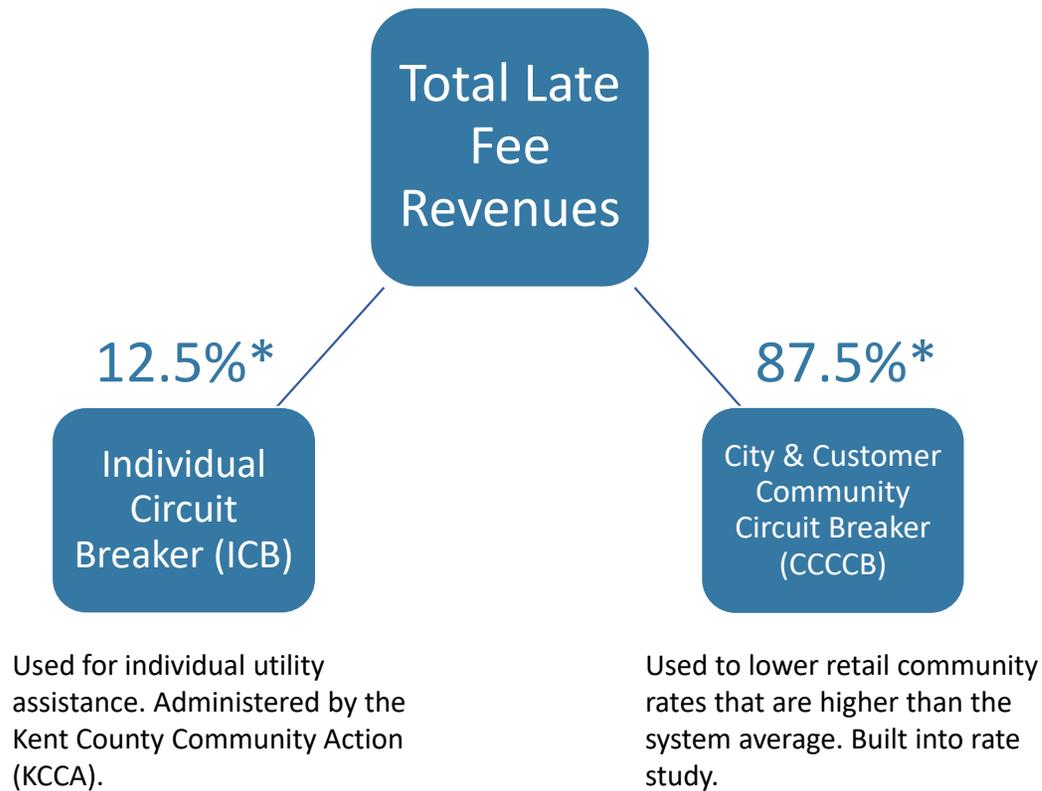


Rate Impact Factors - Sewer

2025 Sewer Rate Study Rate Drivers	% Impact
Increases:	
Community Affordability Program (i.e., Circuit Breaker)	0.50%
Assets – Return on System Investment & Depreciation \$11.7M of new assets Reducing debt load helps temper ROI	0.41%
Unused Penalty Credits from Last Year (\$20k vs \$203k)	0.11%
Decreases:	
Operations & Maintenance Previous study included large, one-time costs SCADA overhaul (\$2M), treatment plant upgrades (\$1.5M)	(2.97%)
Natural Gas & Other Integrated Revenues	(0.70%)
Revenue Expectation (3-yr avg sewer billed volume up)	(0.45%)
Proposed System Average Rate Decrease	(3.09%)



Assistance/Affordability Programs - Overview



**Methodology, including % split, dictated by 3rd Amendment to Service Agreement w/ Retail Communities. Effective 2007.*



Individual Assistance Program (ICB)

	Water/Sewer
Total Penalty Revenue (FY25)	\$1,391,778
Individual Circuit Breaker (ICB):	
Penalty Revenue (12.5%)	173,972
Other Non-op Revenue	80,000
Total ICB for CY26	\$253,972

