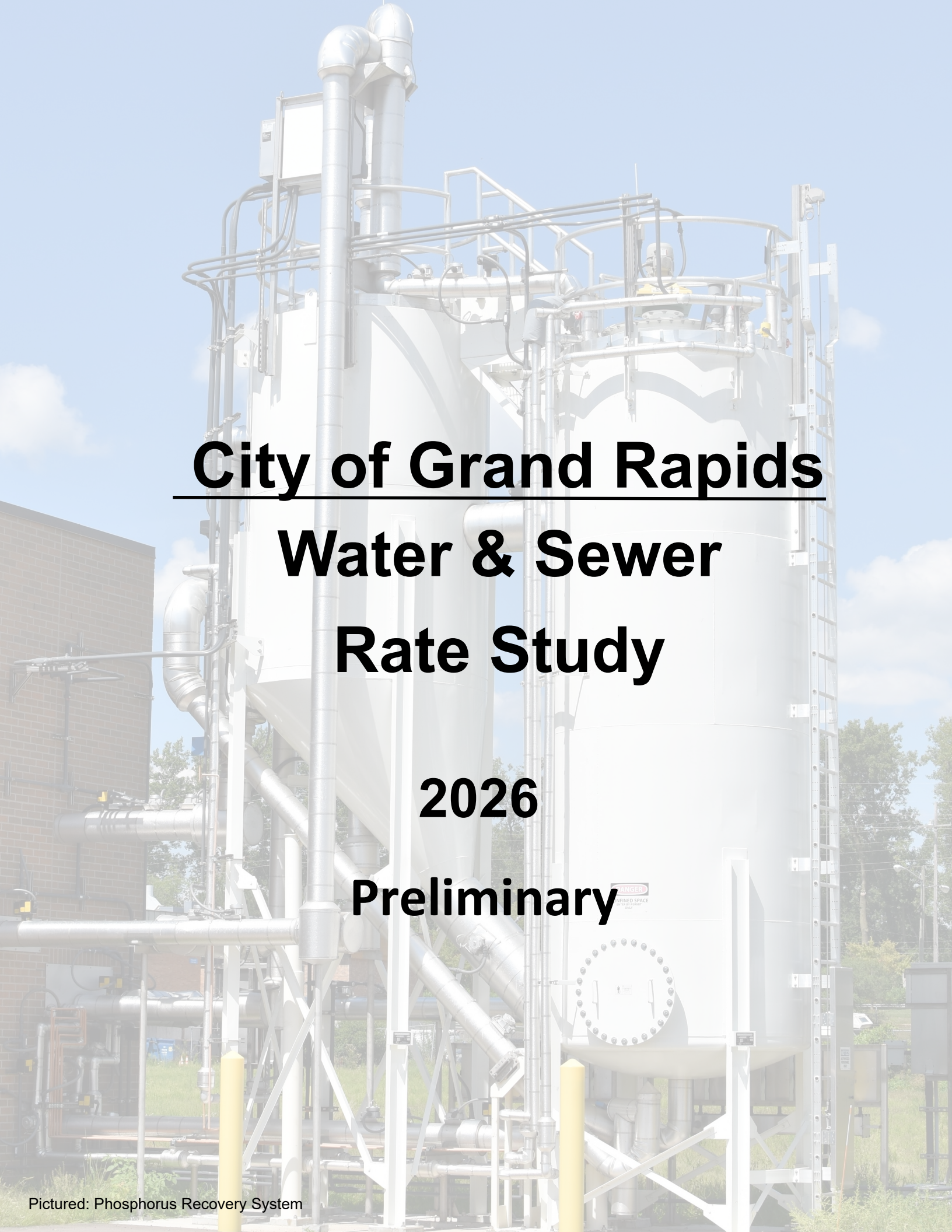


City of Grand Rapids

Water & Sewer

Rate Study

2026

Preliminary

Pictured: Phosphorus Recovery System

CITY OF GRAND RAPIDS
AGENDA ACTION REQUEST

DATE: November 17, 2026

TO: Mark Washington, City Manager

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

FROM: Tai Verbrugge, Utility Financial Officer
Fiscal Services

SUBJECT: **2026 Water and 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 50th 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 2027. Water Supply System revenue requirements increased by $2,806,904 or 4.55% more than revenues generated by existing rates and charges. Sewage Disposal System revenue requirements increased by $1,731,935 or 2.67% more than revenues generated by existing rates and charges. If the proposed rates are approved, we estimate that the quarterly bill for combined water & sewer services provided to an average residential household in the City of Grand Rapids would increase by $7.01 or 3.21%.

For additional context, annual inflation for the 12-month period ending with September 2026 was 3.35%, 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 4.40% increase in billed volume year-over-year, the three-year average only increased by 3.58%. This growth was driven in part by the addition of new customers, as the number of billed water meters increased by 0.36% 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. Although the Sewage Disposal System saw a modest 0.47% increase in the three-year average of billed volume, the ultimate impact on rates was negligible.

The vast majority of the increase in Water's revenue requirement was driven by growing operational expenses, which were up $4.9M year-over-year. Personnel accounted for $1.2M of this, as the Water System added 3.5 new positions in FY26 to address expanded service requirements (e.g., a backlog of customer appointments, new lab safety & compliance program), on top of the annual inflationary adjustments to employee salaries per the 2025 labor agreements. Extensive maintenance work was needed for the built assets at the Lake Michigan Filtration Plant (LMFP), to ensure their continued functionality through their scheduled end-of-life. This work included repairing roofs, brick facades, and generators, with a price tag of ~$1.5M. Some of this cost was reimbursed through an insurance claim related to damage from inclement weather, which blunted the weight of these costs. The Water System also continues to invest heavily ($1.5M in FY26) 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.

Regarding the Water System's capital investments, $45M of new fixed assets were put into service during FY26. These projects included the replacement of water mains in Grand Rapids ($18M), the continued installation of new water mains in Cascade to protect residents from PFAS contamination ($12M), and the opening of the Caledonia Pump Station ($2M). Despite this investment, the depreciation component of the Water System's revenue requirement actually ticked down by $61k this year. This was due to a confluence of factors: most the new assets are watermains, which are depreciated across a 75-year useful life and therefore have a minute impact on annual depreciation levels; a significant chunk of these new assets ($5M) were contributed by private developers and are therefore excluded from the depreciation expense; and some older assets reached the end of their useful lives and were removed from the depreciation calculation.

However, the addition of fixed assets impacts rates through more than just depreciation. Both utility systems are required to collect a Return on Investment (ROI) on assets in-service. This required return is based on the national Bond Buyer's Index (BBI), which tracks the average cost of issuing municipal bonds, and which has risen by almost 20 basis points in the last year (4.579% → 4.776%). This spike in the BBI, paired with the growing asset base, added $885k to the Water System's revenue requirement. The impact was dulled by the bond refunding completed in November 2025, which consolidated some of the debt held by the Water System and reduced annual debt payments by roughly $100k.

The story is much the same for the Sewage Disposal System. Operations & Maintenance (O&M) grew by nearly $3.9M, representing a 10% increase from FY25. $1M of this increase was labor-related, as the System added 2.5 full-time employees to its roster, and was subject to the same inflationary wage adjustments as the Water System. Other base inputs likewise grew more expensive in the past year: electricity was up $137k, treatment chemicals by $101k, fleet costs by $274k, and general supplies by $490k. While Sewer's O&M spending in FY26 did include some large, one-time expenditures like generator rebuilds and safety studies, the primary driving force behind this year's rate increase was a rising tide of higher costs rather than a change in operations or services. The System did expand its scope of work partway through FY26, by treating a portion of the wastewater sludge produced by the City of Wyoming's sanitary system, though this three-year agreement has a limited impact on the Sewage Disposal System's revenue requirements. Because the City of Wyoming pays the System at-cost for each dry ton of sludge treated, any program-driven increases in operational expenses are offset by matching increases in revenue billings.

The Sewage Disposal System put $11.8M worth of assets into service during FY26. Of the $11.8M put into service, $8.8M was related to work at the Water Resource Recovery Facility (WRRF), such as the conversion of the former ash lagoon into a stormwater filtration pond and improvements to the headworks grit tank, which helps to filter heavy inorganic solids out of the wastewater stream. Because most of Sewage's new fixed assets are integrated in nature (i.e., serving all customer communities rather than just one or two), their costs are spread across a wider base and have a muted impact on rates. Like the Water System, Sewage partially refunded some outstanding bond issuances, which reduced annual debt service by $600k. The System also continues to pay down its existing debt while avoiding new issuances. Therefore, despite the addition of nearly $12M in new assets and a higher required ROI due to the rising BBI, capital investments only added $700k to Sewage's revenue requirement this year.

The Sewage Disposal System continues to benefit from sales of Renewable Natural Gas (RNG) produced by the biodigester, as well as the related renewable energy credits. In the 2025 Rate Study, we discounted the natural gas revenues to account for unfavorable market projections. Those predictions were largely realized in FY26, though revenues did not fall as precipitously as expected, in part because the sludge treatment partnership with Wyoming resulted in greater gas output. Revenues have now stabilized, so no such adjustment was necessary in the 2026 Rate Study. Integrated revenues also enjoyed a slight boost from the Industrial Pretreatment Program (IPP), as the addition of another IPP Inspector increased the number of permitted facilities.

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 $157,596 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 2026 rate study was $1,103,171 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 2026 Water and Sewer Rate Study has been made available to the Utility Advisory Board partners and other customer communities on November 9, 2026. 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 2027 Water and Sewer rates by the City Commission is scheduled for Tuesday, December 15, 2026.

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 17, 2026, and will be available for public review and comment. In the interest of transparency and soliciting feedback from the affected public, this is at least twenty (20) days prior to the City Commission's consideration of an approval resolution, pursuant to Section 2.33 and 2.94 of the City Code. Those wishing to provide feedback may submit comments to the City Clerk's Office or by sending an email to info@grcity.us. Comments from the public will be accepted through December 7, 2026. 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/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) on the following dates:

- Tuesday, November 24th, from 10:00AM – 2:00PM
- Friday, December 4th, from 1:00PM – 5:00PM

Comments will be reported and considered as part of the FY2028 budget planning process.

CITY OF GRAND RAPIDS, MICHIGAN
2026 PRELIMINARY WATER/SEWER RATE STUDY
SUMMARY OF REVENUE REQUIREMENT CHANGES
FOR RATES EFFECTIVE JANUARY 1, 2027

		WATER (1)		SEWER (1)	
		AMOUNT	PERCENT	AMOUNT	PERCENT
RETAIL COMMUNITIES	GRAND RAPIDS	$ 2,020,916	5.59%	$ 970,692	2.26%
	WALKER	5,928	0.12%	219,849	3.78%
	KENTWOOD	131,013	2.44%	199,386	3.67%
	CASCADE TWP	337,109	7.19%	128,044	3.80%
	GRAND RAPIDS TWP	57,488	1.72%	144,402	4.42%
	TALLMADGE TWP	(12,525)	-5.81%	20,927	3.63%
	WRIGHT TWP	N/A	N/A	14,034	5.38%
WHOLESALE COMMUNITIES	EAST GRAND RAPIDS	(5,984)	-0.67%	55,093	5.20%
	ADA TWP	80,252	4.64%	(26,191)	-1.69%
	OTTAWA COUNTY	220,150	7.01%	NA	N/A
	GAINES TWP	N/A	N/A	683	0.19%
	CALEDONIA TWP	(27,444)	-2.26%	5,016	2.18%
	SYSTEM	$ 2,806,904	4.55%	$ 1,731,935	2.67%

(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).

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

	WATER		SEWER	
	AMOUNT	PERCENT	AMOUNT	PERCENT
SYSTEM REVENUE REQUIREMENT	$ 64,474,849	4.55%	$ 66,678,595	2.67%
ADD: CCCCB RELIEF	504,811	0.82%	598,360	0.92%
SYSTEM CHANGE- WITHOUT RELIEF	$ 64,979,660	5.37%	$ 67,276,955	3.59%

CITY OF GRAND RAPIDS, MICHIGAN
2026 PRELIMINARY WATER/SEWER RATE STUDY
IMPACT OF RATE ADJUSTMENTS ON DOMESTIC USERS
BY CUSTOMER COMMUNITY *
FOR RATES EFFECTIVE JANUARY 1, 2027

	APPROXIMATE QUARTERLY BILL		CHANGE	
	2026	2027	DOLLARS	PERCENT
GRAND RAPIDS				
WATER	$ 104.50	$ 110.32	$ 5.82	5.57%
SEWER	113.61	114.80	1.19	1.05%
	$ 218.11	$ 225.12	$ 7.01	3.21%
BASE RATIO	1.00	1.00		
WALKER				
WATER	$ 100.63	$ 100.78	$ 0.15	0.15%
SEWER	143.97	149.68	5.71	3.97%
	$ 244.60	$ 250.46	$ 5.86	2.40%
RATIO TO GR	1.12	1.11		
KENTWOOD				
WATER	$ 97.50	$ 99.83	$ 2.33	2.39%
SEWER	79.26	82.46	3.20	4.04%
	$ 176.76	$ 182.29	$ 5.53	3.13%
RATIO TO GR	0.81	0.81		
CASCADE TWP				
WATER	$ 136.23	$ 146.23	$ 10.00	7.34%
SEWER	173.36	180.28	6.92	3.99%
	$ 309.59	$ 326.51	$ 16.92	5.47%
RATIO TO GR	1.42	1.45		
GRAND RAPIDS TWP				
WATER	$ 115.64	$ 117.63	$ 1.99	1.72%
SEWER	141.26	147.67	6.41	4.54%
	$ 256.90	$ 265.30	$ 8.40	3.27%
RATIO TO GR	1.18	1.18		
TALLMADGE TWP				
WATER	$ 66.19	$ 62.71	$ (3.48)	-5.26%
SEWER	195.95	203.30	7.35	3.75%
	$ 262.14	$ 266.01	$ 3.87	1.48%
RATIO TO GR	1.20	1.18		

** THE COMPARISONS ABOVE ARE BASED ON SYSTEM AVERAGE DOMESTIC CUSTOMER*

QUARTERLY CONSUMPTION OF:	WATER-	22.00	UNITS OR	16,456	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)	$ 172.38	$ 181.65	$ 9.27	5.38%

CITY OF GRAND RAPIDS, MICHIGAN
2026 PRELIMINARY WATER/SEWER RATE STUDY
IMPACT OF RATE ADJUSTMENTS ON COMMERCIAL USERS
BY CUSTOMER COMMUNITY
FOR RATES EFFECTIVE JANUARY 1, 2027

	APPROXIMATE QUARTERLY BILL		CHANGE	
	2026	2027	DOLLARS	PERCENT
GRAND RAPIDS				
WATER	$ 650.93	$ 687.23	$ 36.30	5.58%
SEWER	965.19	1,016.74	51.55	5.34%
	$ 1,616.12	$ 1,703.97	$ 87.85	5.44%
BASE RATIO	1.00	1.00		
WALKER				
WATER	$ 555.89	$ 556.16	$ 0.27	0.05%
SEWER	792.21	821.21	29.00	3.66%
	$ 1,348.10	$ 1,377.37	$ 29.27	2.17%
RATIO TO GR	0.83	0.81		
KENTWOOD				
WATER	$ 496.71	$ 509.53	$ 12.82	2.58%
SEWER	763.62	791.74	28.12	3.68%
	$ 1,260.33	$ 1,301.27	$ 40.94	3.25%
RATIO TO GR	0.78	0.76		
CASCADE TWP				
WATER	$ 695.25	$ 745.88	$ 50.63	7.28%
SEWER	921.91	956.66	34.75	3.77%
	$ 1,617.16	$ 1,702.54	$ 85.38	5.28%
RATIO TO GR	1.00	1.00		
GRAND RAPIDS TWP				
WATER	$ 615.40	$ 625.89	$ 10.49	1.70%
SEWER	756.79	790.61	33.82	4.47%
	$ 1,372.19	$ 1,416.50	$ 44.31	3.23%
RATIO TO GR	0.85	0.83		
TALLMADGE TWP				
WATER	$ 541.34	$ 509.24	$ (32.10)	-5.93%
SEWER	1,826.59	1,892.71	66.12	3.62%
	$ 2,367.93	$ 2,401.95	$ 34.02	1.44%
RATIO TO GR	1.47	1.41		

* *THE COMPARISONS ABOVE ARE BASED ON SYSTEM AVERAGE COMMERCIAL CUSTOMER QUARTERLY CONSUMPTION OF :*

WATER-	212.00	*UNITS OR*	158,576	*GALLONS*
SEWER -	205.00	*UNITS OR*	153,340	*GALLONS*
NO. OF MONTHS:	3			

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

WRIGHT TWP				
SEWER (No. of REU 1.00)	$ 172.38	$ 181.65	$ 9.27	5.38%

CITY OF GRAND RAPIDS, MICHIGAN
2026 PRELIMINARY WATER/SEWER RATE STUDY
WATER & SEWER RATES FOR GRAND RAPIDS & RETAIL CUSTOMER COMMUNITIES
EFFECTIVE JANUARY 1, 2027

