



Item Number: 3

# CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

**DATE:** December 17, 2024

**TO:** Mark Washington, City Manager

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

**FROM:** Tai Verbrugge, Utility Financial Officer  
Fiscal Services

**SUBJECT:** **Resolution approving the adjusted City water and sewer rates in accordance with the 2024 Water/Sewer Rate Study**

The 2024 Preliminary Water/Sewer Rate Study recommended water and sewer utility rate adjustments as of January 1, 2025, for Grand Rapids and each partner community serviced by the water supply and sewage disposal systems. City Commission approval of rate adjustments is required through resolution.

Utility Advisory Board (UAB) partners and other customer communities were notified of the recommended rate adjustments on November 7, 2024, followed by a thirty-day comment period expiring on December 7, 2024, as provided in the water and sanitary sewer service agreements. To date, all questions from partner communities have been satisfactorily answered, no other comments have been received from the partner communities, and no individual meetings have been requested with the Rate Study Team.

The partner community comment period resulted in no adjustments to the overall 2024 Rate Study recommendations. In summary, Water Supply System revenue requirements reflect a 2.80% increase, or an additional \$1,517,161 more than revenues generated by the existing rates. The Sewage Disposal System revenue requirements reflect a 2.91% increase, or an additional \$1,887,796 more than revenues generated by the existing rates and charges.

Pursuant to Section 2.33 and 2.94 of the City Code, the preliminary rate study with explanatory materials were filed with the City Clerk, made available online at [www.grandrapidsmi.gov/Government/Departments/Water-System/Water-and-Sewer-Rate-Study](http://www.grandrapidsmi.gov/Government/Departments/Water-System/Water-and-Sewer-Rate-Study) and notice of availability of such information was published in the newspaper at least twenty (20) days prior to adoption of this resolution to provide for



opportunities for public comment. This was also the first year in which the Rate Study Team collected in-person feedback from the public through weekly tabling in each ward.

The attached resolution is submitted for adoption. A summary of water and sewer revenue requirement changes, the retail and wholesale summary sheets for water and sewer rates, a rate schedule for each customer community, and a summary of the received public comments is included with the resolution.



Your COMMITTEE OF THE WHOLE recommends the adoption of the following resolution approving the adjusted City water and sewer rates in accordance with the 2024 Water/Sewer Rate Study.

WHEREAS:

1. The Water/Sewer rate studies have been undertaken and completed for the years 1976 through 2023; and
2. The 2024 Water/Sewer rate study has been completed using the same general methodology as the 1976 through 2023 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	\$150
Commercial	\$230

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	\$395
1 inch	\$415
1½ inch	\$415

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

Meter Size	PRC Fee
¾ inch or less	\$765
1 inch	\$1,030
1½ inch	\$1,370
2 inch	\$1,890
3 inch	\$2,355
4 inch	\$3,390
6 inch	\$4,780



- 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	\$210
1 inch	\$295
1½ inch	\$985
2 inch	\$1,155
3 inch	\$2,355
4 inch	\$3,146
6 inch	\$5,201
Ultrasonic Meters	
1-1/2" – 12"	At Cost

- iii. Fire Protection Review Fee

All Fire Service Sizes	\$800
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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	\$2.57 per 100 cubic feet
Commercial	\$2.57 per 100 cubic feet
Industrial	\$2.57 per 100 cubic feet

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

Size of Meter	Charge
¾ inch or less	\$13.78
1 inch	\$21.63
1¼ inch	\$31.72
1½ inch	\$44.05
2 inches	\$75.44
3 inches	\$165.13
4 inches	\$290.69
6 inches or larger	\$649.45



## e. Fire protection charge

Size of Pipe	Monthly	Quarterly
6 inches	\$22.98	\$68.94
8 inches	\$40.76	\$122.28
10 inches	\$63.87	\$191.61
12 inches	\$91.91	\$275.73

## 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	\$3,900	\$4,300	\$4,600	\$5,200	\$6,200
Cost for 1½ inch Water Service	\$5,700	\$6,300	\$6,700	\$6,700	\$8,800
Cost for 2 inches Water Service	\$6,500	\$7,100	\$7,500	\$8,500	\$9,800

- 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	\$210
1 inch	\$300
1½ inch	\$985







2 inches	\$1,155
3 inches	\$2,356
4 inches or larger	At cost
Ultrasonic Meters	At cost