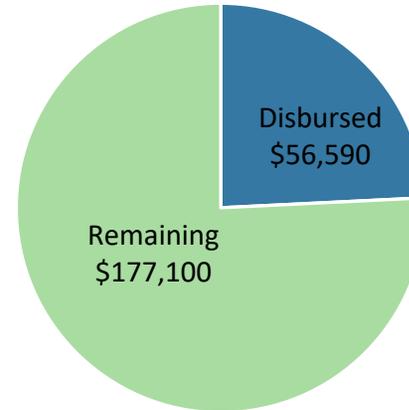
Previous Rate Study set aside **\$233,690** for CY25

Current figures reflect draws thru Sep'25

Unused funds lower rates in the next study



CY25 Funding



Community Affordability Program (CCCCB)

	Water/Sewer
Total Penalty Revenue (FY25)	\$1,391,778

City & Customer Community Circuit Breaker (CCCCB):

Penalty Revenue (87.5%) – Total Available CCCCCB	1,217,806
CCCCB Funds Applied in 2025 Rate Study*	822,236
Remaining CCCCCB Funds (rolled to next year)	395,570

*CCCCB Funds are only applied to reduce rates when a retail community projects a rate increase greater than the system-wide average. Remaining funds reduce system-wide rates the next year.



2025 Water & Sewer Rate Study Schedule



Office Hours for Public Comment

Monday,
November 17

- GRPL Main Branch
- 111 Library St NE
- 10:00am – 2:00pm

Friday,
November 21

- GRPL Main Branch
- 111 Library St NE
- 10:00am – 2:00pm

Monday,
November 24

- GRPL Main Branch
- 111 Library St NE
- 10:00am – 2:00pm





AD#: 0011038481

State of Ohio,) ss
County of Cuyahoga)

Joe Rosa being duly sworn, deposes that he/she is principal clerk of MLive Media Group; that Grand Rapids Press is a public newspaper published in the city of Grand Rapids, with general circulation in Kent and Ottawa county, and this notice is an accurate and true copy of this notice as printed in said newspaper, was printed and published in the regular edition and issue of said newspaper on the following date(s):

Grand Rapids Press 11/13/2025

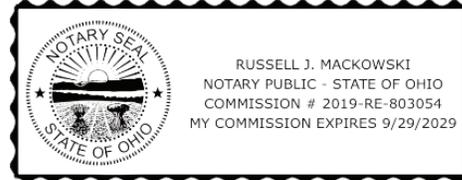
Joe Rosa 

Principal Clerk of the Publisher

Sworn to and subscribed before me this 13th day of November 2025

Russell Mackowski 

Notary Public



Online Notary Public. This notarial act involved the use of online audio/video communication technology. Notarization facilitated by SIGNiX®



CITY OF GRAND RAPIDS

WATER/SEWER RATES AND CHARGES FOR 2026 NOW AVAILABLE FOR PUBLIC COMMENT

The City of Grand Rapids has completed the "Preliminary Water/Sewer 2025 Rate Study" report, which is the basis for recommending water and sewer rates to become effective January 1, 2026, for all residential, commercial, and industrial users. That report, which also includes information on the Individual Circuit Breaker Program, the program that helps retail users requiring assistance in payment of their water/sewer bills, is available for public inspection in the City Clerk's Office, 2nd floor of City Hall, 300 Monroe NW, Grand Rapids, MI 49503 between 8:00 a.m. and 5:00 p.m. weekdays and can also be reviewed at:

<https://www.grandrapidsmi.gov/Government/Departments/Water-System/Water-and-Sewer-Rate-Study>

Opportunity for public commentary runs through December 3rd. You may submit comments to the City Clerk's Office or by sending an email to info@grcity.us.

The Grand Rapids City Commission is scheduled to consider approval on the rates on Tuesday, December 16, 2025.