WATER RATES

	METER CODE	GRAND RAPIDS	WALKER	KENTWOOD	CASCADE	GR. RAPIDS TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP
COMMODITY CHARGE (HCF)		$ 2.89	$ 2.23	$ 1.97	$ 2.86	$ 2.46	$ 2.35	N/A
MONTHLY SERVICE CHARGE BY METER SIZE								
3/4" & Less	A	$ 15.58	$ 17.24	$ 18.83	$ 27.77	$ 21.17	$ 3.67	N/A
1"	B	$ 24.85	$ 27.80	$ 30.63	$ 46.52	$ 34.79	$ 3.68	N/A
1-1/4"	C	$ 36.77	$ 41.38	$ 45.80	$ 70.63	$ 52.30	$ 3.69	N/A
1-1/2"	D	$ 51.34	$ 57.98	$ 64.34	$ 100.10	$ 73.70	$ 3.70	N/A
2"	E	$ 88.42	$ 100.23	$ 111.54	$ 175.11	$ 128.18	$ 3.73	N/A
3"	F	$ 194.38	$ 220.94	$ 246.38	$ 389.42	$ 283.82	$ 3.82	N/A
4"	G	$ 342.72	$ 389.93	$ 435.16	$ 689.45	$ 501.72	$ 3.94	N/A
6" & Over	H	$ 766.54	$ 872.78	$ 974.54	$ 1,546.70	$ 1,124.30	$ 4.30	N/A

SEWER RATES

	METER CODE	GRAND RAPIDS	WALKER	KENTWOOD	CASCADE	GR. RAPIDS TOWNSHIP	TALLMADGE TOWNSHIP	WRIGHT TOWNSHIP
COMMODITY CHARGE (HCF)		$ 4.57	$ 3.14	$ 3.64	$ 3.59	$ 2.99	$ 8.56	NA
REU Charge (Monthly) *		N/A	N/A	N/A	N/A	N/A	N/A	$ 60.55
MONTHLY SERVICE CHARGE BY METER SIZE								
3/4" & Less	A	$ 16.94	$ 35.24	$ 10.50	$ 43.34	$ 35.27	$ 27.82	N/A
1"	B	$ 26.63	$ 59.17	$ 15.18	$ 73.57	$ 59.22	$ 45.97	N/A
1-1/4"	C	$ 39.09	$ 89.93	$ 21.20	$ 112.43	$ 90.01	$ 69.31	N/A
1-1/2"	D	$ 54.32	$ 127.52	$ 28.56	$ 159.92	$ 127.64	$ 97.84	N/A
2"	E	$ 93.08	$ 223.22	$ 47.29	$ 280.82	$ 223.43	$ 170.45	N/A
3"	F	$ 203.84	$ 496.64	$ 100.80	$ 626.24	$ 497.12	$ 377.92	N/A
4"	G	$ 358.90	$ 879.43	$ 175.72	$ 1,109.83	$ 880.28	$ 668.37	N/A
6" & Over	H	$ 801.92	$ 1,973.12	$ 389.76	$ 2,491.52	$ 1,975.04	$ 1,498.24	N/A

**** REU - Residential Equivalent Unit (Wright Township Only)***

FIRE PROTECTION RATES- ALL GOVERNMENTAL UNITS

6"	H	$ 25.18	10"	J	$ 69.99		
8"	I	$ 44.67	12"	K	$ 100.71		

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

CITY OF GRAND RAPIDS, MICHIGAN
2026 PRELIMINARY WATER/SEWER RATE STUDY
IMPACT OF RATE ADJUSTMENTS ON WHOLESALE CUSTOMER COMMUNITIES
EFFECTIVE JANUARY 1, 2027

		2026	2027	PERCENTAGE CHANGE
EAST GRAND RAPIDS				
WATER	*- SERVICE (MONTHLY)*	$19,265.00	$19,699.00	2.25%
	- COMMODITY (100 CF)	$1.19	$1.17	-1.68%
SEWER	*- SERVICE (MONTHLY)*	$2,264.00	$2,557.00	12.94%
	- COMMODITY (MG)	$2,862.00	$3,005.00	5.00%
ADA TWP				
WATER	*- SERVICE*	$75,796.00	$82,990.00	9.49%
	- COMMODITY	$1.35	$1.34	-0.74%
SEWER	*- SERVICE*	$42,940.00	$36,871.00	-14.13%
	- COMMODITY	$3,825.00	$3,997.00	4.50%
OTTAWA COUNTY				
WATER	*- SERVICE*	$0.00	$0.00	N/A
	- COMMODITY	$1.34	$1.43	6.72%
GAINES TWP				
SEWER	*- SERVICE*	$1,819.00	$1,714.00	-5.77%
	- COMMODITY	$2,777.00	$2,793.00	0.58%
CALEDONIA TWP				
WATER	*- SERVICE*	$69,993.00	$68,259.00	-2.48%
	- COMMODITY	$1.69	$1.66	-1.78%
SEWER	*- SERVICE*	$747.00	$833.00	11.51%
	- COMMODITY	$6,555.00	$6,673.00	1.80%

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

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

Table of Contents

Task No.		Page
1	Inventory of Plant and Equipment	W 1
2	Cost of Plant and Equipment	W 1
3	Source of Funding for Plant and Equipment	W 1
4	Operating Costs for the Test Period	W 2
5	Adjustments to Operating Costs	W 4
6	Water Volumes and Revenues	W 20
7	Other Operating Revenues	W 23
8	Changes in Operating Levels	W 24
9	Changes in Operating Revenues	W 25
10	System Additions and Retirements	W 26
11	Fixed Assets-Cost, Accumulated Depreciation and Depreciation	W 28
12	Working Capital Needs	W 29
13	Joint Use Facilities-Zonegated	W 30
14	Verification of System Map	W 31
15	Construction Cost Rate Base	W 32
15A	Integrated Water Connection Fees	W 34
16	Future Non-Integrated Improvements	W 36
17	Outstanding Debt Service on Senior Bonds	W 38
18	Water System Equity	W 39
19	Rate of Return-Bond Buyer's Index	W 40
20	Composite Rate of Return	W 41
21	Rate of Return by Customer Community	W 42
22	Adjusted Operating Cost by Customer Community-Zonegated	W 46
23	Other Operating Revenues by Customer Community	W 47
24	Depreciation Expense by Customer Community	W 48
25	Revenue Requirement Summary by Customer Community	W 50
25A	Revenue Requirements-Bond Ordinance Provision	W 51
26	Comparative Summary of System Revenue Levels	W 52
26 / 27	Revenue Levels / Rate Schedules by Customer Community	W 54
28	Front Foot Charges	W 74
29	Water Service Charges	W 75
30	Water System Rates & Regulations – Miscellaneous Rates/Charges	W 76
31	There is No Task 31 for the Water Rate Study	W 81
32	Water Main Oversizing	W 82
33	Utility Service District Areas	W 83
34	Circuit Breaker – Individual and City & Customer Community	W 84

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
SYSTEM ADDITIONS AND IMPROVEMENTS
FOR THE YEAR ENDED JUNE 30, 2026
TASKS NO. 1, 2, & 3

	LOCAL		INTERMEDIATE		PRIMARY		TOTALS	
COMMUNITY	FEET	MILES	FEET	MILES	FEET	MILES	FEET	MILES
Grand Rapids								
Construction	9,983	1.89	8,370	1.59	0	0.00	18,352	3.48
Abandonment	(10,928)	(2.07)	(7,808)	(1.48)	(82)	(0.02)	(18,817)	(3.57)
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
	(945)	(0.18)	562	0.11	(82)	(0.02)	(465)	(0.09)
Kentwood								
Construction	5,596	1.06	912	0.17	0	0.00	6,507	1.23
Abandonment	0	0.00	(351)	(0.07)	0	0.00	(351)	(0.07)
	5,596	1.06	561	0.10	0	0.00	6,157	1.16
Cascade Twp.								
Construction	19,959	3.78	7,086	1.34	1,972	0.37	29,017	5.49
Abandonment	0	0.00	(428)	(0.08)	0	0.00	(428)	(0.08)
	19,959	3.78	6,659	1.26	1,972	0.37	28,590	5.41
G.R. Twp.								
Construction	2,768	0.52	4,371	0.83	0	0.00	7,138	1.35
Abandonment	(391)	(0.07)	(19)	0.00	0	0.00	(410)	(0.07)
	2,376	0.45	4,352	0.83	0	0.00	6,728	1.28
Tallmadge Twp.								
Construction	0	0.00	121	0.02	0	0.00	121	0.02
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	0	0.00	121	0.02	0	0.00	121	0.02
Walker								
Construction	3,694	0.70	7,233	1.37	0	0.00	10,927	2.07
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	3,694	0.70	7,233	1.37	0	0.00	10,927	2.07
TOTAL	30,680	5.81	19,487	3.69	1,890	0.35	52,057	9.85

	CONTRIBUTIONS		
	COMM	OTHER	TOTAL
Integrated	$ -	$ -	$ -
Grand Rapids	186,723	-	186,723
Walker	1,303,309	-	1,303,309
Kentwood	962,726	-	962,726
Cascade Twp.	1,461,575	-	1,461,575
Grand Rapids Twp.	609,663	-	609,663
Tallmadge Twp.	40,700	-	40,700
TOTAL	$ 4,564,696	$ -	$ 4,564,696

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
OPERATING EXPENSE ALLOCATION BY COST CENTER - TASK #4, PART 1
FISCAL YEAR ENDED JUNE 30, 2026

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	$ 1,392,229							$ 1,392,229		
(53630) 5910	WATER-CUSTOMER SERVICE *	3,613,453							3,613,453		
(53640) 5910	ENGINEERING	1,514,908								1,514,908	
(53645) 5910	DISTRIBUTION	3,918,433		642,128	3,276,305						
(53660) 5910	FIELD OPERATIONS	10,550,410				529,420	2,809,785	7,211,205			
(53665) 5910	FILTRATION	10,924,640	10,924,640								
	SUBTOTAL OPERATING EXPENSE	31,914,073	10,924,640	642,128	3,276,305	529,420	2,809,785	7,211,205	5,005,683	1,514,908	-
(53601) 5910	ADMINISTRATION	5,223,412									5,223,412
	TOTAL	$ 37,137,484	$ 10,924,640	$ 642,128	$ 3,276,305	$ 529,420	$ 2,809,785	$ 7,211,205	$ 5,005,683	$ 1,514,908	$ 5,223,412

** 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	DISTRIBUTION	100.000%		16.390%	83.610%						
(53660) 5910	FIELD OPERATIONS	100.000%				5.018%	26.632%	68.350%			
	TOTAL MILES OF MAIN 1,214.61					60.95	323.47	830.19			
(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, 2026

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		$ 10,924,640	$ 10,924,640										
PUMPING STATIONS:													
A. PRIMARY TRANSPORT		642,128	642,128										
B. INTERMEDIATE TRANSPORT		3,276,305		2,703,736	28,761	543,808	-	-	-				
WATERMAINS:													
A. PRIMARY TRANSPORT		529,420		435,702	28,054	39,781	17,804	8,079	-	-	-	-	-
B. INTERMEDIATE TRANSPORT		2,809,785		1,033,693	618,040	491,375	387,750	240,096	38,831	-	-	-	-
C. LOCAL DISTRIBUTION		7,211,205		5,170,579	589,588	509,616	439,883	475,146	26,393	-	-	-	-
RETAIL CUSTOMER METERING		5,005,683		3,642,735	424,932	354,102	270,207	289,429	24,278				
SUBTOTAL OPERATING EXPENSE		30,399,165	11,566,768	12,986,444	1,689,375	1,938,682	1,115,644	1,012,750	89,502	-	-	-	-
ENGINEERING SERVICES		1,514,908	576,422	647,169	84,183	96,606	55,597	50,477	4,454	-	-	-	-
ADMINISTRATIVE EXPENSE		5,223,412	1,393,474	3,125,692	203,510	233,540	134,403	122,025	10,767	-	-	-	-
TOTAL		$ 37,137,484	$ 13,536,664	$ 16,759,306	$ 1,977,068	$ 2,268,828	$ 1,305,644	$ 1,185,252	$ 104,723	$ -	$ -	$ -	$ -
METHOD OF DISTRIBUTION													
FILTRATION PLANT		100.000%	100.00%										
PUMPING STATIONS													
A. PRIMARY TRANSPORT		100.000%	100.00%										
B. INTERMEDIATE TRANSPORT		100.000%		82.524%	0.878%	16.598%							
WATERMAINS													
TOTAL MILES:	1,214.61												
A. PRIMARY TRANSPORT		100.000%		82.298%	5.299%	7.514%	3.363%	1.526%					
MILES	60.95			50.16	3.23	4.58	2.05	0.93	-	-	-	-	-
B. INTERMEDIATE TRANSPORT		100.000%		36.789%	21.996%	17.488%	13.800%	8.545%	1.382%				
MILES	323.47			119.00	71.15	56.57	44.64	27.64	4.47	-	-	-	-
C. LOCAL DISTRIBUTION		100.000%		71.702%	8.176%	7.067%	6.100%	6.589%	0.366%				
MILES	830.19			595.26	67.88	58.67	50.64	54.70	3.04	-	-	-	-
RETAIL CUSTOMER METERING (1)		100.000%		72.772%	8.489%	7.074%	5.398%	5.782%	0.485%				
NUMBER OF METERS	82,545			60,070	7,007	5,839	4,456	4,773	400				
ENGINEERING SERVICES (2)		100.000%	38.050%	42.720%	5.557%	6.377%	3.670%	3.332%	0.294%				
ADMINISTRATIVE EXPENSE (3)		100.000%	26.678%	59.840%	3.896%	4.471%	2.573%	2.336%	0.206%				

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, 2026

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	$ 1,401,851							$ 1,401,851		
(53630) 5910	WATER-CUSTOMER SERVICE *	3,036,953							3,036,953		
(53640) 5910	ENGINEERING	1,590,167								1,590,167	
(53645) 5910	DISTRIBUTION	3,970,078		650,592	3,319,486						
(53660) 5910	FIELD OPERATIONS	9,274,185				465,379	2,469,901	6,338,905			
(53665) 5910	FILTRATION	11,218,959	11,218,959								
	SUBTOTAL OPERATING EXPENSE	30,492,193	11,218,959	650,592	3,319,486	465,379	2,469,901	6,338,905	4,438,804	1,590,167	-
(53601) 5910	ADMINISTRATION	6,029,232									6,029,232
	TOTAL	$ 36,521,425	$ 11,218,959	$ 650,592	$ 3,319,486	$ 465,379	$ 2,469,901	$ 6,338,905	$ 4,438,804	$ 1,590,167	$ 6,029,232

** 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	DISTRIBUTION	100.000%		16.390%	83.610%						
(53660) 5910	FIELD OPERATIONS	100.000%				5.018%	26.632%	68.350%			
	TOTAL MILES OF MAIN 1,214.61					60.95	323.47	830.19			
(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, 2026

COST CENTER		ADJUSTED EXPENSE BY COST CENTER	INTEGRATED SYSTEM	RETAIL CITY OF GR	RETAIL CITY OF WALKER	RETAIL CITY OF KENTWOOD	RETAIL CASCADE TOWNSHIP	RETAIL GR TOWNSHIP	RETAIL TALLMADGE TOWNSHIP	WHOLESALE CITY OF EAST GR	WHOLESALE COUNTY OF OTTAWA	WHOLESALE ADA TOWNSHIP	WHOLESALE CALEDONIA TOWNSHIP
FILTRATION PLANT		$ 11,218,959	$ 11,218,959										
PUMPING STATIONS:													
A. PRIMARY TRANSPORT		650,592	650,592										
B. INTERMEDIATE TRANSPORT		3,319,486		2,739,370	29,140	550,976	-	-	-				
WATERMAINS:													
A. PRIMARY TRANSPORT		465,379		382,997	24,660	34,969	15,651	7,102	-	-	-	-	-
B. INTERMEDIATE TRANSPORT		2,469,901		908,653	543,279	431,936	340,846	211,053	34,134	-	-	-	-
C. LOCAL DISTRIBUTION		6,338,905		4,545,123	518,269	447,970	386,673	417,670	23,200	-	-	-	-
RETAIL CUSTOMER METERING		4,438,804		3,230,206	376,810	314,001	239,607	256,652	21,528				
SUBTOTAL OPERATING EXPENSE		28,902,026	11,869,551	11,806,349	1,492,158	1,779,852	982,777	892,477	78,862	-	-	-	-
ENGINEERING SERVICES		1,590,167	653,050	649,583	82,100	97,923	54,066	49,104	4,341	-	-	-	-
ADMINISTRATIVE EXPENSE		6,029,232	1,834,935	3,386,386	230,685	275,142	151,913	137,973	12,198	-	-	-	-
TOTAL		$ 36,521,425	$ 14,357,536	$ 15,842,319	$ 1,804,943	$ 2,152,917	$ 1,188,756	$ 1,079,554	$ 95,401	$ -	$ -	$ -	$ -
METHOD OF DISTRIBUTION													
FILTRATION PLANT		100.000%	100.00%										
PUMPING STATIONS													
A. PRIMARY TRANSPORT		100.000%	100.00%										
B. INTERMEDIATE TRANSPORT		100.000%		82.524%	0.878%	16.598%							
WATERMAINS													
TOTAL MILES:	1,214.61												
A. PRIMARY TRANSPORT		100.000%		82.298%	5.299%	7.514%	3.363%	1.526%					
MILES	60.95			50.16	3.23	4.58	2.05	0.93	-	-	-	-	-
B. INTERMEDIATE TRANSPORT		100.000%		36.789%	21.996%	17.488%	13.800%	8.545%	1.382%				
MILES	323.47			119.00	71.15	56.57	44.64	27.64	4.47	-	-	-	-
C. LOCAL DISTRIBUTION		100.000%		71.702%	8.176%	7.067%	6.100%	6.589%	0.366%				
MILES	830.19			595.26	67.88	58.67	50.64	54.70	3.04	-	-	-	-
RETAIL CUSTOMER METERING (1)		100.000%		72.772%	8.489%	7.074%	5.398%	5.782%	0.485%				
NUMBER OF METERS	82,545			60,070	7,007	5,839	4,456	4,773	400				
ENGINEERING SERVICES (2)		100.000%	41.068%	40.850%	5.163%	6.158%	3.400%	3.088%	0.273%				
ADMINISTRATIVE EXPENSE (3)		100.000%	30.435%	56.166%	3.826%	4.563%	2.520%	2.288%	0.202%				

