



Item Number: 4



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 water and sewer rates in accordance with the 2024 rate review for the retail and wholesale Partner Communities of the City's Water Supply System and Sanitary Sewer System**

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.

The attached resolution approves the recommended water and sewer rates for the City's retail and wholesale partner communities for calendar year 2025. A summary of water and sewer revenue requirement changes, the retail and wholesale summary

sheets for water and sewer rates, and a rate schedule for each customer community is included with the resolution.

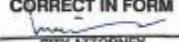
Your COMMITTEE OF THE WHOLE recommends the adoption of the following resolution approving water and sewer rates in accordance with the 2024 rate review for the retail and wholesale Partner Communities of the City's Water Supply System and Sanitary Sewer System.

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 the attached water and sewer rates are approved for retail and wholesale partner communities of the City's Water Supply System and Sanitary Sewer System and shall be effective January 1, 2025; 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.

CORRECT IN FORM

CITY ATTORNEY