

UTILITY ADVISORY BOARD

Thursday, June 18, 2026

8:30 – 10:00 am

AGENDA

1. Approval of Minutes – May 21, 2026
2. Public Comments on Agenda Items
3. Approval of Agenda
4. 2026 Water/Sewer Rate Study – Verbrugge
 - a. Schedule
 - b. USD Size Recommendations
5. Zoning Changes for Sanitary Sewer (Fishbeck)
6. Sewer Use Ordinance – Anderson
7. Infrastructure Funding Taskforce - Jernberg
8. Updates
 - a. Data Centers – Jernberg
 - b. Water / Sewer Connection Policy – Jernberg
9. Public Comments
10. Items from Members
11. Next Meeting – July 16, 2026
12. Adjournment

UTILITY ADVISORY BOARD

Thursday, May 21, 2026

MINUTES

Members Present

Mark Bennett, Mike DeVries, Jared Grabinski, Shay Gallagher, Wayne Jernberg, Doug La Fave, Alison Nugent, Samarhia Giffel, Jeff McCaul, Lindsay Sagorski Munsell, Chad Reul, and Tai Verbrugge

Alternates Present

Brad Boomstra, Wayne Harrall, and Andrew Meyer

Others Present

Kolene Allen and Reina Watanabe

Call to Order

Mr. Jernberg called the meeting to order at 8:31 am.

Approval of Minutes – April 16, 2026

Motion to approve the minutes made by Mr. DeVries and seconded by Mr. Bennett.

MOTION CARRIED.

Public Comments on Agenda Items

There were no public comments.

Approval of Agenda

Motion to approve the agenda made by Mr. Grabinski and seconded by Mr. La Fave.

MOTION CARRIED.

Proposed FY2027 Budget

Mr. Verbrugge presented the FY2027 Water and Sewer Budget, which was approved by the City Commission as part of the City's FY2027 budget. Members discussed the information presented.

A copy of the presentation is on file. No action was taken.

Hydrant Fee Billing Option

Ms. Giffel provided a memo regarding a new hydrant fee billing option that would allow retail communities to pay their hydrant fees upfront. Communities wishing to use this option must notify Ms. Giffel by June 26, 2026.

A copy of the memo is on file.

Kent County Community Action (KCCA) Q1 Summary

Ms. Giffel presented Kent County Community Action data for the 1st quarter of 2026.

Members discussed the information presented. Mr. Jernberg requested a report identifying customers who have received assistance through other grant funding sources. Ms. Giffel stated will investigate whether that information is available.

A copy of the report is on file.

Senate Bill No. 950

Mr. Jernberg provided an overview of Michigan Senate Bill 950, which would create a new “Michigan Water Trust Fund” to collect and distribute revenue generated from commercial bottled water operations (\$0.25 cents per bottle). In general, the bill would:

- Establish a dedicated state fund for water resource management and protection.
- Direct revenue associated with commercial water bottling withdrawals into the new trust fund.
- Allow funds to be used for water-related environmental protection, infrastructure, conservation, and other public-interest purposes.

Senate Bill No. 951

Mr. Jernberg gave an overview of Michigan Senat Bill 951, which would create new rules for large-scale water withdrawals used for bottled water operations in Michigan.

In general, the bill would:

- Require permits and licensing for water withdrawals used for water bottling operations.
- Establish royalties or fees tied to bottled water withdrawals.
- Amend parts of Michigan’s Safe Drinking Water Act (1976 PA 399).
- Add new oversight provisions related to commercial water extraction.

Members discussed both bills. While members expressed support for the philosophy behind the legislation, several concerns were also raised.

A draft letter will be prepared expressing the Board's support for the intent of the bills while outlining the concerns identified by members. The draft letter will be presented to members for review and finalization.

Updates

2026 Water/Sewer Report (April)

Mr. McCaul presented the *Water/Sewer Report for April*.

Members received a copy of the report, which is on file.

Water Affordability Bills

Mr. Jernberg presented information regarding the water affordability bills.

Members also received a copy of a letter dated March 25, 2026, that was sent by the Utility Advisory Board to state senators and representatives. This letter outlines our concerns. A copy of the letter is on file.