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, 2026
RATE STUDY- TASKS NO. 4 & 5 SUPPORT

ORGANIZATIONAL UNIT: ADMINISTRATION

EXPENDITURE SUB-OBJECT		OPERATING	ADJUSTED COST	ADJUSTED CURRENT ANNUAL
OBJ	DESCRIPTION	EXPENSES	FACTORS	EXPENSES
70200000	PERMANENT EMPLOYEES	$ 678,785.26	$ 41,270.14	$ 720,055.40
70250000	ACT.ASSIGNMENT	591.00	35.93	626.93
70400000	TEMPORARY EMPLOYEES	81,468.10	4,953.26	86,421.36
70550000	TIME & ONE-HALF	10,617.91	645.57	11,263.48
71050000	EMPLOYERS SOCIAL SECURITY	56,644.22	3,443.97	60,088.19
71100000	HOSPITALIZATION INSURANCE	136,723.48	13,207.49	149,930.97
71150000	RETIREE HEALTH CARE	25,875.62	(7.76)	25,867.86
71200000	RETIREMENT FUND CONTRIBUTION	144,520.71	(3,410.69)	141,110.02
71350000	UNEMPLOYMENT COMPENSATION	3,907.31	-	3,907.31
71500000	LONGEVITY PAY	2,290.00	-	2,290.00
71650000	SHIFT DIFFERENTIAL	14.50	-	14.50
71750000	FOOD/CLEAN/CAR ALLOW	1,397.59	-	1,397.59
	TOTAL PERSONAL SERVICES	1,142,835.70	60,137.91	1,202,973.61
75200000	SUPPLIES	9,824.25	-	9,824.25
76700000	CLOTHING/CLEANING ALLOWANCE	(1,233.85)	-	(1,233.85)
78000000	INVENTORY - COST OF GOODS SOLD	204,181.12	-	204,181.12
	TOTAL SUPPLIES	212,771.52	-	212,771.52
69310000	GAIN-LOSS ON SALE OF ASSETS-FA	971,016.60	(615,221.33)	355,795.27
80100000	CONTRACTUAL SERVICES	435,467.73	1,503,018.01	1,938,485.74
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	5,692.38	-	5,692.38
80160000	CONTRACTS- EXTERNAL LEGAL SERVICES	3,359.00	-	3,359.00
80300000	ADMINISTRATIVE SERVICES (ICB)	21,384.40	(21,384.40)	-
82400000	FEES	37,778.30	-	37,778.30
84000000	INSURANCE PREMIUMS	400,908.00	-	400,908.00
84500000	GENERAL LIABILITY INSURANCE/CLAIMS	244,839.00	23,148.00	267,987.00
85000000	TELEPHONE	2,020.72	-	2,020.72
85100000	POSTAGE	4,445.14	-	4,445.14
88000000	COMMUNITY PROMOTION	5,458.73	-	5,458.73
90000000	PRINTING & PUBLISHING	4,643.29	-	4,643.29
95600000	PROFESSIONAL DEVELOPMENT	13,522.50	-	13,522.50
95610000	OTHER TRAVEL & TRAINING	27,255.98	-	27,255.98
95620000	LOCAL BUSINESS EXPENSE	788.96	-	788.96
95630000	FOOD-BEVERAGE	175.00	-	175.00
95800000	MEMBERSHIPS	53,575.11	-	53,575.11
92800000	WATER	7,085.78	-	7,085.78
92900000	REFUSE COLLECTION CHARGES	8,197.00	-	8,197.00
92000000	ELECTRICITY	58,201.69	58,174.20	116,375.89
92100000	NATURAL GAS	27,972.86	-	27,972.86
93400000	MAINTENANCE SERVICE	100,427.81	-	100,427.81
94000000	LAND RENTAL OR LEASE	2,496.02	-	2,496.02
94100000	EQUIPMENT RENTALS OR LEASE	2,652.68	-	2,652.68
82820000	ENGINEERING SERVICES	60,455.08	-	60,455.08
82830000	VEHICLE USAGE/CAR MILEAGE	8,423.28	-	8,423.28
82840000	COMPUTER SERVICES	29,628.00	4,358.00	33,986.00
93300000	SOFTWARE MAINT. AGREEMENTS	6,969.94	-	6,969.94
96500000	BAD DEBT WRITE-OFFS	609.65	-	609.65
	TOTAL OTHER SERVICES & CHARGES	2,545,450.63	952,092.48	3,497,543.11
97600000	EQUIPMENT/VEHICLES	8,523.40	-	8,523.40
98000000	FURNITURE	22,407.79	-	22,407.79
98800000	CONSTRUCTION IN PROGRESS	23,355.55	-	23,355.55
	TOTAL CAPITAL	54,286.74	-	54,286.74
82850000	A-87 COST ALLOCATION	1,268,067.00	(206,410.00)	1,061,657.00
	TOTAL TRANSFERS/FEES	1,268,067.00	(206,410.00)	1,061,657.00
	ORGANIZATIONAL UNIT TOTAL	$ 5,223,411.59	$ 805,820.39	$ 6,029,231.98

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2026
RATE STUDY- TASKS NO. 4 & 5 SUPPORT

ORGANIZATIONAL UNIT: CUSTOMER SERVICES

EXPENDITURE SUB-OBJECT		OPERATING	ADJUSTED COST	ADJUSTED CURRENT ANNUAL
OBJ	DESCRIPTION	EXPENSES	FACTORS	EXPENSES
70200000	PERMANENT EMPLOYEES	$ 1,939,784.84	$ 117,938.92	$ 2,057,723.76
70250000	ACT.ASSIGNMENT	1,505.91	91.56	1,597.47
70400000	TEMPORARY EMPLOYEES	12,497.67	759.86	13,257.53
70550000	TIME & ONE-HALF	149,995.68	9,119.74	159,115.42
71050000	EMPLOYERS SOCIAL SECURITY	151,161.31	9,190.61	160,351.92
71100000	HOSPITALIZATION INSURANCE	504,062.94	48,692.48	552,755.42
71150000	RETIREE HEALTH CARE	72,596.06	(21.78)	72,574.28
71200000	RETIREMENT FUND CONTRIBUTION	411,173.98	(9,703.71)	401,470.27
71350000	UNEMPLOYMENT COMPENSATION	2,952.68	-	2,952.68
71500000	LONGEVITY PAY	13,689.00	-	13,689.00
71650000	SHIFT DIFFERENTIAL	3,023.72	-	3,023.72
71700000	ELECTION WRKR-BRD MEMBERS PAY	210.00	-	210.00
71750000	FOOD/CLEAN/CAR ALLOW	750.00	-	750.00
	TOTAL PERSONAL SERVICES	3,263,403.79	176,067.68	3,439,471.47
75200000	SUPPLIES	1,430,059.05	-	1,430,059.05
76700000	CLOTHING/CLEANING ALLOWANCE	9,723.83	-	9,723.83
	TOTAL SUPPLIES	1,439,782.88	-	1,439,782.88
			-	-
80100000	CONTRACTUAL SERVICES	419,664.67	-	419,664.67
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	57,295.08	-	57,295.08
85000000	TELEPHONE	18,459.88	-	18,459.88
85100000	POSTAGE	208,754.48	-	208,754.48
88000000	COMMUNITY PROMOTION	9,958.14	-	9,958.14
95600000	PROFESSIONAL DEVELOPMENT	5,781.02	-	5,781.02
95610000	OTHER TRAVEL & TRAINING	12,946.17	-	12,946.17
95800000	MEMBERSHIPS	500.00	-	500.00
93400000	MAINTENANCE SERVICE	940.10	-	940.10
94100000	EQUIPMENT RENTALS OR LEASE	576.52	-	576.52
82800000	FLEET MANAGEMENT EQUIPMENT	259,506.49	-	259,506.49
82810000	311 CALL CENTER SERVICES	612,564.00	-	612,564.00
82830000	VEHICLE RENTAL/CAR MILEAGE	13,527.85	-	13,527.85
82840000	COMPUTER SERVICES	138,420.00	20,351.00	158,771.00
93300000	SOFTWARE MAINT. AGREEMENTS	253,378.60	-	253,378.60
	TOTAL OTHER SERVICES & CHARGES	2,012,273.00	20,351.00	2,032,624.00
97600000	EQUIPMENT/VEHICLES	1,545.74	-	1,545.74
98000000	FURNITURE	7,110.08	-	7,110.08
98400000	SOFTWARE	80,465.00	-	80,465.00
	TOTAL CAPITAL	89,120.82	-	89,120.82
82850000	A-87 COST ALLOCATION	115,078.00	5,121.00	120,199.00
	TOTAL TRANSFERS/FEES	115,078.00	5,121.00	120,199.00
	ORGANIZATIONAL UNIT TOTAL (GROSS)	$ 6,919,658.49	$ 201,539.68	$ 7,121,198.17
	LESS: SDSF & ELC CONTRIBUTION *	(3,306,205.00)	(778,040.34)	(4,084,245.34)
	ORGANIZATIONAL UNIT TOTAL (NET)	$ 3,613,453.49	$ (576,500.66)	$ 3,036,952.83

** 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, 2026
RATE STUDY- TASKS NO. 4 & 5 SUPPORT

ORGANIZATIONAL UNIT: ENGINEERING

EXPENDITURE SUB-OBJECT		OPERATING	ADJUSTED COST	ADJUSTED CURRENT ANNUAL
OBJ	DESCRIPTION	EXPENSES	FACTORS	EXPENSES
70200000	PERMANENT EMPLOYEES	$ 796,299.86	$ 48,415.03	$ 844,714.89
70400000	TEMPORARY EMPLOYEES	15,577.49	947.11	16,524.60
70550000	TIME & ONE-HALF	5,550.67	337.48	5,888.15
71050000	EMPLOYERS SOCIAL SECURITY	59,689.40	3,629.12	63,318.52
71100000	HOSPITALIZATION INSURANCE	186,576.22	18,023.26	204,599.48
71150000	RETIREE HEALTH CARE	29,962.26	(8.99)	29,953.27
71200000	RETIREMENT FUND CONTRIBUTION	172,302.18	(4,066.33)	168,235.85
71350000	UNEMPLOYMENT COMPENSATION	1,284.59	-	1,284.59
71500000	LONGEVITY PAY	4,770.00	-	4,770.00
	TOTAL PERSONAL SERVICES	1,272,012.67	67,276.68	1,339,289.35
75200000	SUPPLIES	1,827.33	-	1,827.33
76700000	CLOTHING/CLEANING ALLOWANCE	2,260.40	-	2,260.40
79100000	SUBSCRIPTIONS AND PUBLICATIONS	99.99	-	99.99
	TOTAL SUPPLIES	4,187.72	-	4,187.72
			-	-
80100000	CONTRACTUAL SERVICES	105,951.68	-	105,951.68
85000000	TELEPHONE	5,041.88	-	5,041.88
88000000	COMMUNITY PROMOTION	6.78	-	6.78
90000000	PRINTING & PUBLISHING	40.00	-	40.00
95600000	PROFESSIONAL DEVELOPMENT	1,495.00	-	1,495.00
95610000	OTHER TRAVEL & TRAINING	1,702.28	-	1,702.28
95800000	MEMBERSHIPS	250.00	-	250.00
93400000	MAINTENANCE SERVICE	1,055.00	-	1,055.00
94100000	EQUIPMENT RENTALS OR LEASE	3,357.51	-	3,357.51
82800000	FLEET MANAGEMENT EQUIPMENT	26,078.82	-	26,078.82
82830000	VEHICLE RENTAL/CAR MILEAGE	912.48	-	912.48
82840000	COMPUTER SERVICES	54,324.00	7,983.00	62,307.00
93300000	SOFTWARE MAINT. AGREEMENTS	11,250.00	-	11,250.00
	TOTAL OTHER SERVICES & CHARGES	211,465.43	7,983.00	219,448.43
97600000	EQUIPMENT	2,606.79	-	2,606.79
	TOTAL CAPITAL	2,606.79	-	2,606.79
99540000	OPERATING TRANS-DEV CENTER	24,635.00	-	24,635.00
	TOTAL TRANSFERS/FEES	24,635.00	-	24,635.00
	ORGANIZATIONAL UNIT TOTAL	$ 1,514,907.61	$ 75,259.68	$ 1,590,167.29

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2026
RATE STUDY- TASKS NO. 4 & 5 SUPPORT

ORGANIZATIONAL UNIT: DISTRIBUTION

EXPENDITURE SUB-OBJECT OBJ	DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	$ 564,915.21	$ 34,346.84	$ 599,262.05
70250000	ACT.ASSIGNMENT	3,209.89	195.16	3,405.05
70550000	TIME & ONE-HALF	39,374.34	2,393.96	41,768.30
71050000	EMPLOYERS SOCIAL SECURITY	44,202.71	2,687.52	46,890.23
71100000	HOSPITALIZATION INSURANCE	131,491.57	12,702.09	144,193.66
71150000	RETIREE HEALTH CARE	20,814.43	(6.24)	20,808.19
71200000	RETIREMENT FUND CONTRIBUTION	120,649.59	(2,847.33)	117,802.26
71350000	UNEMPLOYMENT COMPENSATION	796.48	-	796.48
71500000	LONGEVITY PAY	5,890.00	-	5,890.00
71650000	SHIFT DIFFERENTIAL	(5.95)	-	(5.95)
	TOTAL PERSONAL SERVICES	931,338.27	49,472.00	980,810.27
75200000	SUPPLIES	108,028.65	-	108,028.65
76700000	CLOTHING/CLEANING ALLOWANCE	2,411.47	-	2,411.47
	TOTAL SUPPLIES	110,440.12	-	110,440.12
			-	-
80100000	CONTRACTUAL SERVICES	852,913.98	-	852,913.98
82400000	FEES	641.15	-	641.15
85000000	TELEPHONE	9,469.68	-	9,469.68
90000000	PRINTING & PUBLISHING	40.00	-	40.00
95600000	PROFESSIONAL DEVELOPMENT	2,100.00	-	2,100.00
92800000	WATER	23,198.18	-	23,198.18
92000000	ELECTRICITY	1,550,833.66	-	1,550,833.66
92100000	NATURAL GAS	84,318.08	-	84,318.08
93400000	MAINTENANCE SERVICE	63,352.71	-	63,352.71
94100000	EQUIPMENT RENTALS OR LEASE	15,167.54	-	15,167.54
82800000	FLEET MANAGEMENT EQUIPMENT	125,858.02	-	125,858.02
82840000	COMPUTER SERVICES	14,820.00	2,173.00	16,993.00
93300000	SOFTWARE MAINT. AGREEMENTS	9,614.00	-	9,614.00
	TOTAL OTHER SERVICES & CHARGES	2,752,327.00	2,173.00	2,754,500.00
97600000	EQUIPMENT/VEHICLES	124,327.71	-	124,327.71
	TOTAL CAPITAL	124,327.71	-	124,327.71
	ORGANIZATIONAL UNIT TOTAL	$ 3,918,433.10	$ 51,645.00	$ 3,970,078.10

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2026
RATE STUDY- TASKS NO. 4 & 5 SUPPORT