11038481-01

95251 Result: Approved
Mover: Perdue. Supporter: Robbins.

WHEREAS:

1. The Water/Sewer rate studies have been undertaken and completed for the years 1976 through 2024; and
2. The 2025 Water/Sewer rate study has been completed using the same general methodology as the 1976 through 2024 Water/Sewer rate studies, as adjusted where appropriate for the uniform water and sanitary sewer service agreements; therefore

RESOLVED:

1. That pursuant to Section 2.33 of Chapter 26 of the City Code, the following water rates, charges, and fees will be as follows:

a. Front foot rate

Domestic	\$166
Commercial	\$240

b. Integrated water connection fees

i. Plan Review and Connection Fee (PRC)

1. Residential Users (three residential units or less)

Meter Size	PRC Fee
¾ inch or less	\$400
1 inch	\$420
1½ inch	\$420

2. All other Users (including residential of more than 3 units, commercial, industrial, governmental and religious)

Meter Size	PRC Fee
¾ inch or less	\$815
1 inch	\$1,075
1½ inch	\$1,460
2 inch	\$2,015
3 inch	\$2,485
4 inch	\$3,600
6 inch	\$5,115

- ii. Meter Capacity Fee (MCC) (when water and sanitary sewer connections are made at the same time only one Meter Capacity Fee shall be charged)

Meter Size	MCC Fee
¾ inch or less	\$225
1 inch	\$315
1½ inch	\$1,065
2 inch	\$1,250
3 inch	\$2,355
4 inch	\$3,147
6 inch	\$5,202
8 inch	\$11,320
10 inch	\$14,770

- iii. Fire Protection Review Fee

All Fire Service Sizes	\$830
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- iv. Commercial Plan Assessment Fee (for instances where there is an established connection or property has been previously reviewed)

All Sizes	\$125
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- c. Commodity rates within the City of Grand Rapids

Domestic	\$2.74 per 100 cubic feet
Commercial	\$2.74 per 100 cubic feet
Industrial	\$2.74 per 100 cubic feet

- d. Monthly service charge within the City of Grand Rapids

Size of Meter	Charge
¾ inch or less	\$14.74
1 inch	\$23.35
1¼ inch	\$34.42
1½ inch	\$47.95
2 inches	\$82.39
3 inches	\$180.79
4 inches	\$318.55
6 inches or larger	\$712.15

e. Fire protection charge

Size of Pipe	Monthly	Quarterly
6 inches	\$24.03	\$72.09
8 inches	\$42.63	\$127.89
10 inches	\$66.80	\$200.40
12 inches	\$96.12	\$288.36

f. Water service pipe costs

	50 ft.	60 ft.	66 ft.	80 ft.	100 ft.
	R.O.W.	R.O.W.	R.O.W.	R.O.W.	R.O.W.
Cost for 1 inch Water Service	\$4,200	\$4,700	\$5,000	\$5,700	\$6,700
Cost for 1½ inch Water Service	\$5,700	\$6,400	\$6,800	\$7,600	\$9,100
Cost for 2 inches Water Service	\$7,000	\$7,700	\$8,200	\$9,300	\$10,800

- g. Non-metered hydrant connection use fee (pool filling per connection) - \$100 refundable deposit + \$75/week
- h. Hydrant use permit (non-metered connection – residential customers) - \$50
- i. Hydrant use permit fee (metered connection) - \$300
- j. Metered hydrant connection use fee (per connection) - City of Grand Rapids account holder and Non-account holder - \$500 refundable deposit + \$25/week + metered volume (commodity charges at City of Grand Rapids rate)
- k. Hydrant connection assistance requests - \$100 service fee
- l. Hydrant flow test - \$200
- m. Tapping permits (all sizes) - \$375
- n. Meter service on/off requests (normal service hours 8am-7pm M-F)

Meter Size	Fee
All Sizes	\$75
Inspections/repair scheduled on & off request (may also need meter install)	\$75

- o. Meter replacement (non-system planned/scheduled replacement) (In addition to meter installation fee)

Meter Size	Fee
------------	-----

¾ inch or less	\$225
1 inch	\$315
1½ inch	\$1,065
2 inches	\$1,250
3 inches	\$2,355
4 inches	\$3,147
6 inches	\$5,202
8 inches	\$11,320
10 inches	\$14,770

- p. Final or actual meter reading - \$65
- q. Meter testing fee – paid by customer if meter is accurate, no charge if meter is faulty (In addition to Service On/Off Requests Fee)

Meter Size	Fee
¾ inch and 1 inch	\$200
1½ inch	\$250
2 inches	\$455
3 inches	\$525
4 inches or larger	At cost
Ultrasonic Meters	At cost