Mr. Gallagher reported that the Metro Six group has not yet submitted its letter. However, when the letter is submitted, it will not include the City of Grand Rapids, as the City was not aligned with the position of the others.

Water and Sewer Connection Policy

Mr. Jernberg reported that he, Mr. DeVries, Ms. Nugent, and Mr. Connors met with representatives of the Kent County Health Department to develop a standardized water and sewer connection policy. A copy of the meeting minutes was included in the agenda packet.

Mr. Jernberg and Mr. Connors drafted proposed changes to the City of Grand Rapids Code, along with a draft Standard Operating Procedure. Both documents will be reviewed at the group's next meeting in late July.

Once these documents are further developed, they will be presented to the Utility Advisory Board for review and finalization. Following Board approval, the process to amend the City's Code will begin.

Public Comments

There were no public comments.

Items from Members

- Ms. Giffel reminded the group that, in regard to the affordability bills, consideration should be given to how proposed changes may affect smaller communities that are not represented on the Utility Advisory Board, as changes to those systems could eventually impact the regional system as a whole.
- Mr. Harrall expressed his appreciation for the Utility Advisory Board.
- Mr. DeVries also expressed appreciation for the Board and its continued work.
- Mr. Bennett reported that Tallmadge Township has continued adding new users to the system. He noted that a new 60-unit townhome development was recently approved by the Township.
- Mr. Reul was recently promoted to Environmental Service Assistant Manager position and is the newest member of the board.
- Mr. Verbrugge reminded members that any changes to USD maps should be requested as soon as possible. Changes would be approved at the June meeting.
- Mr. Meyer reported that the Environmental Services Department received a Better Project award from the US Department of Energy, Better Plants, for its phosphorous recovery system.
- Mr. Jernberg reported that the City of Grand Rapids will be accepting an award from the Lead Service Line Replacement Collaborative for community engagement in June at the AWWA conference in Washington DC.
- Mr. Boomstra commented that the City of Kentwood is unique in that its water supply is provided by both Wyoming and Grand Rapids, depending on the location of the property. He noted that Kentwood's odd-even sprinkling schedule, which is in effect from May 1 through June 15, applies only to Kentwood and does not affect other communities.
- Mr. McCaul reported that Cindy Irving was promoted to City Engineer for the City of Grand Rapids.

Next Meeting

The next meeting is scheduled for June 18, 2026.

Adjournment

The meeting was adjourned at 9:56 am.

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: June 18, 2026

TO: Utility Advisory Board

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: 2026 Water/Sewer Rate Study Schedule

Below is the 2026 Water/Sewer Rate Study Schedule:

2026 Rate Study Schedule – Major Tasks	Date
UAB Meeting: Approval of USD Size	06/18/2026
Verification of zoning maps/flow percentages	08/17/2026
UAB Meeting: Presentation of Task 30 – Fees, Charges and Penalties	10/15/2026
Capital needs requests due from customer communities	10/30/2026
Provide Preliminary Rate Study to UAB partners and customer communities (Begin 30-day UAB review and comment period – ends on 12/09/2026)	11/09/2026
UAB Meeting: Presentation of the Preliminary Rate Study to UAB partners and customer communities	11/09/2026
Present Preliminary Rate Study to City of Grand Rapids Commission (Initiation of 20-day public comment period – ends on 12/07/2026)	11/17/2026
Approval of resolution for Grand Rapids rates and fees to be effective January 1, 2027	12/15/2026
Approval of resolution for customer community rates and fees to be effective January 1, 2027	12/15/2026
Notification to customer communities of City Commission’s approval of the rates and fees to be effective in 2027	12/17/2026

If you have any questions, please contact me at (616) 456-4386 or tverbrugge@grand-rapids.mi.us.

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: June 18, 2026

TO: Utility Advisory Board

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: 2026 Water/Sewer Rate Study USD Size Recommendations

At the Utility Advisory Board meeting on May 21, 2026, the Board was notified that the currently approved Utility Service District (“USD”) areas would be formally submitted for re-approval at the following UAB meeting, to be held on June 18, 2026. Any desired updates were to be requested in advance of that June meeting. To date, no changes have been submitted.