ORGANIZATIONAL UNIT: FIELD OPERATIONS

EXPENDITURE SUB-OBJECT		OPERATING	ADJUSTED COST	ADJUSTED CURRENT ANNUAL
OBJ	DESCRIPTION	EXPENSES	FACTORS	EXPENSES
70200000	PERMANENT EMPLOYEES	$ 2,227,618.81	$ 135,439.22	$ 2,363,058.03
70250000	ACT.ASSIGNMENT	3,736.00	227.15	3,963.15
70550000	TIME & ONE-HALF	265,338.33	16,132.57	281,470.90
71050000	EMPLOYERS SOCIAL SECURITY	180,797.53	10,992.49	191,790.02
71100000	HOSPITALIZATION INSURANCE	548,032.19	52,939.91	600,972.10
71150000	RETIREE HEALTH CARE	83,842.23	(25.15)	83,817.08
71200000	RETIREMENT FUND CONTRIBUTION	482,957.39	(11,397.79)	471,559.60
71350000	UNEMPLOYMENT COMPENSATION	3,134.89	-	3,134.89
71500000	LONGEVITY PAY	19,753.50	-	19,753.50
71650000	SHIFT DIFFERENTIAL	265.93	-	265.93
	TOTAL PERSONAL SERVICES	3,815,476.80	204,308.40	4,019,785.20
75200000	SUPPLIES	880,401.89	-	880,401.89
76700000	CLOTHING/CLEANING ALLOWANCE	10,809.30	-	10,809.30
	TOTAL SUPPLIES	891,211.19	-	891,211.19
			-	-
80100000	CONTRACTUAL SERVICES	4,022,911.56	(1,503,018.01)	2,519,893.55
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	151,429.07	-	151,429.07
80150000	CONTRACT SERVICES-TRAINING	4,550.00	-	4,550.00
82400000	FEES	100.00	-	100.00
85000000	TELEPHONE	25,032.88	-	25,032.88
95600000	PROFESSIONAL DEVELOPMENT	12,540.00	-	12,540.00
95610000	OTHER TRAVEL & TRAINING	3,788.88	-	3,788.88
92800000	WATER	428.11	-	428.11
92000000	ELECTRICITY	1,942.89	-	1,942.89
92100000	NATURAL GAS	1,744.09	-	1,744.09
93400000	MAINTENANCE SERVICE	13,392.55	-	13,392.55
94100000	EQUIPMENT RENTALS OR LEASE	109,814.57	-	109,814.57
82800000	FLEET MANAGEMENT EQUIPMENT	1,305,216.28	-	1,305,216.28
82830000	VEHICLE USAGE/CAR MILEAGE	2,815.97	-	2,815.97
82840000	COMPUTER SERVICES	152,940.00	22,485.00	175,425.00
93300000	SOFTWARE MAINT. AGREEMENTS	3,915.00	-	3,915.00
	TOTAL OTHER SERVICES & CHARGES	5,812,561.85	(1,480,533.01)	4,332,028.84
97600000	EQUIPMENT/VEHICLES	23,797.44	-	23,797.44
98000000	FURNITURE	7,362.36	-	7,362.36
	TOTAL CAPITAL	31,159.80	-	31,159.80
	ORGANIZATIONAL UNIT TOTAL	$ 10,550,409.64	$ (1,276,224.61)	$ 9,274,185.03

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2026
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	$ 2,322,025.86	$ 141,179.17	$ 2,463,205.03
70250000	ACT.ASSIGNMENT	5,813.62	353.47	6,167.09
70400000	TEMPORARY EMPLOYEES	704.70	42.85	747.55
70500000	REGULAR HOURLY RATE	9,598.59	583.59	10,182.18
70550000	TIME & ONE-HALF	145,358.03	8,837.77	154,195.80
71050000	EMPLOYERS SOCIAL SECURITY	181,514.82	11,036.10	192,550.92
71100000	HOSPITALIZATION INSURANCE	556,231.77	53,731.99	609,963.76
71150000	RETIREE HEALTH CARE	84,988.18	(25.50)	84,962.68
71200000	RETIREMENT FUND CONTRIBUTION	486,296.15	(11,476.59)	474,819.56
71350000	UNEMPLOYMENT COMPENSATION	3,155.72	-	3,155.72
71500000	LONGEVITY PAY	13,580.00	-	13,580.00
71650000	SHIFT DIFFERENTIAL	22,504.92	-	22,504.92
72700000	HOME OWNERSHIP GRANT	115.25	-	115.25
	TOTAL PERSONAL SERVICES	3,831,887.61	204,262.85	4,036,150.46
75200000	SUPPLIES	240,277.95	-	240,277.95
75300000	PROCESS CHEMICALS	1,682,166.34	125,000.00	1,807,166.34
76700000	CLOTHING/CLEANING ALLOWANCE	4,387.85	-	4,387.85
	TOTAL SUPPLIES	1,926,832.14	125,000.00	2,051,832.14
80100000	CONTRACTUAL SERVICES	442,485.59	-	442,485.59
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	89,925.06	-	89,925.06
80150000	CONTRACT SERVICES-TRAINING	6,974.42	-	6,974.42
82400000	FEES	625.00	-	625.00
85000000	TELEPHONE	9,738.68	-	9,738.68
85100000	POSTAGE	655.83	-	655.83
95600000	PROFESSIONAL DEVELOPMENT	825.00	-	825.00
95630000	FOOD-BEVERAGE	75.00	-	75.00
92800000	WATER	475.00	-	475.00
92900000	REFUSE COLLECTION CHARGES	4,903.78	-	4,903.78
92000000	ELECTRICITY	2,230,092.33	(58,174.20)	2,171,918.13
92100000	NATURAL GAS	189,676.94	-	189,676.94
93100000	EQUIPMENT REPAIRS	(4,600.00)	-	(4,600.00)
93400000	MAINTENANCE SERVICE	1,393,884.58	-	1,393,884.58
94100000	EQUIPMENT RENTALS OR LEASE	366,788.15	-	366,788.15
82800000	FLEET MANAGEMENT EQUIPMENT	52,167.72	-	52,167.72
82830000	VEHICLE USAGE/CAR MILEAGE	282.81	-	282.81
82840000	COMPUTER SERVICES	158,028.00	23,230.00	181,258.00
93300000	SOFTWARE MAINT. AGREEMENTS	9,500.00	-	9,500.00
	TOTAL OTHER SERVICES & CHARGES	4,952,503.89	(34,944.20)	4,917,559.69
97600000	EQUIPMENT/VEHICLES	135,934.84	-	135,934.84
98000000	FURNITURE	34,263.42	-	34,263.42
	TOTAL CAPITAL	170,198.26	-	170,198.26
99550000	OPERATING TRANS-MISC	43,218.00	-	43,218.00
	TOTAL TRANSFERS/FEES	43,218.00	-	43,218.00
	ORGANIZATIONAL UNIT TOTAL	$ 10,924,639.90	$ 294,318.65	$ 11,218,958.55

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2026
RATE STUDY- TASKS NO. 4 & 5 SUPPORT

ORGANIZATIONAL UNIT: TREASURER - CUSTOMER SERV'S

EXPENDITURE SUB-OBJECT		OPERATING	ADJUSTED COST	ADJUSTED CURRENT ANNUAL
OBJ	DESCRIPTION	EXPENSES	FACTORS	EXPENSES
70200000	PERMANENT EMPLOYEES	$ 119,675.07	$ 7,276.24	$ 126,951.31
70550000	TIME & ONE-HALF	74.07	4.50	78.57
71050000	EMPLOYERS SOCIAL SECURITY	8,650.12	525.93	9,176.05
71100000	HOSPITALIZATION INSURANCE	29,371.87	2,837.32	32,209.19
71150000	RETIREE HEALTH CARE	4,471.94	(1.34)	4,470.60
71200000	RETIREMENT FUND CONTRIBUTION	25,567.46	(603.39)	24,964.07
71350000	UNEMPLOYMENT COMPENSATION	165.49	-	165.49
71500000	LONGEVITY PAY	210.00	-	210.00
	TOTAL PERSONAL SERVICES	188,186.02	10,039.26	198,225.28
82400000	FEES	1,148,577.09	-	1,148,577.09
84500000	GENERAL LIABILITY INSURANCE/CLAIMS	2,657.00	424.00	3,081.00
85100000	POSTAGE	1,120.00	-	1,120.00
82830000	VEHICLE USAGE/CAR MILEAGE	20,211.93	-	20,211.93
82840000	COMPUTER SERVICES	22,176.00	(841.00)	21,335.00
82870000	FACILITIES MANAGEMENT CHARGES	9,301.08	-	9,301.08
	TOTAL OTHER SERVICES & CHARGES	1,204,043.10	(417.00)	1,203,626.10
	ORGANIZATIONAL UNIT TOTAL	$ 1,392,229.12	$ 9,622.26	$ 1,401,851.38

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2026
RATE STUDY- TASKS NO. 4 & 5

ORGANIZATIONAL SUMMARY

EXPENDITURE SUB-OBJECT		OPERATING	ADJUSTED COST	ADJUSTED CURRENT ANNUAL
OBJ	DESCRIPTION	EXPENSES	FACTORS	CURRENT
70200000	PERMANENT EMPLOYEES	$ 8,649,104.91	$ 525,865.56	$ 9,174,970.47
70250000	ACT.ASSIGNMENT	14,856.42	903.27	15,759.69
70400000	TEMPORARY EMPLOYEES	110,247.96	6,703.08	116,951.04
70500000	REGULAR HOURLY RATE	9,598.59	583.59	10,182.18
70550000	TIME & ONE-HALF	616,309.03	37,471.59	653,780.62
71050000	EMPLOYERS SOCIAL SECURITY	682,660.11	41,505.74	724,165.85
71100000	HOSPITALIZATION INSURANCE	2,092,490.04	202,134.54	2,294,624.58
71150000	RETIREE HEALTH CARE	322,550.72	(96.76)	322,453.96
71200000	RETIREMENT FUND CONTRIBUTION	1,843,467.46	(43,505.83)	1,799,961.63
71350000	UNEMPLOYMENT COMPENSATION	15,397.16	-	15,397.16
71500000	LONGEVITY PAY	60,182.50	-	60,182.50
71650000	SHIFT DIFFERENTIAL	25,803.12	-	25,803.12
71700000	ELECTION WRKR-BRD MEMBERS PAY	210.00	-	210.00
71750000	FOOD/CLEAN/CAR ALLOW	2,147.59	-	2,147.59
72700000	HOME OWNERSHIP GRANT	115.25	-	115.25
	TOTAL PERSONAL SERVICES	14,445,140.86	771,564.78	15,216,705.64
75200000	SUPPLIES	2,670,419.12	-	2,670,419.12
75300000	PROCESS CHEMICALS	1,682,166.34	125,000.00	1,807,166.34
76700000	CLOTHING/CLEANING ALLOWANCE	28,359.00	-	28,359.00
78000000	INVENTORY - COST OF GOODS SOLD	204,181.12	-	204,181.12
79100000	SUBSCRIPTIONS AND PUBLICATIONS	99.99	-	99.99
	TOTAL SUPPLIES	4,585,225.57	125,000.00	4,710,225.57
69310000	GAIN-LOSS ON SALE OF ASSETS-FA	971,016.60	(615,221.33)	355,795.27
80100000	CONTRACTUAL SERVICES	6,279,395.21	-	6,279,395.21
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	304,341.59	-	304,341.59
80150000	CONTRACT SERVICES-TRAINING	11,524.42	-	11,524.42
80160000	CONTRACTS- EXTERNAL LEGAL SERVICES	3,359.00	-	3,359.00
80300000	ADMINISTRATIVE SERVICES	21,384.40	(21,384.40)	-
82400000	FEES	1,187,721.54	-	1,187,721.54
84000000	INSURANCE PREMIUMS	400,908.00	-	400,908.00
84500000	GENERAL LIABILITY INSURANCE / CLAIMS	247,496.00	23,572.00	271,068.00
85000000	TELEPHONE	69,763.72	-	69,763.72
85100000	POSTAGE	214,975.45	-	214,975.45
88000000	COMMUNITY PROMOTION	15,423.65	-	15,423.65
90000000	PRINTING & PUBLISHING	4,723.29	-	4,723.29
95600000	PROFESSIONAL DEVELOPMENT	36,263.52	-	36,263.52
95610000	OTHER TRAVEL AND TRAINING	45,693.31	-	45,693.31
95620000	LOCAL BUSINESS EXPENSE	788.96	-	788.96
95630000	FOOD-BEVERAGE	250.00	-	250.00
95800000	MEMBERSHIPS	54,325.11	-	54,325.11
92800000	WATER	31,187.07	-	31,187.07
92900000	REFUSE COLLECTION CHARGES	13,100.78	-	13,100.78
92000000	ELECTRICITY	3,841,070.57	-	3,841,070.57
92100000	NATURAL GAS	303,711.97	-	303,711.97
93100000	EQUIPMENT REPAIRS	(4,600.00)	-	(4,600.00)
93400000	MAINTENANCE SERVICE	1,573,052.75	-	1,573,052.75
94000000	LAND RENTAL OR LEASE	2,496.02	-	2,496.02
94100000	EQUIPMENT RENTALS OR LEASE	498,356.97	-	498,356.97
82800000	FLEET MANAGEMENT EQUIPMENT	1,768,827.33	-	1,768,827.33
82810000	311 CALL CENTER SERVICES	612,564.00	-	612,564.00
82820000	ENGINEERING SERVICES	60,455.08	-	60,455.08
82830000	VEHICLE RENTAL/CAR MILEAGE	46,174.32	-	46,174.32
82840000	COMPUTER SERVICES	570,336.00	79,739.00	650,075.00
93300000	SOFTWARE MAINT. AGREEMENTS	294,627.54	-	294,627.54
96500000	BAD DEBT WRITE-OFFS	609.65	-	609.65
82870000	FACILITIES MANAGEMENT CHARGES	9,301.08	-	9,301.08
	TOTAL OTHER SERVICES & CHARGES	19,490,624.90	(533,294.73)	18,957,330.17
97600000	EQUIPMENT/VEHICLES	296,735.92	-	296,735.92
98000000	FURNITURE	71,143.65	-	71,143.65
98400000	SOFTWARE	80,465.00	-	80,465.00
98800000	CONSTRUCTION IN PROGRESS	23,355.55	-	23,355.55
	TOTAL CAPITAL	471,700.12	-	471,700.12
82850000	A-87 COST ALLOCATION	1,383,145.00	(201,289.00)	1,181,856.00
99540000	OPERATING TRANS-DEV CENTER	24,635.00	-	24,635.00
99550000	OPERATING TRANS-MISC	43,218.00	-	43,218.00
	TOTAL TRANSFERS/FEES	1,450,998.00	(201,289.00)	1,249,709.00
	GRAND TOTAL- EXPENDITURES	$ 40,443,689.45	$ 161,981.05	$ 40,605,670.50
	LESS: SDSF CONTRIBUTION	(3,306,205.00)	(778,040.34)	(4,084,245.34)
	NET TOTAL- EXPENDITURES	$ 37,137,484.45	$ (616,059.29)	$ 36,521,425.16

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: October 31, 2026

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: 2026 WATER RATE STUDY TASK #4
FY26 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	$ 49,365	3.61%	$ 124,728	$ 126,372
BOOSTER A	20,720	1.34%	52,352	53,042
BOOSTER D	26,078	1.68%	65,890	66,759
BRISTOL	11,383	0.73%	28,761	29,140
COLDBROOK	89,180	5.75%	242,458	245,652
COVELL	74,053	4.78%	187,107	189,573
EAST PARIS	215,228	13.88%	543,808	550,976
FRANKLIN	400,712	25.84%	1,012,464	1,025,808
LIVINGSTON	356,696	23.00%	901,250	913,129
WILSON	116,774	7.53%	295,048	298,937
BURTON	48,187	3.11%	121,752	123,357
DEAN LAKE	135,679	8.75%	342,815	347,333
CALEDONIA	6,779.00	0.44%	17,128.00	17,354
TOTAL	$ 1,550,834	100.00%	$ 3,918,433	$ 3,970,078

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: September 21, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: Molly Clarin
Chief Financial Officer

SUBJECT: 2026 WATER RATE STUDY TASK #5
KNOWN COST ADJUSTMENTS

Known cost adjustments by which to adjust FY26 operating costs are listed below.

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

The most recent labor negotiations resulted in both GREIU and APA wages increasing by 4.00% in FY2027 and FY2028. After converting these increases from a 2026 fiscal year to a 2027 calendar year basis, the result is a 6.080% factor for both GREIU and 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 (83% GREIU and 17% APA). Executive and non-reps amounted to only 1.5% of the population and were therefore excluded. **The wage increase factor to translate FY2026 actual costs to estimated calendar 2027 will be 6.080%** [6.080 X 83% + 6.080 X 17%].

Expense Object – 82840000/84500000/82850000

Adjust FY2026 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 FY2027 and FY2028 budget amounts thus arriving at an estimated 2027 calendar year rate as follows:

82840000-Data Charges			
Fund-Cost Center	FY2027 Request	FY2028 Forecast	Calendar 2027 Estimate
5910-25355	$21,070	$21,600	**$21,335**
5910-53601	$33,563	$34,408	**$33,986**
5910-53630	$156,797	$160,745	**$158,771**
5910-53640	$61,532	$63,081	**$62,307**
5910-53645	$16,781	$17,204	**$16,993**
5910-53660	$173,244	$177,605	**$175,425**
5910-53665	$179,005	$183,511	**$181,258**
Total	$641,992	$658,154	**$650,075**

84500000-General Liability Insurance			
Fund-Cost Center	FY2027 Request	FY2028 Forecast	Calendar 2027 Estimate
5910-25355	$2,977	$3,185	**$3,081**
5910-53601	$258,924	$277,049	**$267,987**
Total	$261,901	$280,234	**$271,068**

82850000-Contributions to Other Funds (Cost Allocation)			
Fund-Cost Center	FY2027 Request	FY2028 Forecast	Calendar 2027 Estimate
5910-53601	$1,077,121	$1,046,192	**$1,061,657**
5910-53630	$119,009	$121,389	**$120,199**
Total	$1,196,130	$1,167,581	**$1,181,856**

Expense Object - 71050000

Increase FY2026 actual FICA expense by 6.080% consistent with the known wage increase factor noted above.