- 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 or less	\$150
1 inch	\$150
1½ inch	\$200
2 inches	\$350
3 inches	\$500
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) - \$95
- v. Water inspection permit (outside City) - \$110
- w. Sanitary Service line inspection permit (within City) - \$95
- x. Sanitary Service line inspection permit (outside City) - \$110
- y. Storm Service line inspection permit (within City) - \$95
- z. Storm Service line inspection permit (outside City) - \$110
- aa. Footing drain lateral inspection permit (within City) - \$95
- bb. Footing drain lateral inspection permit (outside City) - \$110
- cc. Sewer lateral service demolition/cap off inspection fee (within City) - \$95
- dd. Sewer lateral service demolition/cap off inspection fee (outside City) - \$110
- ee. Plumbing service re-inspection fee - \$95
- 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 onsite service - \$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) – \$70
- kk. Late payment penalty – 10% of net
- ll. Missed appointment fee - \$50
- 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	\$40.97 per lineal foot
12 – 16 inches	\$27.75 per lineal foot
8 – 16 inches	\$68.22 per lineal foot

vv. Circuit breaker allocation

Individual Circuit Breaker (ICB)	\$233,690
City and Customer Community Circuit Breaker (CCCCB)	\$1,075,828

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	\$122
Commercial	\$180

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	\$395
1 inch	\$415
1½ inch	\$415

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

Meter Size	PRC Fee
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3 inch	\$2,355
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Ultrasonic Meters	
1-1/2" – 12"	At Cost

## 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	\$4.53 per 100 cubic feet
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Commercial	\$4.53 per 100 cubic feet
Industrial	\$4.53 per 100 cubic feet

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

Size of Meter	Charge
¾ inch or less	\$17.31
1 inch	\$28.03
1¼ inch	\$41.81
1½ inch	\$58.65
2 inches	\$101.52
3 inches	\$224.01
4 inches	\$395.49
6 inches or larger	\$885.45

## e. Wastewater surcharges for industrial customers

BOD	\$0.482
TSS	\$0.647
Phos	\$5.032
NH3	\$0.575

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	\$12.00/each
2 Metals	\$16.50 total
3 Metals	\$21.00 total
4 Metals	\$25.50 total
5 Metals	\$30.00 total
6 Metals	\$34.50 total
7 Metals	\$39.00 total
8 Metals	\$43.50 total
9 Metals	\$48.00 total
10 Metals	\$52.50 total
11 Metals	\$57.00 total







12 Metals	\$61.50 total
13 Metals	\$66.00 total
14 Metals	\$70.50 total
TSS	\$11.50/each
BOD	\$23.00/each
BOD 7	\$23.00/each
COD	\$16.50/each
Total Phosphorus	\$11.50/each
pH	\$6.00/each
EPA 624.1	\$48.00/each
EPA 625.1	\$106.00/each
BTEX/MTBE	\$48.00/each
Sulfide	\$23.00/each
Oil and Grease	\$23.00/each
Total Cyanide	\$23.00/each
Hexavalent Chromium	\$28.00/each
Fecal Coliform	\$19.00/each
Ammonia Nitrogen	\$16.50/each
Mercury (EPA 245.1 or 245.2)	\$20.00/each
Pesticides	\$64.00/each
PCBs	\$64.00/each
Phenols, Total	\$25.00/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)	\$525.00/each
EPA 1666 Volatile Organics in Pharmaceuticals	\$48.00/each
EPA 524.2 Purgeable Organics	\$48.00/each
Methyl Blue Active Substances (MBAS)	\$66.00/each
Color	\$16.50/each
GC-MS Fingerprint	\$130.00/each
Labor	\$82.74/hour
Sampler	\$75.00/day
Vehicle	\$4.88/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	\$3,600	\$4,200	\$4,600	\$5,500	\$6,700

## j. Sewer oversizing rates

Description	Amount (per lineal foot)
8 – 10 inches	\$11.07
8 – 12 inches	\$20.45
8 – 15 inches	\$38.46
10 – 12 inches	\$9.38
10 – 15 inches	\$27.39
12 – 15 inches	\$18.01

## k. Footing drain disconnect opt out charge - \$76.91 per customer per month

3. That the above Water and Sewer rates, charges, and fees are approved and shall be effective January 1, 2025.

CORRECT IN FORM


  
DEPARTMENT OF LAW