At this time, the Utility Finance division recommends proceeding with the below USD sizes for the purposes of the 2026 Water/Sewer Rate Study:

	Water	YoY Change		Sewer	YoY Change
Grand Rapids	45.388	-		45.390	-
Walker	24.842	-		19.230	-
Kentwood	13.523	-		14.413	-
Cascade	21.132	-		16.814	-
Grand Rapids Twp	10.913	-		8.582	-
Tallmadge Township	2.780	-		2.617	-
Wright Township	-	-		0.898	-
East Grand Rapids	3.373	-		3.325	-
Ada	7.215	-		7.258	-
Caledonia Township	5.248	-		2.499	-
(Total Square Miles)	134.414	-		121.026	-

The signed USD maps by customer community will be found on the City’s website under the Customer USD Maps section here: <https://www.grandrapidsmi.gov/Government/Boards-and-Commissions/Regional/Utility-Advisory-Board-Documents>.

If you have any questions, please contact me at (616) 456-4386 or tverbrugge@grand-rapids.mi.us.

2026 Zoning Update – Summary Sheet

Significant Allocation Changes

Significant changes to sewage Zoning allocations are shown in Table 1, which identifies segments where allocations changes for at least one customer community exceed (+/-) 4 percent relative to the previous Zoning study.

Table 1 – 2026 Sewage Zoning Allocation Changes

Segment	Allocation Change	Reason	Downstream Segments Impacted
S-16	+14.48% GRT -14.48% KEN	Review of sewer billing data (2015-2025) indicates the revised allocation percentages are consistent with long term trends. Prior Zoning studies appear to have underrepresented contributions from GRT.	S-15 -2.81% ADA ¹ , +0.25% CAS +5.60% GRT, -3.04% KEN
S-14	-5.52% ADA +4.21% CAS +1.07% GRT +0.24% KEN	Allocation changes reflect a consistent increase in sewer billing from Cascade (2019-2025), paired with decreased flows from Ada Township. These changes propagate from upstream segments S-18 and S-15.	S-13 -6.83% ADA, +5.78% CAS -0.25% GRT, +1.30% KEN S-13A -5.43% ADA, +5.35% CAS +0.13% GRT, -0.05% KEN S-12 -3.81% ADA, +4.59% CAS -0.45% GRT, -1.23% KEN
S-108A	+29.37% CAS -29.37% KEN	Review of sewer billing data (2015-2025) indicates the revised allocation percentages are consistent with long term billing data trends. Prior Zoning studies appear to have underrepresented flow contributions from Cascade Township.	S-109 +9.17% CAS, -9.17% KEN S-108 +6.86% CAS, -6.86% KEN
S-126	+0.67% CAL -6.98% GAI +6.30% KEN	Data indicated increased flows from Kentwood (Kentwood and Bretonfield wholesale meters) with minor increases from Caledonia. Increases in Kentwood flow exceed increases in total flow at the Gaines wholesale meter, reducing Gaines' relative contribution through S-126.	S-107 ² +0.04% CAL, +3.42% CAS, -4.37% GAI, +0.99% KEN

¹Ada's decreased contribution to S-15 is due to the decrease in total flow sent through its wholesale meter (captured by Zoning segment S-18) due to lining projects completed.

²Changes at the S-107 are due to the combined impacts of upstream segment S-126 and S-108A allocation changes.

2026 Sewage Zoning Impacts on Rates

The updated Zoning allocations were applied to the 2025 Rate Study to estimate the potential impact on 2026 sewer rates. *Note these results reflect the application of 2026 Zoning allocations within the context of the 2025 Rate Study, and do not fully represent 2026 conditions.* However, it provides an evaluation of the relative magnitude of Zoning-driven impacts on customer rates.

Results indicate that Zoning allocation updates have minimal impact for most customer communities, and the 2026 Zoning updates are not expected to result in material rate increases for the customer communities. While Zoning is one component of the rate-setting methodology, it represents one of only several factors that influence the annual rate study.