Expense Object - 71100000

The calendar 2027 Trend Report is not finalized at this time. However, unfavorable health insurance cost trends were anticipated in the calendar 2026 report. Both the medical trend increase assumption (6.5%) and the prescription drug trend increase assumption (7.5%) remained the same in the 2026 report as in the 2025 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 as no surplus reduction adjustment was included in the 2026 report. This further contributes to projected health insurance cost increases. **Increase FY2026 health insurance actual by 9.66% to reflect these anticipated rate changes.**

The budgeted FY2027 ($19,338.00) and FY2028 ($21,042.00) health insurance rates were blended into a 2027 calendar year rate estimate and divided by the FY2026 base budget amount ($18,412.00) to arrive at the increase factor [((((($19,338.00 + $21,042.00) / 2)) / $18,412.00) - 1) * 100)].

Expense Object - 71150000

Retiree health care ("RHC") rates are projected to trend down in FY2027 (to 3.66%) and FY2028 (to 3.69%) from a base year rate of 3.90% in FY2026.

The RHC factor after consideration of the above rate and wage adjustments is 99.97% (or a decrease of 0.03%) for both GREIU and APA members. These factors are then weighted in accordance with union membership within the Water Fund [(-0.03 * 83%) + (-0.03 * 17%)].

The factor to establish calendar year 2027's retiree health care cost is -0.03%. **Decrease the total of fiscal year 2026's retiree health care by this percent to establish the cost for calendar year 2027.**

Expense Object - 71200000

The pension expense factor to translate FY2026 actual costs to estimated calendar 2027 will be -2.36%. **Decrease the total of fiscal year 2026's pension expense by this percent to establish the cost for calendar year 2027.** This reflects the effect of a General Pension rate change decrease from FY26 of 22.12% to a calendar 2027 rate of 20.36% and the projected wage adjustments discussed above. The calendar 2027 rate is a blend of the FY2027 rate (20.32%) and the FY2028 rate (20.40%).

The pension factor after consideration of the above rate and wage adjustments is 97.64% (or a decrease of 2.36%) for both GREIU and APA members. These factors are then weighted in accordance with union membership within the Water Fund [(-2.36 * 83%) + (-2.36 * 17%)].

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: October 31, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: Nick Fisher
Water System Manager

SUBJECT: 2026 WATER RATE STUDY TASK #5
KNOWN COST ADJUSTMENTS

Known cost adjustments by which to adjust FY26 operating costs are listed below:

ACCOUNT	DESCRIPTION	AMOUNT
5910-53660-80100000	Private Lead Service Line Replacement FY26 Expenses (adjust to admin cost center 53601 to allocate GR only)	$1,503,018.01
5910-53601-80300000	Kent County Community Action Program (ICB) (adjusting FY26 to zero, as this program is not funded by water rates)	($21,384.40)
5910-53665-92000000	Consumers Energy Green Generation participation (adjust to admin cost center 53601 to allocate GR only)	$58,174.20
5910-53601-69310000	Early retirement of Market Ave Trunk Watermain, excluded due to private contribution of the replacement asset.	($615,221.33)
5910-53665-75300000	Increase in contract price for fluoride used in the production of potable water	$125,000

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: October 31, 2026

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: 2026 WATER RATE STUDY TASK #6

The Water Supply System Fund's revenue by governmental unit for the year ending June 30, 2026, 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
TASK NO. 6

DETERMINE WATER VOLUME AND REVENUE BY GOVERNMENTAL ENTITY FOR THE YEAR ENDED JUNE 30, 2026:

	SALES REVENUE		3 YR AVE VOL BILLED	3 YR AVE VOL BILLED
RETAIL:	A	B	(GALLONS)	(HCF)
CITY OF GRAND RAPIDS (1)	$ 34,947,777.14		6,312,616,596	8,439,327
CITY OF WALKER	4,684,686.83		980,393,876	1,310,687
CITY OF KENTWOOD	5,261,161.61		1,264,057,168	1,689,916
CASCADE TOWNSHIP	4,346,961.97		762,431,164	1,019,293
GRAND RAPIDS TOWNSHIP	3,236,932.25		569,023,796	760,727
TALLMADGE TOWNSHIP	239,309.64	66,502.80	60,848,304	81,348
SUB-TOTAL RETAIL (2)	$ 52,716,829.44	$ 66,502.80	9,949,370,904	13,301,298
WHOLESALE:				
CITY OF E. GRAND RAPIDS	$ 977,340.90		418,728,156	559,797
OTTAWA CO. (3)	3,262,634.30	19,075.68	1,751,916,232	2,342,134
CALEDONIA TOWNSHIP (4)	563,651.41		165,495,000	221,250
ADA TOWNSHIP	1,695,148.72		454,572,316	607,717
SUB-TOTAL WHOLESALE	$ 6,498,775.33	$ 19,075.68	2,790,711,704	3,730,898
TOTAL	$ 59,215,604.77	$ 85,578.48	12,740,082,608	17,032,196

REVENUE CLASSIFICATION:

A)	5910-53601-64310000 RETAIL METERED WATER SALES		52,712,058.44
	5910-53601-64330000 WHOLESALE WATER SALES		6,498,775.33
	5910-53601-64350000 WYOMING WATER SALES		4,771.00
		SUB-TOTAL	$ 59,215,604.77
B)	5910-53601-61710000 FIRE HYDRANT BILLINGS		85,578.48
		TOTAL	$ 59,301,183.25

(1) THE VOLUME & REVENUE AMOUNT FOR THE CITY OF WYOMING ARE INCLUDED IN THE GRAND RAPIDS TOTALS.

(2) A NET REVENUE ACCRUAL OF $7,521.19 HAS BEEN PRORATED TO ALL RETAIL CUSTOMER COMMUNITIES TO ACCRUE BILLINGS FROM THE LAST READING DATE THROUGH JUNE 30, 2026.

(3) OTTAWA COUNTY RATES ARE CALCULATED BASED ON MOST RECENT FISCAL YEAR BILLED VOLUME PER CONTRACT.

(4) CALEDONIA TOWNSHIP WAS ADDED TO THE WATER SYSTEM ON MARCH 10, 2026 AS A NEW WHOLESALE CUSTOMER. THE AVE VOL BILLED AMOUNT OF 221,250 HCF IS AN ESTIMATE PROVIDED BY CALEDONIA

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
2026 RATE STUDY TASK NO. 6

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

MUNICIPALITY	FY22 VOL BILLED	FY23 VOL BILLED	FY23 % CHANGE	FY24 VOL BILLED	FY24 % CHANGE	FY25 VOL BILLED	FY25 % CHANGE	FY26 VOL BILLED	FY26 % CHANGE	FY22 - FY26 % CHANGE
GRAND RAPIDS	6,151,371	6,325,990	2.84%	6,131,530	-3.07%	6,336,944	3.35%	6,469,375	2.09%	5.17%
WALKER	923,869	943,276	2.10%	925,908	-1.84%	983,212	6.19%	1,032,062	4.97%	11.71%
KENTWOOD	1,270,170	1,270,658	0.04%	1,267,574	-0.24%	1,248,752	-1.48%	1,275,846	2.17%	0.45%
CASCADE TWP	697,931	716,807	2.70%	739,534	3.17%	749,910	1.40%	797,851	6.39%	14.32%
GRAND RAPIDS TWP	528,741	579,069	9.52%	532,514	-8.04%	568,223	6.71%	606,336	6.71%	14.68%
TALLMADGE TWP	52,057	53,593	2.95%	59,974	11.91%	61,124	1.92%	61,446	0.53%	18.04%
EAST GRAND RAPIDS**	429,664	479,864	11.68%	409,223	-14.72%	416,597	1.80%	430,365	3.30%	0.16%
OTTAWA COUNTY***	1,426,225	1,471,115	3.15%	1,465,108	-0.41%	1,567,717	7.00%	1,751,916	11.75%	22.84%
CALEDONIA TWP****	0	0	N/A	0	N/A	0	N/A	50,834	N/A	N/A
ADA TWP	461,794	487,813	5.63%	450,435	-7.66%	455,840	1.20%	457,443	0.35%	-0.94%
TOTAL	11,941,820	12,328,184	3.24%	11,981,799	-2.81%	12,388,319	3.39%	12,933,474	4.40%	8.30%
VOLUME PUMPED	13,365,000	13,651,000		12,899,000		13,368,205		13,606,178		
% BILLED TO PUMPED	89.4%	90.3%		92.9%		92.7%		95.1%		

GRAND RAPIDS VOLUME COMPARED TO CUSTOMER COMMUNITIES

VOLUME = 1,000 GALLONS	FY22 VOL BILLED	FY23 VOL BILLED	FY23 % OF TOTAL	FY24 VOL BILLED	FY24 % OF TOTAL	FY25 VOL BILLED	FY25 % OF TOTAL	FY26 VOL BILLED	FY26 % OF TOTAL
GRAND RAPIDS	6,151,371	6,325,990	51.31%	6,131,530	51.17%	6,336,944	51.15%	6,469,375	50.02%
CUSTOMER COMMUNITIES	5,790,449	6,002,195	48.69%	5,850,269	48.83%	6,051,374	48.85%	6,464,098	49.98%
TOTAL	11,941,820	12,328,184	100.00%	11,981,799	100.00%	12,388,319	100.00%	12,933,474	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/FY26 due to a processing error.
*** Volume adjusted in FY22 for Ottawa County due to faulty meter conversion factor.
**** Caledonia Twp joined the Water System as a new wholesale customer on March 10, 2026.

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

OPERATING REVENUES OTHER THAN FROM SALES OF WATER:

Fund 5910		
47880000	CONTRACTOR UNDERGROUND LICENSE	$ 5,580.00
49160000	TAPPING PERMITS	37,875.00
62600000	SERVICE FEES-GENERAL	328,784.54
62650000	SERVICES FOR CONTRACTORS	56,721.73
61400000	INSPECTION FEES - UTILITIES	83,020.00
61510000	METER SETTING FEES	40,705.00
64230000	SALE OF SCRAP MATERIAL	55,819.60
64610000	INVENTORY WITHDRAWALS	10,126.72
64340000	UNMETERED WATER	176,006.43
67230000	PENALTIES ON SPECIAL ASSESSMENTS	19,457.45
		$ 814,096.47

CREDIT: UNDERUTILIZATION OF PENALTY CREDIT FROM PREVIOUS YEAR		$ 38,849.46

INTEGRATED SYSTEM CREDITS

Fund 5910		
61520000	INTEGRATED WATER CONNECTION	440,812.50
66710000	RENTALS-FACILITIES	427,928.00
67610000	REIMBURSEMENTS	1,626.84
67710000	CLAIMS-DAMAGE-ACCIDENT BILLINGS	429,919.26
68400000	MISC OTHER REVENUE	1,553,082.19
68710000	REFUNDS-REBATES	3,905.00
		$ 2,857,273.79

OFFSETTING CREDIT TO CUSTOMER ACCOUNTING ACTIVITY EXPENSES:

Fund 5910		
63420000	BILLABLE EXPENSE - SEWAGE DISPOSAL SYSTEM*	$ 3,312,042.53

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

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: August 26, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: Wayne Jernberg, PE
Utilities Director

SUBJECT: 2026 WATER RATE STUDY – TASK #8
CHANGES IN OPERATING LEVELS

No significant changes in operating levels are anticipated to take effect by January 1, 2027, which would require an adjustment to operating costs for the test period.

WJ

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: August 26, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: Wayne Jernberg, PE
Utilities Director

SUBJECT: 2026 WATER RATE STUDY – TASK #9
CHANGES IN OPERATING REVENUES

No significant changes in water revenues are anticipated to take effect by January 1, 2027, which would require an adjustment to operating revenue estimates as a whole.

WJ

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: October 31, 2026

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: 2026 WATER RATE STUDY- TASK #10

The following are water system projects that should be considered operative as of January 1, 2027.

Description	Location	Proj. Code	Cost
Pannell NW 850 – GRFD Training Facility	Grand Rapids	Contribution	$275,230
Pleasant Hills – Pleasant & Osgood SW	Grand Rapids	Contribution	$264,147
Leffingwell & Bradford	Grand Rapids	Contribution	$749,404
Knapp Hills – Dean Lake NE	Grand Rapids	Contribution	$193,340
MDOT – MLK over US-131	Grand Rapids	Contribution	$323,652
Oakwood NE – Knapp to 3 Mile	Grand Rapids	250680	$3,675,922
Garfield – Butterworth to Fulton	Grand Rapids	250430	$1,100,000
Burton – Division to Kalamazoo	Grand Rapids	250440, 250460	$8,529,987
Berkshire Drive – Giddings to Kalamazoo	Grand Rapids	260430	$1,936,743
Stevens – Steele to Randolph	Grand Rapids	250420	$4,265,506
Waterford Reserve – Lake MI Dr	Walker	Contribution	$480,755
Highview – Lewis Farms – Maverick Phase	Walker	Contribution	$420,068
Lake MI Dr NW – The Drive Townhomes	Walker	Contribution	$296,625
Cambridge Grove Phase 4	Walker	Contribution	$321,785
Jason Ridge West Phase 2	Walker	Contribution	$168,270
Michigan NE – 4100 Blackhawk	GR Township	Contribution	$353,000
West Wing Ct – Lakewood Site Condo	Kentwood	Contribution	$199,425
North Ravines – Shaffer SE	Kentwood	Contribution	$404,100
		Total:	$23,957,959

This page intentionally left blank.

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

COMPUTE ACCUMULATED COST, DEPRECIATION AND DEPRECIATION EXPENSE AS OF JUNE 30, 2026

INTEGRATED SYSTEM

	ORIGINAL COST	ACCUMULATED DEPRECIATION	DEPRECIATION EXPENSE
LAND & EASEMENTS	$ 2,745,792	$ -	$ -
LAND IMPROVEMENTS	5,827,059	3,073,288	253,274
BUILDINGS & STRUCTURES	54,353,649	34,962,009	1,266,661
STORAGE	10,453,838	8,151,861	159,878
PROCESS EQUIPMENT	74,718,591	50,686,420	1,443,137
AUXILIARY EQUIPMENT	23,049,314	11,287,909	1,375,528
MACHINERY & EQUIPMENT	5,963,431	4,142,521	370,618
WATERMAINS	56,676,525	26,643,037	725,948
	$ 233,788,199	$ 138,947,045	$ 5,595,044

NON-INTEGRATED SYSTEM

	ORIGINAL COST	ACCUMULATED DEPRECIATION	DEPRECIATION EXPENSE
LAND & EASEMENTS	$ 4,312,010	$ -	$ -
LAND IMPROVEMENTS	1,427,825	1,267,225	13,765
BUILDINGS & STRUCTURES	23,442,600	7,612,596	536,953
STORAGE	16,283,807	9,211,254	400,162
PROCESS EQUIPMENT	13,067,232	5,473,666	450,068
AUXILIARY EQUIPMENT	14,288,873	6,443,079	854,240
MACHINERY & EQUIPMENT	671,695	568,735	51,428
OFFICE EQUIPMENT & FURNITURE	247,359	247,359	-
WATERMAINS - GRAND RAPIDS	266,945,288	60,198,286	3,772,258
WATERMAINS - WALKER	37,241,663	11,300,117	487,648
WATERMAINS - KENTWOOD	34,611,954	12,333,328	455,615
WATERMAINS - CASCADE TWP*	40,252,645	9,610,127	514,234
WATERMAINS - GRAND RAPIDS TWP	24,843,840	7,211,347	327,307
WATERMAINS - TALLMADGE TWP	3,143,788	774,064	41,741
	$ 480,780,579	$ 132,251,183	$ 7,905,419
TOTAL	$ 714,568,778	$ 271,198,228	$ 13,500,463

SOURCE: GENERAL LEDGER, AS ADJUSTED, FOR JUNE 30, 2026.

*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, 2026: $ 2,746,740

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 = $ 36,521,425 @ 90/365 = $ 9,005,283

TOTAL WORKING CAPITAL NEEDS CONSIST OF THE FOLLOWING:

12A	INVESTMENT IN INVENTORY	$ 2,746,740
12B	PREPAYMENT OF OPERATING EXPENSES	-
12C	90 DAY OPERATING EXPENSES	9,005,283
		$ 11,752,023

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: August 11, 2026

TO: Tai Verbrugge
Utility Financial Officer

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

SUBJECT: 2026 WATER RATE STUDY- TASK #13

Lengths and costs of all zonegated 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, 2026

TO: Tai Verbrugge
Utility Financial Officer

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

SUBJECT: 2026 WATER RATE STUDY- TASK #14

There have been no changes in 2026 to the zonegating maps for the Water System.

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	$ 23,957,959	
	- TASK #11	714,568,778	
			$ 738,526,737
LESS: ACCUMULATED DEPRECIATION	- TASK #11	$ 271,198,228	
			(271,198,228)
			467,328,509
WORKING CAPITAL REQUIREMENT	- TASK #12	$ 11,752,023	
			11,752,023
			479,080,532
CONTRIBUTIONS BY OTHERS	- TASK #21	$ 132,696,458	
LESS: AMORTIZATION		(48,173,472)	
			(84,522,986)
CONSTRUCTION COST RATE BASE			$ 394,557,545

This page intentionally left blank.