- r. Meter interface unit replacement - \$200
- s. Security deposit - \$500
- t. Street opening permit - \$300
- u. Water inspection permit (within City) - \$100
- v. Water inspection permit (outside City) - \$115
- w. Sanitary Service line inspection permit (within City) - \$100
- x. Sanitary Service line inspection permit (outside City) - \$115
- y. Storm Service line inspection permit (within City) - \$100
- z. Storm Service line inspection permit (outside City) - \$115
- aa. Footing drain lateral inspection permit (within City) - \$100
- bb. Footing drain lateral inspection permit (outside City) - \$115
- cc. Sewer lateral service demolition/cap off inspection fee (within City) - \$100
- dd. Sewer lateral service demolition/cap off inspection fee (outside City) - \$115
- ee. Plumbing service re-inspection fee - \$100
- ff. Cross connection re-inspection fee - \$75
- gg. Irrigation Service Cut/Cap Administration fee - \$70
- hh. Delinquent Commercial Backflow Test fee (per device) - \$35

- ii. Customer requested on-site service visit - \$100
- jj. 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) – \$75
- kk. Late payment penalty – 10% of net
- ll. Missed appointment fee - \$55
- mm. 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 and box) - \$500 plus double commodity rate for estimated volume and unbilled readiness to serve charges that may apply plus doubling of penalties for each subsequent infraction
- nn. Unauthorized use 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 plus double commodity rate for estimated volume and any unbilled readiness to serve charges that may apply plus doubling of penalties for each subsequent infraction
- oo. Failure to return or return of damaged beyond repair / repairable hydrant connection equipment – Cost + 10%
- pp. Repair/replace damage to fire hydrant – Cost + 10%
- qq. Permit infractions/violations – \$100 plus double commodity rate for estimated volume and any unbilled readiness to serve charges that may apply plus doubling of penalties for each subsequent infraction
- rr. Returned check charge - \$30
- ss. Unauthorized service tap of Water or Sewer main - \$500 plus double commodity rate for estimated volume and any unbilled readiness to serve charges that may apply plus doubling of penalties for each subsequent infraction
- tt. Any cost recovery due to damaged 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%
- uu. Watermain oversizing rates

8 – 12 inches	\$42.59 per lineal foot
12 – 16 inches	\$66.31 per lineal foot
8 – 16 inches	\$108.89 per lineal foot

- vv. Circuit breaker allocation

Individual Circuit Breaker (ICB)	\$253,972
City and Customer Community Circuit Breaker (CCCCB)	\$1,217,806

2. That Pursuant to Section 2.94 of Chapter 27 of the City Code, the following City sewer rates, charges and fees will be as follows:

a. Front foot rate

Domestic	\$138
Commercial	\$167

b. Integrated sewer connection fees (based on water meter size)

i. Plan Review and Connection Fee (PRC)

1. Residential Users (three residential units or less)

Meter Size	PRC Fee
¾ inch or less	\$400
1 inch	\$420
1½ inch	\$420

2. All other Users (including residential of more than 3 units, commercial, industrial, governmental, and religious)

Meter Size	PRC Fee
¾ inch or less	\$815
1 inch	\$1,075
1½ inch	\$1,460
2 inch	\$2,015
3 inch	\$2,485
4 inch	\$3,600
6 inch	\$5,115

ii. Meter Capacity Charge (when water and sanitary sewer connections are made at the same time only one Meter Capacity Charge shall be charged)

Meter Size	MCC Fee
¾ inch or less	\$225
1 inch	\$315
1½ inch	\$1,065
2 inch	\$1,250

3 inch	\$2,355
4 inch	\$3,147
6 inch	\$5,202
8 inch	\$11,320
10 inch	\$14,770

iii. Commercial Plan Assessment Fee (for instances where there is an established connection or property has been previously reviewed)

All Sizes	\$125
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c. Commodity rates within the City of Grand Rapids