Table 2 – Estimated Rate Impacts from 2026 Zonegating Updates

Community	2025 Rate Study	Modified Rate Study (2026 Zonegating)	Estimated Change
City of Grand Rapids	-2.67%	-2.66%	0.01%
City of Walker	-5.21%	-5.25%	-0.04%
City of Kentwood	-2.67%	-2.66%	0.01%
Cascade Township	-2.67%	-2.66%	0.01%
Grand Rapids Township	-2.67%	-2.66%	0.01%
Tallmadge Township	-6.59%	-6.58%	0.01%
Wright Township	-2.67%	-2.66%	0.01%
City of East Grand Rapids	-7.12%	-7.13%	-0.01%
Caledonia Township	-11.74%	-11.74%	0.00%
Ada Township	-4.92%	-8.82%	-3.90%
Gaines Township	1.16%	0.77%	-0.39%



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Industrial Pretreatment Program

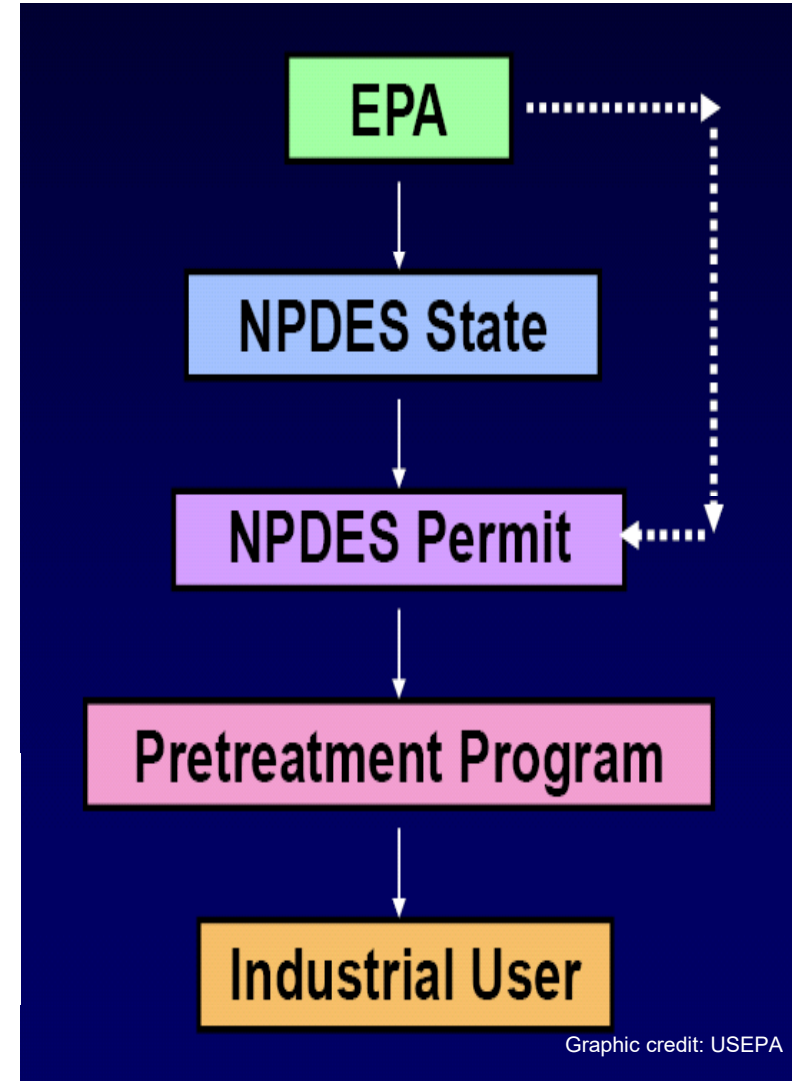
Grand Rapids Sewer Use Ordinance Update June 2026





Industrial Pretreatment Program

- **Mandated by Environmental Protection Agency (EPA)**
 - General Pretreatment Regulations 40 CFR part 403. "403 Regs"
- **Oversight delegated to Dept. of Environment, Great Lakes & Energy (EGLE)**
 - Approval authority
 - Part 23 Rules
- **National Pollutant Discharge Elimination System (NPDES)**
 - Required program through NPDES permit