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: September 11, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: Lindsay Sagorski Munsell
Assistant Water System Manager

SUBJECT: 2026 Water Rate Study Integrated Connection Fees Task #15A

Attached is the Integrated Water Connection Fee Schedule of rates effective January 1, 2027. 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, 2027, shall be as follows:

Residential Users (three residential units or less)

Plan Review and Connection Fee (PRC Fee)			
Meter Size	**2026**	**2027**	**% Change**
3/4 inch	$400	$405	1.25%
1 inch	$420	$425	1.19%
1-1/2 inch	$420	$425	1.19%

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

Plan Review and Connection Fee (PRC Fee)			
Meter Size	**2026**	**2027**	**% Change**
3/4 inch	$815	$815	0.00%
1 inch	$1,075	$1,075	0.00%

1-1/2 inch	$1,460	$1,460	0.00%
2 inch	$2,015	$2,015	0.00%
3 inch	$2,485	$2,485	0.00%
4 inch	$3,600	$3,600	0.00%
6 inch	$5,115	$5,115	0.00%

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	**2026**	**2027**	**% Change**
¾ inch	$225	$246	9.33%
1 inch	$315	$315	0.00%
1 ½ inch	$1,065	$1,065	0.00%
2 inch	$1,250	$1,250	0.00%
3 inch	$2,355	$2,536	7.69%
4 inch	$3,147	$3,367	6.99%
6 inch	$5,202	$5,566	7.00%
8 inch	$11,320	$11,320	0.00%
10 inch	$14,770	$15,731	6.51%

Irrigation/Fire Protection Review Fee

Irrigation/Fire Service Review Fee			
	2026	**2027**	**% Change**
All Sizes	$830	$830	0.00%

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			
	2026	**2027**	**% Change**
All Sizes	$125	$130	4.00%

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	JEFFERSON WM REPLACEMENT	1,650,000	2026
4	MILLBANK WM REPLACEMENT	935,000	2026
5	PLYMOUTH WM REPLACEMENT	2,750,000	2026
6	LEAD SERVICE LINE REPLACEMENTS (ROTOMILLS)	9,600,000	2026
7	BUCHANAN WM REPLACEMENT	2,530,000	2026
8	ADAMS WM LINING AND NEW LOCAL MAIN	1,000,000	2026
9	CASCADE PRV REPLACEMENTS	400,000	2026
10	WEALTHY WM REPLACEMENT	660,000	2026
11	CASCADE PRV REPLACEMENTS	750,000	2027
12	ALGER WM REPLACEMENT	2,530,000	2027
13	LEAD SERVICE LINE REPLACEMENTS (ROTOMILLS)	9,600,000	2027
14	BUCHANAN WM REPLACEMENT	2,090,000	2027
15	2ND ST WM REPLACEMENT	1,430,000	2027
16	SHERMAN WM REPLACEMENT	1,430,000	2027
17	BUTTERWORTH WM REPLACEMENT	1,760,000	2027
18	ADAMS TWM LINING	1,000,000	2027
19	BRISTOL WM EXPANSION	2,500,000	2027
20	GODFREY WM REPLACEMENT	2,700,000	2027
21	3RD AND 4TH WM REPLACEMENT	700,000	2027
22	60TH WM IN KENTWOOD	1,500,000	2028
23	CASCADE PRV REPLACEMENTS	750,000	2028
24	BUTTERWORTH WM REPLACEMENT	2,000,000	2028
25	LEAD SERVICE LINE REPLACEMENTS (ROTOMILLS)	9,600,000	2028
26	HALL WM REPLACEMENT	1,750,000	2028
27	SOUTH WALKER WM EXPANSION	1,000,000	2028
28	ADAMS TWM LINING	1,000,000	2028
29	WEALTHY WM REPLACEMENT	1,000,000	2028
30	60TH WM IN KENTWOOD	1,250,000	2029
31	DIVISION WM REPLACEMENT	3,700,000	2029
32	LOGAN WM REPLACEMENT	2,000,000	2029
33	BROOKLYN WM IMPROVEMENT	900,000	2029
34	DIAMOND WM REPLACEMENT	2,300,000	2029
35	ADAMS TWM LINING	1,000,000	2029
36	LEAD SERVICE LINE REPLACEMENTS (ROTOMILLS)	9,600,000	2029
37	SOUTH WALKER WM EXPANSION	1,000,000	2029
38	LINCOLN WM REPLACEMENT	1,600,000	2029

39	WEALTHY WM REPLACEMENT	1,200,000	2029
40	CLANCY WM REPLACEMENT	600,000	2029
41	ADAMS TWM LINING	1,000,000	2030
42	CASCADE HALL WM EXPANSION	1,000,000	2030
43	LEAD SERVICE LINE REPLACEMENTS (ROTOMILLS)	9,600,000	2030
44	LAFAYETTE WM REPLACEMENT	900,000	2030
45	KNAPP WM REPLACEMENT	3,000,000	2030
46	BRIDGE WM REPLACEMENT	1,400,000	2030
47	JEFFERSON WM REPLACEMENT	1,500,000	2030
48	LEAD SERVICE LINE REPLACEMENTS (ROTOMILLS)	9,600,000	2031
49	IONIA WM REPLACEMENT	1,000,000	2031
50	MT VERNON WM REPLACEMENT	700,000	2031
51	KNAPP WM REPLACEMENT	2,000,000	2031
52	LAFAYETTE WM REPLACEMENT	2,000,000	2031
53	CASCADE HALL WM EXPANSION	1,500,000	2031
54	TWM LINING	1,000,000	2031
55	FREEMAN WM IMPROVEMENT	1,250,000	2031
56	KENTRIDGE WM IMPROVEMENT	2,000,000	2031
57	NORTHEAST ELEVATED STORAGE TANK	11,030,000	2031
		$ 149,595,000	

NOTE: NONE OF THE PROJECTS ABOVE ARE INCLUDED IN RECOMMENDED REVENUE REQUIREMENTS FOR CALENDAR YEAR 2026. COSTS SHOWN ARE IN 2026 DOLLARS AND ARE TAKEN FROM THE FISCAL YEARS 2027-2031 CAPITAL PROJECT PLAN.

SOURCE: LINDSAY SAGORSKI MUNSELL, ASSISTANT WATER SYSTEM MANAGER, SEPT. 2026

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
2027	$ 3,955,000	$ 4,739,075	$ 8,694,075
2028	4,295,000	4,421,100	8,716,100
2029	4,220,000	4,206,350	8,426,350
2030	4,425,000	3,995,350	8,420,350
2031	4,645,000	3,774,100	8,419,100
2032	4,875,000	3,550,800	8,425,800
2033	5,105,000	3,316,350	8,421,350
2034	5,345,000	3,070,750	8,415,750
2035	5,625,000	2,803,500	8,428,500
2036	3,845,000	2,522,250	6,367,250
2037	4,035,000	2,330,000	6,365,000
2038	4,240,000	2,128,250	6,368,250
2039	4,455,000	1,916,250	6,371,250
2040	2,920,000	1,693,500	4,613,500
2041	3,070,000	1,547,500	4,617,500
2042	3,220,000	1,394,000	4,614,000
2043	3,380,000	1,233,000	4,613,000
2044	3,550,000	1,064,000	4,614,000
2045	3,730,000	886,500	4,616,500
2046	3,920,000	700,000	4,620,000
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	-	-	-
2052	-	-	-
	$ 92,935,000	$ 52,379,875	$ 145,314,875

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	$ 394,557,545
LESS: BONDED INDEBTEDNESS in CCRB (CASH BASIS) - TASK NO. 20	(166,438,174)
NET WATER SYSTEM EQUITY	$ 228,119,371

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

DATE	RATE	DATE	RATE
11-Sep-25	4.940%	12-Mar-26	4.810%
18-Sep-25	4.880%	19-Mar-26	4.780%
25-Sep-25	4.900%	26-Mar-26	4.940%
02-Oct-25	4.850%	02-Apr-26	4.860%
09-Oct-25	4.830%	09-Apr-26	4.720%
16-Oct-25	4.780%	16-Apr-26	4.720%
23-Oct-25	4.720%	23-Apr-26	4.680%
30-Oct-25	4.740%	30-Apr-26	4.740%
06-Nov-25	4.750%	07-May-26	4.720%
13-Nov-25	4.750%	14-May-26	4.750%
20-Nov-25	4.760%	21-May-26	4.890%
26-Nov-25	4.770%	28-May-26	4.770%
04-Dec-25	4.810%	04-Jun-26	4.700%
11-Dec-25	4.810%	11-Jun-26	4.720%
18-Dec-25	4.830%	18-Jun-26	4.690%
24-Dec-25	4.830%	25-Jun-26	4.670%
31-Dec-25	4.830%	02-Jul-26	4.630%
08-Jan-26	4.760%	09-Jul-26	4.680%
15-Jan-26	4.760%	16-Jul-26	4.720%
22-Jan-26	4.810%	23-Jul-26	4.810%
29-Jan-26	4.810%	30-Jul-26	4.710%
05-Feb-26	4.810%	06-Aug-26	4.700%
12-Feb-26	4.790%	13-Aug-26	4.670%
19-Feb-26	4.750%	20-Aug-26	4.760%
26-Feb-26	4.710%	27-Aug-26	4.780%
05-Mar-26	4.790%	03-Sep-26	4.940%
		52 WEEKS	4.776%

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)	$ 228,119,371	@	5.776%	=	$ 13,175,210
WATER SYSTEM INDEBTEDNESS IN THE CCRB					
2011 DWRF BONDS	586,301	@	2.50%	=	14,658
2011 DWRF BONDS	1,121,024	@	2.50%	=	28,026
2012 DWRF BONDS	1,500,930	@	2.50%	=	37,523
2012 DWRF BONDS	273,514	@	2.00%	=	5,470
2014 DWRF BONDS	1,462,840	@	2.50%	=	36,571
2015 DWRF BONDS	5,663,063	@	2.50%	=	141,577
2016 DWRF BONDS	1,213,008	@	2.50%	=	30,325
2018 BONDS (refunded 1993)	27,615,000	@	4.86%	=	1,343,093
2020 BONDS	24,100,000	@	5.00%	=	1,205,000
2022 DWRF BONDS	4,180,000	@	1.88%	=	78,375
2022 DWRF BONDS	9,172,494	@	1.88%	=	171,984
2024 DWRF BONDS	12,930,000	@	2.00%	=	258,600
2024 DWRF BONDS	17,530,000	@	2.50%	=	438,250
2025 DWRF BONDS	17,870,000	@	2.00%	=	357,400
2025 BONDS (refunded 2013, 2015, 2016)	41,220,000	@	5.00%	=	2,061,000
LESS INTEREST ON BOND RESERVE ACCOUNTS					(314,774)
	$ 394,557,545				$ 19,068,288

COMPOSITE RATE OF RETURN ON INVESTMENT = $ 19,068,288 / $ 394,557,545 = 4.833%

Noted Disclosure:
TOTAL BONDED INDEBTEDNESS IN CCRB (from above) $ 166,438,174 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, 2026

PHYSICAL LOCATION

DESCRIPTION		INTEGRATED SYSTEM	RETAIL: CITY OF GR	RETAIL: CITY OF WALKER	RETAIL: CITY OF KENTWOOD	RETAIL: CASCADE TOWNSHIP	RETAIL: GR TOWNSHIP	RETAIL: TALLMADGE TOWNSHIP	WHOLESALE: CITY OF EAST GR	WHOLESALE: COUNTY OF OTTAWA	WHOLESALE: ADA TOWNSHIP	WHOLESALE: CALEDONIA TOWNSHIP	TOTAL
COST		$ 233,788,199	$ 322,241,478	$ 39,531,194	$ 42,130,286	$ 40,251,580	$ 23,609,708	$ 3,143,788	$ -	$ -	$ -	$ -	$ 704,696,234
LESS: ACCUMULATED DEPRECIATION		138,947,045	78,509,982	11,765,710	15,585,172	9,609,659	6,536,521	774,064	-	-	-	-	261,728,153
NET BOOK VALUE		$ 94,841,154	$ 243,731,496	$ 27,765,484	$ 26,545,114	$ 30,641,921	$ 17,073,187	$ 2,369,724	$ -	$ -	$ -	$ -	$ 442,968,081
WORKING CAPITAL REQUIREMENT		4,838,896	4,357,650	611,105	682,440	555,518	520,732	34,433	4,466	-	146,783	12,575	11,764,598
		$ 99,680,050	$ 248,089,146	$ 28,376,589	$ 27,227,554	$ 31,197,439	$ 17,593,919	$ 2,404,157	$ 4,466	$ -	$ 146,783	$ 12,575	$ 454,732,679
CONTRIBUTIONS		580,137	34,751,586	26,909,237	21,591,173	27,157,138	18,465,277	3,154,108	-	-	-	-	132,608,656
LESS AMORTIZATION		(107,195)	(17,001,896)	(8,841,428)	(7,722,341)	(8,085,606)	(5,543,760)	(783,444)	-	-	-	-	(48,085,670)
		$ (472,942)	$ (17,749,690)	$(18,067,809)	$(13,868,832)	$ (19,071,532)	$ (12,921,517)	$ (2,370,664)	$ -	$ -	$ -	$ -	$ (84,522,986)
CONSTRUCTION COST RATE BASE		$ 99,207,108	$ 230,339,456	$ 10,308,780	$ 13,358,722	$ 12,125,907	$ 4,672,402	$ 33,493	$ 4,466	$ -	$ 146,783	$ 12,575	$ 370,209,692
RETURN ON INVESTMENT- TASK 4/5			12,315										$ 12,315
RETURN ON INVESTMENT- TASK 20	4.833%	$ 4,794,680	$ 11,119,991	$ 498,223	$ 645,627	$ 586,045	$ 225,817	$ 1,619	$ 216	$ -	$ 7,094	$ 608	$ 17,879,920

ZONEGATED

COST		$ -	$ (20,327,815)	$ 4,395,032	$ 6,897,529	$ 17,653,410	$ 7,150,063	$ 351,034	$ 2,655,008	$ -	$ 7,199,942	$ 7,425,491	$ 33,399,694
LESS: ACCUMULATED DEPRECIATION		-	(8,478,756)	1,640,380	2,519,428	7,143,256	2,481,650	153,806	1,134,607	-	2,433,417	442,287	9,470,075
NET BOOK VALUE		$ -	$ (11,849,059)	$ 2,754,652	$ 4,378,101	$ 10,510,154	$ 4,668,413	$ 197,228	$ 1,520,401	$ -	$ 4,766,525	$ 6,983,204	$ 23,929,619
WORKING CAPITAL REQUIREMENT		-	-	-	-	-	-	-	-	-	-	-	-
		$ -	$ (11,849,059)	$ 2,754,652	$ 4,378,101	$ 10,510,154	$ 4,668,413	$ 197,228	$ 1,520,401	$ -	$ 4,766,525	$ 6,983,204	$ 23,929,619
CONTRIBUTIONS		-	-	-	14,931	15,223	26,621	-	-	-	31,027	-	87,802
LESS AMORTIZATION		-	-	-	(14,931)	(15,223)	(26,621)	-	-	-	(31,027)	-	(87,802)
		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CONSTRUCTION COST RATE BASE		$ -	$ (11,849,059)	$ 2,754,652	$ 4,378,101	$ 10,510,154	$ 4,668,413	$ 197,228	$ 1,520,401	$ -	$ 4,766,525	$ 6,983,204	$ 23,929,619
RETURN ON INVESTMENT- TASK 19/20		$ -	$ (1,099,069)	$ 255,510	$ 406,094	$ 974,877	$ 433,022	$ 18,294	$ 141,026	$ -	$ 442,123	$ 647,732	$ 2,219,609
RETURN ON INVESTMENT- TASK 19/20		9.276%	9.276%	9.276%	9.276%	9.276%	9.276%	9.276%	9.276%		9.276%	9.276%	
TOTAL RETURN ON INVESTMENT		$ 4,794,680	$ 10,020,922	$ 753,733	$ 1,051,721	$ 1,560,922	$ 658,839	$ 19,913	$ 141,242	$ -	$ 449,217	$ 648,340	$ 20,099,529

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
CONSTRUCTION COST & ACCUMULATED DEPRECIATION- TASK NO. 21- PART 2
FISCAL YEAR ENDED JUNE 30, 2026

CONSTRUCTION COST

			RETAIL						WHOLESALE				
COST CENTER	AMOUNT	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	TOTAL
BY PHYSICAL LOCATION- TASK 11		$ 233,788,199	$ 328,581,420	$ 38,181,505	$ 45,777,381	$ 40,252,645	$ 24,843,840	$ 3,143,788	$ -	$ -	$ -	$ -	$ 714,568,778
IN SERVICE- TASK 10		-	21,313,931	1,687,503	603,525	-	353,000	-	-		-	-	23,957,959
PUMPING STATIONS:													
KNAPP SERVICE CENTER	$ 3,967,519		(3,057,051)	5	302,623	407,005	1,306,559	-	-	-	1,040,859	-	-
LIVINGSTON	4,434,386		(1,362,877)	-	102,554	84,557	649,563	-	-	-	526,175	28	-
FRANKLIN	12,691,868		(8,241,869)	1	4,316,748	2,095,282	-	-	1,660,995	-	-	168,843	-
LEFFINGWELL	141,009		(107,375)	-	18,260	18,616	32,555	-	-	-	37,944	-	-
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		(7,707)	-	-	1	7,706	-	-	-	-	-	-
COVELL	1,563,604		(869,049)	869,049	-	-	-	-	-	-	-	-	-
WILSON	4,335,618		(3,097,102)	2,955,135	-	-	-	138,721	-	-	-	3,246	-
LIVINGSTON EIPD	5,708,345		(24,260)	-	-	-	24,260	-	-	-	-	-	-
CALEDONIA 60TH ST	4,411,064		(4,411,064)	-	-	-	-	-	-	-	-	4,411,064	-
STORAGE TANKS:													
ELKS	509,594		(168,196)	168,171	-	25	-	-	-	-	-	-	-
KNAPP	126,446		(96,875)	-	9,597	12,836	41,566	-	-	-	32,876	-	-
CAMBRIDGE	471,529		(162,414)	-	151,060	11,354	-	-	-	-	-	-	-
PATTERSON	3,938,991		31	6	(3,823,963)	3,823,926	-	-	-	-	-	-	-
WATERMAINS			(26,804,933)	64,851	4,366,253	8,831,574	3,500,722	212,313	994,013	-	5,562,088	2,842,310	(430,809)
ADJUSTED BY ZONEGATING		$ 233,788,199	$ 301,913,663	$ 43,926,226	$ 49,027,815	$ 57,904,990	$ 30,759,771	$ 3,494,822	$ 2,655,008	$ -	$ 7,199,942	$ 7,425,491	$ 738,095,928
LESS: ZONEGATING ADJUSTMENT		$ -	$ (20,327,815)	$ 4,395,032	$ 6,897,529	$ 17,653,410	$ 7,150,063	$ 351,034	$ 2,655,008	$ -	$ 7,199,942	$ 7,425,491	$ 33,399,694
PHYSICAL LOCATION		$ 233,788,199	$ 322,241,478	$ 39,531,194	$ 42,130,286	$ 40,251,580	$ 23,609,708	$ 3,143,788	$ -	$ -	$ -	$ -	$ 704,696,234