Domestic	\$4.29 per 100 cubic feet
Commercial	\$4.29 per 100 cubic feet
Industrial	\$4.29 per 100 cubic feet

d. Monthly service charge within the City of Grand Rapids

Size of Meter	Charge
¾ inch or less	\$17.85
1 inch	\$28.58
1¼ inch	\$42.37
1½ inch	\$59.22
2 inches	\$102.12
3 inches	\$224.70
4 inches	\$396.31
6 inches or larger	\$886.62

e. Wastewater surcharges for industrial customers

BOD	\$0.439
TSS	\$0.576
Phos	\$4.743
NH3	\$0.554

- f. Significant industrial user discharge permit fee - \$1,000 plus the surcharge analytical fees
- g. Industrial discharge authorization fee (one-time or short-term discharge) - \$665 plus the surcharge analytical fees
- h. Surcharge analytical fees

Metals	
1 Metal	\$13.00/each
2 Metals	\$18.00 total
3 Metals	\$23.00 total
4 Metals	\$28.00 total
5 Metals	\$33.00 total
6 Metals	\$38.00 total
7 Metals	\$43.00 total
8 Metals	\$48.00 total
9 Metals	\$53.00 total
10 Metals	\$58.00 total
11 Metals	\$63.00 total
12 Metals	\$68.00 total
13 Metals	\$73.00 total
14 Metals	\$78.00 total
TSS	\$12.00/each
BOD	\$24.00/each
BOD 7	\$24.00/each
COD	\$17.00/each
Total Phosphorus	\$12.00/each
pH	\$6.50/each
EPA 624.1	\$49.00/each
EPA 625.1	\$108.00/each
BTEX/MTBE	\$49.00/each
Sulfide	\$24.00/each
Oil and Grease	\$24.00/each
Total Cyanide	\$24.00/each
Hexavalent Chromium	\$29.00/each
Fecal Coliform	\$19.50/each
Ammonia Nitrogen	\$17.00/each
Mercury (EPA 245.1 or 245.2)	\$21.00/each

Pesticides	\$66.00/each
PCBs	\$66.00/each
Phenols, Total	\$26.00/each
PFAS EPA 537 Modified (samples, duplicate and blank)	\$325.00/each
PFAS by LCMSMS (samples, duplicate and blank)	\$350.00/each
PFAS by EPA Draft Method 1633 (samples, duplicate and blank)	\$325.00/each
EPA 1666 Volatile Organics in Pharmaceuticals	\$49.00/each
EPA 524.2 Purgeable Organics	\$49.00/each
Methyl Blue Active Substances (MBAS)	\$68.00/each
Color	\$17.00/each
GC-MS Fingerprint	\$132.00/each
Labor	\$82.74/hour
Sampler	\$75.00/day
Vehicle	\$7.83/hour
Composite Labor	1.5 hours per sample
Grab Sample Labor	1.0 hours per sample

i. Sewer lateral charges

	50 ft.	60 ft.	66 ft.	80 ft.	100 ft.
	R.O.W.	R.O.W.	R.O.W.	R.O.W.	R.O.W.
Cost for 6 inch lateral	\$4,200	\$5,000	\$5,400	\$6,500	\$7,900

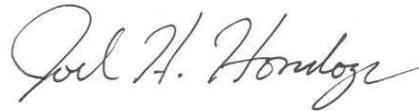
j. Sewer oversizing rates

Description	Amount (per lineal foot)
8 – 10 inches	\$12.33
8 – 12 inches	\$25.59
8 – 15 inches	\$49.61

10 – 12 inches	\$13.26
10 – 15 inches	\$37.28
12 – 15 inches	\$24.02

- k. Footing drain disconnect opt out charge - \$79.73 per customer per month
- 3. That the above Water and Sewer rates, charges, and fees are approved and shall be effective January 1, 2026.

I hereby certify that the foregoing is a true transcript of the action of the City Commission of the City of Grand Rapids, Michigan, in public session held December 16, 2025.



Joel H. Hondorp, City Clerk

95252 Result: Approved

Mover: Perdue. Supporter: Robbins.