Main Purpose of the IPP Program

- Prevent introduction of pollutants into the Publicly Owned Treatment Works (POTW) to:
 - Prevent pass through
 - Prevent Interference
 - Improve recycle and reclaim opportunities
 - Prevent toxic pollutant discharge to POTW



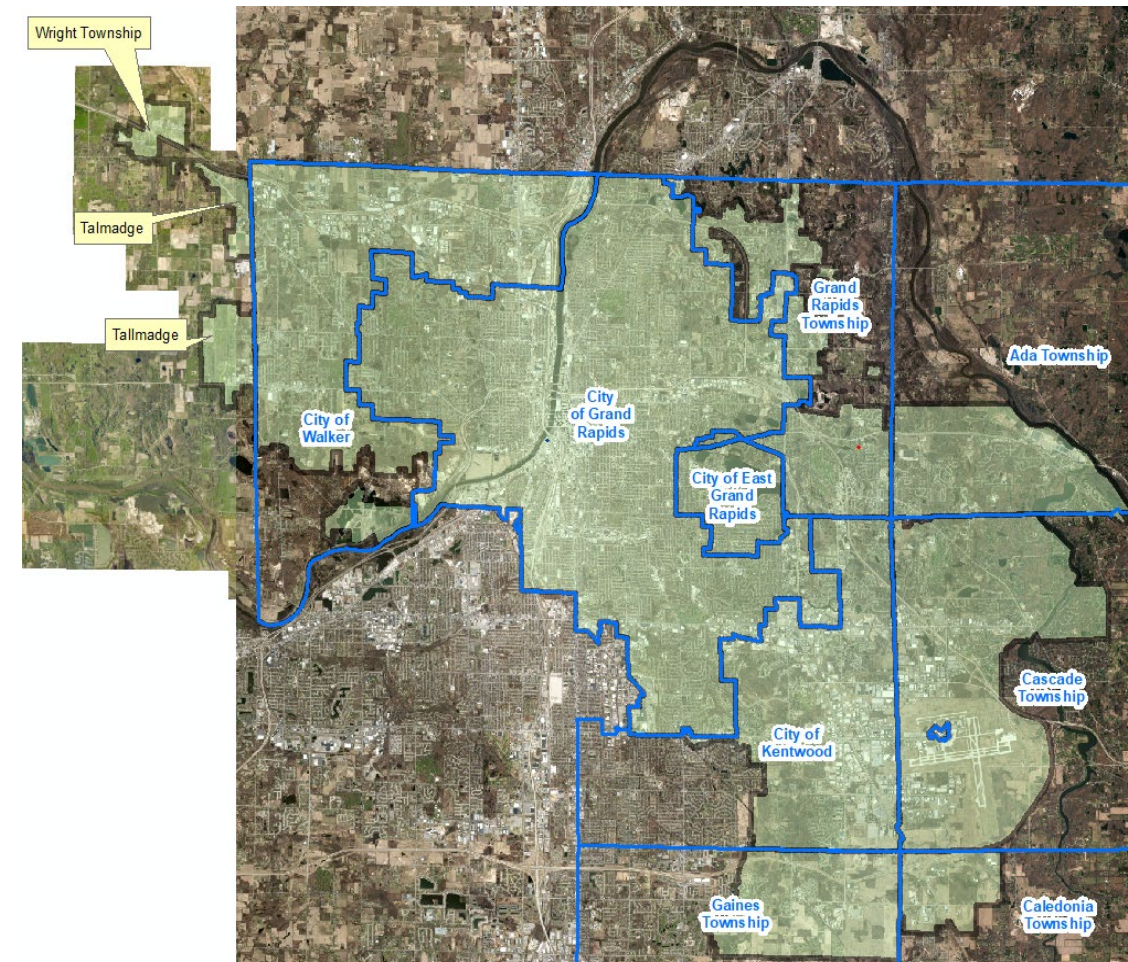
IPP Program Background



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Industry	IPP Staff	Tasks
100 Permitted Users	7 Inspectors	100+ Facility inspections
32 Surcharge facilities	1 Officer	900+ Samples collected
55 Federal Categorical facilities	1 Supervisor	Sampling 52 weeks a year
11 Local limit only facilities	Serving 10 customer communities	1,000+ submissions reviewed annually
2 "Other" facilities		



Sewer Use Ordinance



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Standards, rules and Regulations for use of POTW regulations for use of POTW

- Provides legal authority to implement & enforce Pretreatment Program
- Required by EPA & EGLE
- Establishes discharge limits, prohibited discharges and rules for sewer use.
- Applies to users connected to the system

Why is ordinance being updated/rewritten?