ACCUMULATED DEPRECIATION

BY PHYSICAL LOCATION- TASK 11		$ 138,947,045	$ 85,376,455	$ 11,982,783	$ 17,296,407	$ 9,610,127	$ 7,211,347	$ 774,064	$ -	$ -	$ -	$ -	$ 271,198,228
IN SERVICE- TASK 10		-	-	-	-	-	-	-			-	-	-
PUMPING STATIONS:													
KNAPP SERVICE CENTER	$ 3,130,492		(2,412,106)	4	238,779	321,140	1,030,914	-	-	-	821,269	-	-
LIVINGSTON	1,950,748		(599,549)	-	45,115	37,198	285,752	-	-	-	231,472	12	-
FRANKLIN	6,641,058		(4,312,584)	1	2,258,751	1,096,363	-	-	869,121	-	-	88,348	-
LEFFINGWELL	141,009		(107,375)	-	18,260	18,616	32,555	-	-	-	37,944	-	-
BRISTOL	495,965												-
EAST PARIS	3,640,220		216,130	-	(1,408,560)	1,192,430	-	-	-	-	-	-	-
BURTON	186,701		-										-
COLDBROOK PS PUMP 2	168,687		(3,339)	-	-	-	3,339	-	-	-	-	-	-
COVELL	985,035		(547,481)	547,481	-	-	-	-	-	-	-	-	-
WILSON	1,003,793		(717,048)	684,180	-	-	-	32,117	-	-	-	751	-
LIVINGSTON EIPD	1,209,950		(5,142)	-	-	-	5,142	-	-	-	-	-	-
CALEDONIA 60TH ST	88,221		(88,221)	-	-	-	-	-	-	-	-	88,221	-
STORAGE TANKS:													
ELKS	267,565		(88,312)	88,299	-	13	-	-	-	-	-	-	-
KNAPP	116,970		(89,615)	-	8,878	11,874	38,451	-	-	-	30,412	-	-
CAMBRIDGE	281,951		(97,115)	-	90,326	6,789	-	-	-	-	-	-	-
PATTERSON	1,322,859		10	2	(1,284,228)	1,284,216	-	-	-	-	-	-	-
WATERMAINS			(6,493,482)	103,340	840,872	3,174,149	410,671	121,689	265,486	-	1,312,320	264,955	-
ADJUSTED BY ZONEGATING		$ 138,947,045	$ 70,031,226	$ 13,406,090	$ 18,104,600	$ 16,752,915	$ 9,018,171	$ 927,870	$ 1,134,607	$ -	$ 2,433,417	$ 442,287	$ 271,198,228
LESS: ZONEGATING ADJUSTMENT		$ -	$ (8,478,756)	$ 1,640,380	$ 2,519,428	$ 7,143,256	$ 2,481,650	$ 153,806	$ 1,134,607	$ -	$ 2,433,417	$ 442,287	$ 9,470,075
PHYSICAL LOCATION		$ 138,947,045	$ 78,509,982	$ 11,765,710	$ 15,585,172	$ 9,609,659	$ 6,536,521	$ 774,064	$ -	$ -	$ -	$ -	$ 261,728,153

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
CONTRIBUTIONS & AMORTIZED CONTRIBUTIONS- TASK NO. 21- PART 3
FISCAL YEAR ENDED JUNE 30, 2026

CONTRIBUTIONS BY OTHERS

			RETAIL						WHOLESALE				
COST CENTER	AMOUNT	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	TOTAL
2025 RATE STUDY- LOCATION		$ 580,137	$ 34,403,493	$ 25,605,928	$ 20,474,997	$ 25,695,563	$ 17,806,714	$ 3,113,408	$ -	$ -	$ -	$ -	$ 127,680,240
ADDITIONS:													
FRONT FOOT FEES			161,370	-	153,450	-	48,900	-	-	-	-	-	363,720
FIXED ASSET CONTRIBUTIONS		-	186,723	1,303,309	962,726	1,461,575	609,663	40,700	-	-	-	-	4,564,696
OTHER CONTRIBUTIONS		-	-	-	-	-	-	-					-
		580,137	34,751,586	26,909,237	21,591,173	27,157,138	18,465,277	3,154,108	-	-	-	-	132,608,656
PUMPING STATIONS:													
LEFFINGWELL	$ 115,303			-	14,931	15,223	26,621	-	-	-	31,027	-	87,802
ADJUSTED BY ZONEGATING		580,137	34,751,586	26,909,237	21,606,104	27,172,361	18,491,898	3,154,108	-	-	31,027	-	132,696,458
LESS: ZONEGATING ADJUSTMENT		-	-	-	14,931	15,223	26,621	-	-	-	31,027	-	87,802
PHYSICAL LOCATION		580,137	34,751,586	26,909,237	21,591,173	27,157,138	18,465,277	3,154,108	-	-	-	-	132,608,656

AMORTIZED CONTRIBUTIONS

2025 RATE STUDY- LOCATION		$ 99,460	$ 16,565,652	$ 8,478,772	$ 7,431,977	$ 7,722,227	$ 5,295,538	$ 741,389	$ -	$ -	$ -	$ -	$ 46,335,015
CURRENT YEAR ADJUSTMENTS		7,735	436,213	362,656	290,364	363,379	248,222	42,055					1,750,624
PRIOR PERIOD ADJUSTMENT			31										31
		107,195	17,001,896	8,841,428	7,722,341	8,085,606	5,543,760	783,444	-	-	-	-	48,085,670
PUMPING STATIONS:													
LEFFINGWELL	$ 115,303			-	14,931	15,223	26,621	-	-	-	31,027	-	87,802
ADJUSTED BY ZONEGATING		107,195	17,001,896	8,841,428	7,737,272	8,100,829	5,570,381	783,444	-	-	31,027	-	48,173,472
LESS: ZONEGATING ADJUSTMENT		-	-	-	14,931	15,223	26,621	-	-	-	31,027	-	87,802
PHYSICAL LOCATION		107,195	17,001,896	8,841,428	7,722,341	8,085,606	5,543,760	783,444	-	-	-	-	48,085,670

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
RECONCILIATION OF CONSTRUCTION COST & ACCUMULATED DEPRECIATION- PHYSICAL LOCATION & ZONEGATING
FISCAL YEAR ENDED JUNE 30, 2026

CONSTRUCTION COST- BY PHYSICAL LOCATION

			RETAIL						WHOLESALE				
COST CENTER	AMOUNT	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	TOTAL
COST BY PHYSICAL LOCATION- TASK 11		$ 233,788,199	$ 340,686,689	$ 37,241,663	$ 34,611,954	$ 40,252,645	$ 24,843,840	$ 3,143,788	$ -	$ -	$ -	$ -	$ 714,568,778
IN SERVICE- TASK 10		-	21,313,931	1,687,503	603,525	-	353,000	-	-	-	-	-	23,957,959
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			(40,975,801)	(725,425)	(10,825,800)	(6,200)	(2,208,247)	-	-	-	-	-	(54,741,473)
ADD: WATERMAINS-TOTAL ADDS-HOME COMM			13,321,929	387,611	6,575,179	5,135	621,115	-	-	-	-	-	20,910,969
TOTAL-PHYSICAL LOCATION COST		$ 233,788,199	$ 322,241,478	$ 39,531,194	$ 42,130,285	$ 40,251,580	$ 23,609,708	$ 3,143,788	$ -	$ -	$ -	$ -	$ 704,696,233

CONSTRUCTION COST- ZONEGATING

PUMPING STATIONS:													
KNAPP SERVICE CENTER	$ 3,967,519		$ (3,057,051)	$ 5	$ 302,623	$ 407,005	$ 1,306,559	$ -	$ -	$ -	$ 1,040,859	$ -	$ -
LIVINGSTON	4,434,386		(1,362,877)	-	102,554	84,557	649,563	-	-	-	526,175	28	-
FRANKLIN	12,691,868		(8,241,869)	1	4,316,748	2,095,282	-	-	1,660,995	-	-	168,843	-
LEFFINGWELL	141,009		(107,375)	-	18,260	18,616	32,555	-	-	-	37,944	-	-
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		(7,707)	-	-	1	7,706	-	-	-	-	-	-
COVELL	1,563,604		(869,049)	869,049	-	-	-	-	-	-	-	-	-
WILSON	4,335,618		(3,097,102)	2,955,135	-	-	-	138,721	-	-	-	3,246	-
LIVINGSTON EIPD	5,708,345		(24,260)	-	-	-	24,260	-	-	-	-	-	-
CALEDONIA 60TH ST	4,411,064		(4,411,064)	-	-	-	-	-	-	-	-	4,411,064	-
STORAGE TANKS:													
ELKS	509,594		(168,196)	168,171	-	25	-	-	-	-	-	-	-
KNAPP	126,446		(96,875)	-	9,597	12,836	41,566	-	-	-	32,876	-	-
CAMBRIDGE	471,529		(162,414)	-	151,060	11,354	-	-	-	-	-	-	-
PATTERSON	3,938,991		31	6	(3,823,963)	3,823,926	-	-	-	-	-	-	-
WATERMAINS- ZONEGATED COST			848,939	402,665	8,616,873	8,832,639	5,087,854	212,313	994,013	-	5,562,088	2,842,310	33,399,694
TOTAL- ZONEGATED COST		$ -	$ (20,327,815)	$ 4,395,032	$ 6,897,529	$ 17,653,410	$ 7,150,063	$ 351,034	$ 2,655,008	$ -	$ 7,199,942	$ 7,425,491	$ 33,399,694
GRAND TOTAL- COST		$ 233,788,199	$ 301,913,663	$ 43,926,226	$ 49,027,814	$ 57,904,990	$ 30,759,771	$ 3,494,822	$ 2,655,008	$ -	$ 7,199,942	$ 7,425,491	$ 738,095,927

ACCUMULATED DEPRECIATION-BY PHYSICAL LOCATION

ACC DEPREC BY PHYSICAL LOCATION- TASK 11		$ 138,947,045	$ 91,022,200	$ 11,300,117	$ 12,333,328	$ 9,610,127	$ 7,211,347	$ 774,064	$ -	$ -	$ -	$ -	$ 271,198,228
BRISTOL			(495,965)	495,965									-
EAST PARIS			(3,640,220)		3,640,220								-
BURTON			(186,701)	186,701									-
PATTERSON			(1,322,859)		1,322,859								
WATERMAINS													
LESS: WATERMAINS-TOTAL SUBS-HOME COMM			(9,971,495)	(502,544)	(3,785,219)	(2,728)	(899,028)	-	-	-	-	-	(15,161,014)
ADD: WATERMAINS-TOTAL ADDS-HOME COMM			3,099,280	285,470	2,073,984	2,260	224,202	-	-	-	-	-	5,685,196
TOTAL-PHYSICAL LOCATION ACC DEP		$ 138,947,045	$ 78,504,240	$ 11,765,709	$ 15,585,172	$ 9,609,659	$ 6,536,521	$ 774,064	$ -	$ -	$ -	$ -	$ 261,722,410

ACCUMULATED DEPRECIATION-ZONEGATING

PUMPING STATIONS:													
KNAPP SERVICE CENTER	$ 3,130,492		$ (2,412,106)	$ 4	$ 238,779	$ 321,140	$ 1,030,914	$ -	$ -	$ -	$ 821,269	$ -	$ -
LIVINGSTON	1,950,748		(599,549)	-	45,115	37,198	285,752	-	-	-	231,472	12	-
FRANKLIN	6,641,058		(4,312,584)	1	2,258,751	1,096,363	-	-	869,121	-	-	88,348	-
LEFFINGWELL	141,009		(107,375)	-	18,260	18,616	32,555	-	-	-	37,944	-	-
BRISTOL	495,965		-	-	-	-	-	-	-	-	-	-	-
EAST PARIS	3,640,220		216,130	-	(1,408,560)	1,192,430	-	-	-	-	-	-	-
BURTON	186,701		-	-	-	-	-	-	-	-	-	-	-
COLDBROOK PS PUMP 2	168,687		(3,339)	-	-	-	3,339	-	-	-	-	-	-
COVELL	985,035		(547,481)	547,481	-	-	-	-	-	-	-	-	-
WILSON	1,003,793		(717,048)	684,180	-	-	-	32,117	-	-	-	751	-
LIVINGSTON EIPD	1,209,950		(5,142)	-	-	-	5,142	-	-	-	-	-	-
CALEDONIA 60TH ST	88,221		(88,221)	-	-	-	-	-	-	-	-	88,221	-
STORAGE TANKS:													
ELKS	267,565		(168,196)	168,171	-	25	-	-	-	-	-	-	-
KNAPP	116,970		(89,615)	-	8,878	11,874	38,451	-	-	-	30,412	-	-
CAMBRIDGE	281,951		(97,115)	-	90,326	6,789	-	-	-	-	-	-	-
PATTERSON	1,322,859		10	2	(1,284,228)	1,284,216	-	-	-	-	-	-	-
WATERMAINS- ZONEGATED ACC DEP			372,991	320,413	2,552,107	3,174,617	1,085,497	121,689	265,486	-	1,312,320	264,955	9,470,075
TOTAL- ZONEGATED ACC DEP		$ -	$ (8,558,640)	$ 1,720,252	$ 2,519,428	$ 7,143,268	$ 2,481,650	$ 153,806	$ 1,134,607	$ -	$ 2,433,417	$ 442,287	$ 9,470,075
GRAND TOTAL- ACC DEP		$ 138,947,045	$ 69,945,600	$ 13,485,961	$ 18,104,600	$ 16,752,927	$ 9,018,171	$ 927,870	$ 1,134,607	$ -	$ 2,433,417	$ 442,287	$ 271,192,485

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ADJUSTED OPERATING EXPENSE ZONEGATED BY GOVERNMENTAL UNIT - TASK #22
FISCAL YEAR ENDED JUNE 30, 2026

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	$ 11,218,959	$ 11,218,959									
PUMPING STATIONS:											
A. PRIMARY TRANSPORT	650,592	650,592									
B. INTERMEDIATE TRANSPORT	3,319,486		1,825,626	29,140	443,324	288,142	395,557	-	7,453	-	312,116
WATERMAINS:											
A. PRIMARY TRANSPORT	465,379		243,418	41,535	70,016	57,418	26,038	154	3,434	-	20,616
B. INTERMEDIATE TRANSPORT	2,469,901		872,616	537,080	403,088	394,369	184,773	39,716	-	-	28,330
C. LOCAL DISTRIBUTION	6,338,905		4,545,123	518,269	447,970	386,673	417,670	23,200	-	-	-
RETAIL CUSTOMER METERING *	4,438,804		3,230,206	376,810	314,001	239,607	256,652	21,528			
SUBTOTAL OPERATING EXPENSE	28,902,026	11,869,551	10,716,989	1,502,834	1,678,399	1,366,209	1,280,690	84,598	10,887	-	361,062
ENGINEERING SERVICES	1,590,167	653,051	589,634	82,689	92,341	75,167	70,460	4,659	604	-	19,861
ADMINISTRATIVE EXPENSE	6,029,232	1,834,935	3,217,941	232,338	259,459	211,204	197,979	13,091	1,698	-	55,806
TOTAL	$ 36,521,425	$ 14,357,537	$ 14,524,564	$ 1,817,861	$ 2,030,199	$ 1,652,580	$ 1,549,129	$ 102,348	$ 13,189	$ -	$ 436,729