WHEREAS:

1. The Water/Sewer rate studies have been undertaken and completed for the years 1976 through 2024; and
2. The 2025 Water/Sewer Rate Study has been completed using the same general methodology as the 1976 through 2024 Water/Sewer Rate Studies, as adjusted where appropriate for the uniform water and sanitary sewer service agreements; therefore

RESOLVED:

1. That the attached water and sewer rates are approved for retail and wholesale customer communities of the City's Water Supply System and Sanitary Sewer System and shall be effective January 1, 2026; and
2. That the Utility Financial Officer is directed to notify the contractual water and sewer service customers in writing of the water and sewer rates, and the Mayor and City Clerk are authorized to take any action as may be required to evidence the new water and sewer rates.

I hereby certify that the foregoing is a true transcript of the action of the City Commission of the City of Grand Rapids, Michigan, in public session held December 16, 2025.



Joel H. Hondorp, City Clerk

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: January 1, 2026

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: **2025 WATER/SEWER RATES STUDY CUSTOMER
COMMUNITY CONTRIBUTIONS**

None of the customer communities have elected to make a separate contribution this year to reduce their water or sewer 2025 rate study revenue requirement.

TCV

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: December 16, 2025

TO: City of Grand Rapids Mayor and City Commissioners

FROM: Tai Verbrugge, Utility Financial Officer

SUBJECT: **2025 Rate Study – City of Grand Rapids 20-day Public Comment Period Comments**

During the 2025 Water and Sewer Rate Study comment period, the City of Grand Rapids did not receive any direct communications from the public. However, during tabling events held four times throughout the public comment period, feedback was collected from twenty-six (26) individuals.

Of the 26 people that our team spoke with, the majority (17) held no strong opinions and were primarily interested in learning more about the rate changes and the utility systems in general. Four respondents voiced their disagreement with the proposed rate changes; three of these individuals were worried about the rising price of water and the fourth was concerned that the cut to sewer rates would result in larger rate spikes in the future. The remaining five respondents expressed their approval of the proposed rates, for a mix of reasons primarily centered around a desire to invest in clean water and reliable service.

As indicated at the Committee of the Whole Preliminary Rate Study Presentation on November 13, 2025, all public comments received will be reviewed by staff and considered as part of the FY2027 budget planning process.

Water & Sewer Rate Study Feedback Form

* Required

1. What are your general impressions regarding the rate study?

I am ok with the rate going up slightly if lead pipes are replaced

2. Please share any concerns you may have regarding the rate study

in the 3rd ward -

3. Please share any positive thoughts you may have regarding the rate study

I would like to see more help for renters getting house pipes replaced also

4. Which ward do you live in? *

Ward 1

Ward 2

Ward 3

Not sure

Not a resident of Grand Rapids

5. What is your zip code?

49507

6. If you would like your name associated with this feedback, please share your name below.

Liz Zimmerman

Water & Sewer Rate Study Feedback Form

* Required

1. What are your general impressions regarding the rate study?

Good idea

2. Please share any concerns you may have regarding the rate study

Rates increases will be through the roof if we get data centers. Oppose data centers.

3. Please share any positive thoughts you may have regarding the rate study

4. Which ward do you live in? *

- Ward 1
- Ward 2
- Ward 3
- Not sure
- Not a resident of Grand Rapids

5. What is your zip code?

49503

6. If you would like your name associated with this feedback, please share your name below.

Rachel Roat

Water & Sewer Rate Study Feedback Form

* Required

1. What are your general impressions regarding the rate study?

It seems fine to me

2. Please share any concerns you may have regarding the rate study

NO CONCERN

3. Please share any positive thoughts you may have regarding the rate study

4. Which ward do you live in? *

Ward 1

Ward 2

Ward 3

Not sure

Not a resident of Grand Rapids

5. What is your zip code?

49503

6. If you would like your name associated with this feedback, please share your name below.

Water & Sewer Rate Study Feedback Form

* Required

1. What are your general impressions regarding the rate study?

I understand the need for the upcoming increase in my bill.

2. Please share any concerns you may have regarding the rate study

I'm okay w/ it.

3. Please share any positive thoughts you may have regarding the rate study

4. Which ward do you live in? *

Ward 1

Ward 2

Ward 3

Not sure

Not a resident of Grand Rapids

5. What is your zip code?

49506

6. If you would like your name associated with this feedback, please share your name below.