- Rewrite needed for scope of changes
- Maintain consistency with Federal and State regulations
- Program updates (Local limits, Fats Oil and Grease, PFAS)
- Field experience updates
- Reorganize and consolidate to provide clarification and ease of use
- Provide further POTW protection and flexibility for permitting and compliance tasks.

Internal Ordinance Development



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- City Departments
 - Environmental Services
 - Water
 - Development Center
 - Engineering
 - Utility Finance Office
- Legal Counsel
 - Grand Rapids City Attorney Office
 - George Davis; Davis & Davis Law Offices
 - 40+ years extensive experience
 - Specializing in Municipal law
 - Wastewater
 - Industrial Pretreatment Programs
 - Sewer Use Ordinance

Stakeholder Meetings (2021)

Utility Advisory Board

- 10 Customer Communities
- Four workgroup meetings
- 11 submitted questions reviewed/answered

Industrial Facility Workgroup

- 10 Companies invited
- 2 Workgroup meetings
- 26 Physical facilities represented
- Categorical, surcharge and local limit facilities
- No questions submitted outside of workgroup

Ordinance Revisions

Substantive Updates

- Local Limits – Toxics, PFAS
- Pollutant Reduction Plans; PFAS
- Dental Amalgam discharges
- Baseline discharge limits for compatible pollutants
- General Permits
- Fats Oil & Grease
- Special alternative limits (SALs)
- Best Management Practices (BMP) & BMP Plans
- Discharge requirements, approvals, and permits

Procedure and Organization Updates

- Informal administrative review process
- Expanded definitions
- Grouping of similar subject matter
- Clarifications to language to avoid ambiguity
- Ensure compliance with NPDES permit and state/federal laws.
- Violation practices and procedures



Chapter 170 Revisions

- Repeal and replace Section 9.857.27 of Chapter 170, Title IX of Part 2 of the Grand Rapids City Code
- Current section contains outdated fine schedule
- New schedule simplifies the Municipal Civil Infraction and Fine Schedule and meets federal regulatory requirements

Sec. 9.857.27. – Sewer Use and Pretreatment

Code Chapter	Code Section	Municipal Civil Infraction	Initial Offense (Minimum Fine) ¹	First Repeat Offense (Minimum Fine) ¹	Second Repeat Or Any Subsequent Offense (Minimum Fine) ¹	Period For Repeat Offense
27	Any Section	Any violation (failure or refusal to fully or timely comply)	\$1,000.00 (For each violation, per day)	\$2,500.00 (For each violation, per day)	\$5,000.00 (For each violation, per day)	1 Year
27	Any Section	Any discharge or violation that may endanger human health or environment or cause exercise of emergency authority.	\$10,000.00 (For each discharge or violation, per day)	\$10,000.00 (For each discharge or violation, per day)	\$10,000.00 (For each discharge or violation, per day)	1 year

Note 1: Subject to the minimum fine amounts specified above, the amount of a fine assessed for a violation of Chapter 27 ("Sewer Use and Pretreatment") of Title II ("Utilities and Services") of Part 2 of the Grand Rapids City Code shall be determined and set in accordance with and consideration of the factors set forth in Section 2.77.06 ("Municipal Civil Infractions") of Chapter 27.



Impacts To Customer Communities and Rate Payers

- Potential impacts to customer communities and facilities discussed at workgroup meetings
- **General Impacts**
- Potential PFAS sources will need to reduce/eliminate PFAS.
- PFAS local limit developed – violation enforcement upon effective date of ordinance.
- Fats, oils and grease (FOG) Management
- Facilities may need to install treatment, monitoring manholes, sewer metering if permitted.
- Rate payers should not see new fees for IPP based on proposed ordinance

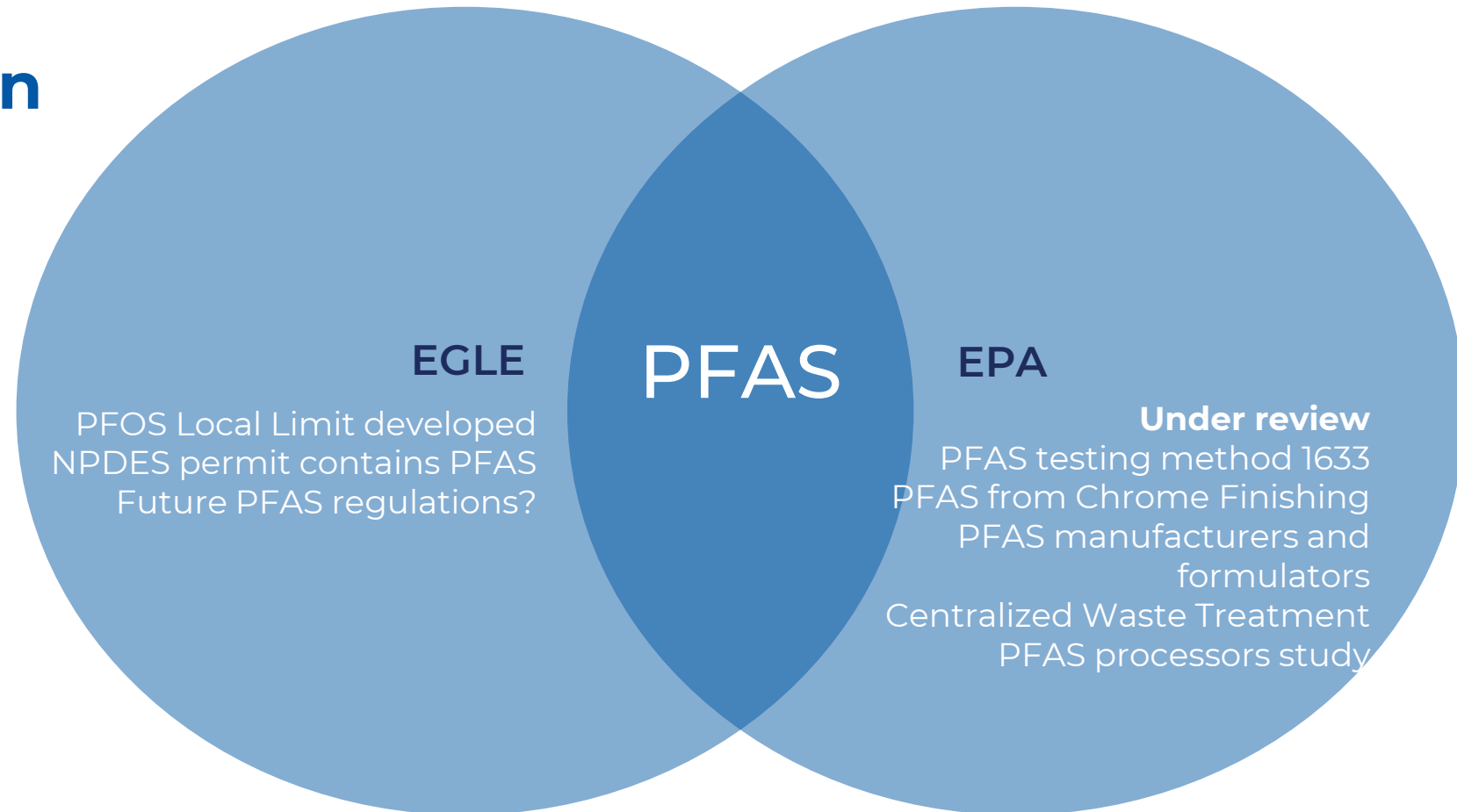
Upcoming Regulations



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PFAS is the concern

It is unclear what the future of PFAS regulations from both EPA and EGLE will involve. Based on discussions and studies, additional regulations may be promulgated in the coming years.



Adoption Timeline



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