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

METHOD OF DISTRIBUTION

FILTRATION PLANT		100.000%	100.00%								
PUMPING STATIONS											
A. PRIMARY TRANSPORT		100.000%	100.00%								
B. INTERMEDIATE TRANSPORT		100.000%		54.997%	0.878%	13.355%	8.680%	11.916%		0.225%		9.403%
WATERMAINS											
TOTAL MILES:	1,214.61										
A. PRIMARY TRANSPORT		100.000%		52.305%	8.925%	15.045%	12.338%	5.595%	0.033%	0.738%		4.430%
MILES	60.95			31.88	5.44	9.17	7.52	3.41	0.02	0.45	-	2.70
B. INTERMEDIATE TRANSPORT		100.000%		35.330%	21.745%	16.320%	15.967%	7.481%	1.608%			1.147%
MILES	323.47			114.28	70.34	52.79	51.65	24.20	5.20	-	-	3.71
C. LOCAL DISTRIBUTION		100.000%		71.702%	8.176%	7.067%	6.100%	6.589%	0.366%			
MILES	830.19			595.26	67.88	58.67	50.64	54.70	3.04	-	-	-
RETAIL CUSTOMER METERING (1)		100.000%		72.772%	8.489%	7.074%	5.398%	5.782%	0.485%			
NUMBER OF METERS	82,545			60,070	7,007	5,839	4,456	4,773	400			
ENGINEERING SERVICES (2)		100.000%	41.068%	37.080%	5.200%	5.807%	4.727%	4.431%	0.293%	0.038%		1.249%
ADMINISTRATIVE EXPENSE (3)		100.000%	30.434%	53.372%	3.854%	4.303%	3.503%	3.284%	0.217%	0.028%		0.926%

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

	RETAIL BILLINGS	PERCENTAGE OF TOTAL	ALLOCATION *
CITY OF GRAND RAPIDS	$ 34,947,777	66.2934%	$ 565,446
CITY OF WALKER	4,684,687	8.8865%	75,797
CITY OF KENTWOOD	5,261,162	9.9800%	85,124
CASCADE TOWNSHIP	4,346,962	8.2459%	70,333
GRAND RAPIDS TOWNSHIP	3,236,932	6.1402%	52,373
TALLMADGE TOWNSHIP	239,310	0.4540%	3,872
	$ 52,716,830	100.0000%	$ 852,945

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

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ASSIGN DEPRECIATION EXPENSE TO CUSTOMER COMMUNITIES- TASK NO. 24
FISCAL YEAR ENDED JUNE 30, 2026

			RETAIL						WHOLESALE				
COST CENTER	DEPRECIATION EXPENSE	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	TOTAL
BY PHYSICAL LOCATION- TASK 11		$ 5,595,044	$ 5,852,756	$ 523,115	$ 646,266	$ 514,234	$ 327,307	$ 41,741	$ -	$ -	$ -	$ -	$ 13,500,463
IN SERVICE- TASK 10		-	284,185	50,389	8,047	-	4,707	-	-		-	-	347,328
PUMPING STATIONS:													
KNAPP SERVICE CENTER	$ 89,499		(68,961)	-	6,827	9,181	29,473	-	-	-	23,480	-	-
LIVINGSTON	128,213		(39,405)	-	2,965	2,445	18,781	-	-	-	15,213	1	-
FRANKLIN	506,359		(328,820)	-	172,222	83,594	-	-	66,268	-	-	6,736	-
LEFFINGWELL	-		-	-	-	-	-	-	-	-	-	-	-
BRISTOL	23,020												-
EAST PARIS	210,021		12,470	-	(81,267)	68,797	-	-	-	-	-	-	-
BURTON	12,447												-
COLDBROOK PS PUMP 2	12,976		(257)	-	-	-	257	-	-	-	-	-	-
COVELL	57,743		(32,093)	32,093	-	-	-	-	-	-	-	-	-
WILSON	169,453		(121,047)	115,498	-	-	-	5,422	-	-	-	127	-
LIVINGSTON EIPD	241,989		(1,028)	-	-	-	1,028	-	-	-	-	-	-
CALEDONIA 60TH ST	88,221		(88,221)	-	-	-	-	-	-	-	-	88,221	-
STORAGE TANKS:													
ELKS	7,807		(2,576)	2,576	-	-	-	-	-	-	-	-	-
KNAPP	225		(172)	-	17	23	74	-	-	-	58	-	-
CAMBRIDGE	23,697		(8,163)	-	7,592	571	-	-	-	-	-	-	-
PATTERSON	101,837		1	-	(98,863)	98,862	-	-	-	-	-	-	-
WATERMAINS			(347,894)	865	56,728	117,139	45,912	2,831	12,955	-	73,598	37,866	-
ADJUSTED BY ZONEGATING		5,595,044	5,110,775	724,536	720,534	894,846	427,539	49,994	79,223	-	112,349	132,951	13,847,791
LESS DEPR ON CIS (TASK 4/5)			(28,242)										(28,242)
LESS CONTRIBUTIONS AMORTIZED													
TASK NO. 21		(7,735)	(436,213)	(362,656)	(290,364)	(363,379)	(248,222)	(42,055)	-	-	-	-	(1,750,624)
TOTAL		$ 5,587,309	$ 4,646,320	$ 361,880	$ 430,170	$ 531,467	$ 179,317	$ 7,939	$ 79,223	$ -	$ 112,349	$ 132,951	$ 12,068,925

This page intentionally left blank.

CITY OF GRAND RAPIDS, MICHIGAN
WATER SUPPLY SYSTEM FUND
ACCUMULATE REVENUE REQUIREMENTS BY CUSTOMER COMMUNITIES- TASK NO. 25
FISCAL YEAR ENDED JUNE 30, 2026

		RETAIL						WHOLESALE				
COST CENTER	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	TOTAL
OPERATION & MAINTENANCE EXPENSE- TASK NO. 22	$ 14,357,537	$ 14,524,564	$ 1,817,861	$ 2,030,199	$ 1,652,580	$ 1,549,129	$ 102,348	$ 13,189	$ -	$ 436,729	$ 37,289	$ 36,521,425
DEPRECIATION EXPENSE TASK NO. 24	5,587,309	4,646,320	361,880	430,170	531,467	179,317	7,939	79,223	-	112,349	132,951	12,068,925
RETURN ON SYSTEM INVESTMENT TASK NO. 21	4,794,680	10,020,922	753,733	1,051,721	1,560,922	658,839	19,913	141,242	-	449,217	648,340	20,099,529
REVENUE CREDITS- TASK NO. 23	-	(565,446)	(75,797)	(85,124)	(70,333)	(52,373)	(3,872)	-	-	-	-	(852,945)
ALLOCATE:												
INTEGRATED REVENUES (A)	-	(1,506,120)	(309,557)	(320,455)	(248,457)	(164,779)	(24,481)	(101,451)	-	(125,240)	(56,734)	(2,857,274)
INTEGRATED EXPENSES (A)	(24,739,526)	11,270,267	2,316,409	2,397,955	1,859,199	1,233,038	183,191	759,151	3,358,610	937,167	424,539	-
LESS: CIRCUIT BREAKER (B)		(246,030)	-	-	(258,781)	-	-					(504,811)
	$ -	$ 38,144,477	$ 4,864,529	$ 5,504,466	$ 5,026,597	$ 3,403,171	$ 285,038	$ 891,354	$ 3,358,610	$ 1,810,222	$ 1,186,385	$ 64,474,849

(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.

	YEAR ENDED 6/30/26	PRO FORMA * 6/30/27
REVENUES:		
RETAIL/WHOLESALE WATER SALES	$ 59,301,183	$ 60,517,128
CONNECTION FEES/FRONT FOOT FEES	804,533	700,000
BILLABLE TO SDS FUND	3,312,043	3,934,554
OTHER OPERATING REVENUES	2,510,406	1,872,500
INTEREST ON INVESTMENTS	2,078,652	2,422,069
MISCELLANEOUS	2,302,987	445,490
TOTAL REVENUES	$ 70,309,804	$ 69,891,741
OPERATING EXPENSES:		
OPERATIONS & MAINTENANCE	$ 40,443,689	$ 43,215,597
DEPRECIATION	15,008,663	15,008,663
TOTAL EXPENSES	$ 55,452,352	$ 58,224,260
ADDITIONS: DEPRECIATION	15,008,663	15,008,663
NET EARNINGS OF THE SYSTEM	$ 29,866,115	$ 26,676,144
DEBT SERVICE		
SERIES 2025 BONDS	$ -	$ 4,861,225
SERIES 2020 BONDS	1,745,750	1,745,000
SERIES 2018 BONDS	2,087,850	2,087,850
SERIES 2016 BONDS	2,746,750	-
SERIES 2015 BONDS	2,253,750	-
SERIES 2013 BONDS	266,050	-
SENIOR LIEN	9,100,150	8,694,075
JUNIOR LIEN	2,480,539	3,235,337
TOTAL	11,580,689	11,929,412
COVERAGE RATIO - SENIOR DEBT	3.28	3.07
COVERAGE RATIO - ALL DEBT	2.58	2.24

* *WATER SALES ADJUSTED FOR RATE REVISIONS OF 6.38% AND 4.55% EFFECTIVE 1/1/26 AND 1/1/27, RESPECTIVELY; OTHER REVENUES AND OPERATIONS & MAINTENANCE EXPENSE PER 2026 FISCAL PLAN, ADJUSTED FOR CARRYFORWARDS AND KNOWN ADJUSTMENTS.*

SUMMARY

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

INITIAL SYSTEM REVENUE REQUIREMENTS		$ 64,979,660
REVENUES FROM CURRENT RATES		
MONTHLY METER CHARGE	$ 17,917,062	
MONTHLY BILLING CHARGE	3,505,452	
COMMODITY CHARGE	39,056,017	
MONTHLY FIRE PROTECTION	1,122,911	
ANNUAL HYDRANT CHARGE	66,503	(61,667,945)
INITIAL REQUIRED REVENUE INCREASE (DECREASE)		$ 3,311,715.00
INITIAL PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		5.37%
INITIAL SYSTEM REVENUE REQUIREMENTS FROM ABOVE		$ 64,979,660
LESS: AMOUNT OF CIRCUIT BREAKER RELIEF TO REDUCE RR's TO RETAIL SYSTEM REVENUE REQUIREMENTS		(504,811) $ 64,474,849
ACTUAL REQUIRED AMOUNT OF REVENUE INCREASE (DECREASE)		$ 2,806,904
ACTUAL PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		4.55%

WATER RATE STUDY
WATER SUPPLY SYSTEM FUND
TASK NO. 26

	METER SIZE	EQUIV. FACTOR	CITY OF GR METERS	CITY OF GR EQUIV.	CITY OF WALKER METERS	CITY OF WALKER EQUIV.	CITY OF KENTWOOD METERS	CITY OF KENTWOOD EQUIV.	CASCADE TWP METERS	CASCADE TWP EQUIV.	GR TWP METERS	GR TWP EQUIV.	TALLMADGE TWP METERS	TALLMADGE TWP EQUIV
A	3/4" or less	1.0000	53,674	53,674	5,628	5,628	3,874	3,874	3,300	3,300	4,002	4,002	310	310
B	1"	1.7778	2,616	4,651	565	1,004	699	1,243	394	700	377	670	39	69
C	1 1/4"	2.7778	-	-	-	-	-	-	-	-	-	-	-	-
D	1 1/2"	4.0000	1,314	5,256	287	1,148	467	1,868	310	1,240	179	716	18	72
E	2"	7.1111	774	5,504	111	789	194	1,380	95	676	41	292	2	14
F	3"	16.0000	135	2,160	16	256	26	416	11	176	12	192	1	16
G	4"	28.4444	74	2,105	7	199	12	341	2	57	3	85	1	28
H	6" and over	64.0000	19	1,216	2	128	4	256	-	-	2	128	-	-
			58,606	74,566	6,616	9,152	5,276	9,378	4,112	6,149	4,616	6,085	371	509
FIRE PROTECTION SERVICE														
H	6"		1,132		258		317		193		136		23	
I	8"		297		103		211		120		20		4	
J	10"		15		6		9		3		-		-	
K	12"		20		24		26		28		1		2	
			1,464		391		563		344		157		29	
		TOTAL	60,070		7,007		5,839		4,456		4,773		400	
		TOTAL											82,545	

Source: City of Grand Rapids, Michigan, Water/Sewer Customer Accounts/Meters Report, dated November 1, 2026.

CITY OF GRAND RAPIDS, MICHIGAN

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

SYSTEM REVENUE REQUIREMENTS						$ 38,144,477
REVENUES FROM CURRENT RATES						
MONTHLY METER CHARGE						
74,566 meter equivalents	**x**	$ 11.07	**x**	12 =	$ 9,905,347	
MONTHLY BILLING CHARGE						
58,606 meters	**x**	$ 3.67	**x**	12 =	2,581,008	
COMMODITY CHARGE						
8,439,327 units (100 CF)	**x**	$ 2.74		=	23,123,756	
MONTHLY FIRE PROTECTION					513,450	
ANNUAL HYDRANT CHARGE					-	(36,123,561)
REQUIRED REVENUE INCREASE (DECREASE)						$ 2,020,916
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES						5.59%

* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF $ 246,030

CITY OF GRAND RAPIDS, MICHIGAN

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

COMMODITY CHARGE:

$$\frac{\text{COMMODITY CHARGE @ 64\%}}{\text{BILLED UNITS}} = \frac{\$24,412,465}{8,439,327} = \$\ 2.89\ /100\ CF\ *$$

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS **		$ 38,144,477
NEW COMMODITY CHARGE 8,439,327 x $ 2.89	$ 24,389,655	
NEW MONTHLY BILLING CHARGE 58,606 x $ 3.66 x 12	2,573,976	
MONTHLY FIRE PROTECTION CHARGE	513,450	
ANNUAL HYDRANT CHARGE	-	(27,477,081)
		$ 10,667,396

$$\text{MONTHLY METER CHARGE} = \frac{\$10,667,396}{74,566 \times 12} = \$\ 11.92\ \text{MONTHLY}$$

		MONTHLY SERVICE CHARGE			
METER SIZE	EQUIVALENT	METER	BILLING	TOTAL	PRESENT
3/4" or less	1.0000	$ 11.92	$ 3.66	$ 15.58	$ 14.74
1"	1.7778	21.19	3.66	24.85	23.35
1 1/4"	2.7778	33.11	3.66	36.77	34.42
1 1/2"	4.0000	47.68	3.66	51.34	47.95
2"	7.1111	84.76	3.66	88.42	82.39
3"	16.0000	190.72	3.66	194.38	180.79
4"	28.4444	339.06	3.66	342.72	318.55
6" and over	64.0000	762.88	3.66	766.54	712.15

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2027
** REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF $ 246,030

CITY OF WALKER, MICHIGAN

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

SYSTEM REVENUE REQUIREMENTS							$ 4,864,529
REVENUES FROM CURRENT RATES							
MONTHLY METER CHARGE							
9,152 meter equivalents	**x**	$ 13.52	**x**	12 =	$	1,484,820	
MONTHLY BILLING CHARGE							
6,616 meters	**x**	$ 3.67	**x**	12 =		291,369	
COMMODITY CHARGE							
1,310,687 units (100 CF)	**x**	$ 2.23		=		2,922,832	
MONTHLY FIRE PROTECTION						159,580	
ANNUAL HYDRANT CHARGE						-	(4,858,601)
REQUIRED REVENUE INCREASE (DECREASE)							$ 5,928
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES							0.12%

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 *
$ 2.23 x 100.12%		

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS		$ 4,864,529
NEW COMMODITY CHARGE 1,310,687 x $ 2.23	$ 2,922,832	
NEW MONTHLY BILLING CHARGE 6,616 x $ 3.66 x 12	290,575	
MONTHLY FIRE PROTECTION CHARGE	159,580	
ANNUAL HYDRANT CHARGE	-	(3,372,987)
		$ 1,491,542

$$\text{MONTHLY METER CHARGE} = \frac{\$1,491,542}{9,152 \times 12} = \$\ 13.58 \text{ MONTHLY}$$

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE METER	MONTHLY SERVICE CHARGE BILLING	MONTHLY SERVICE CHARGE TOTAL	PRESENT
3/4" or less	1.0000	$ 13.58	$ 3.66	$ 17.24	$ 17.19
1"	1.7778	24.14	3.66	27.80	27.71
1 1/4"	2.7778	37.72	3.66	41.38	41.23
1 1/2"	4.0000	54.32	3.66	57.98	57.75
2"	7.1111	96.57	3.66	100.23	99.81
3"	16.0000	217.28	3.66	220.94	219.99
4"	28.4444	386.27	3.66	389.93	388.24
6" and over	64.0000	869.12	3.66	872.78	868.95

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2027

CITY OF KENTWOOD, MICHIGAN

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

SYSTEM REVENUE REQUIREMENTS							$ 5,504,466
REVENUES FROM CURRENT RATES							
MONTHLY METER CHARGE							
9,378 meter equivalents	**x**	$ 14.75	**x**	12 =	$	1,659,906	
MONTHLY BILLING CHARGE							
5,276 meters	**x**	$ 3.67	**x**	12 =		232,355	
COMMODITY CHARGE							
1,689,916 units (100 CF)	**x**	$ 1.92		=		3,244,639	
MONTHLY FIRE PROTECTION						236,553	
ANNUAL HYDRANT CHARGE						-	(5,373,453)
REQUIRED REVENUE INCREASE (DECREASE)							$ 131,013
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES							2.44%

CITY OF KENTWOOD, MICHIGAN

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

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT	$ 1.97	/100 CF *
$ 1.92 x 102.44%		

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS		$ 5,504,466
NEW COMMODITY CHARGE		
1,689,916 x $ 1.97	$ 3,329,135	
NEW MONTHLY BILLING CHARGE		
5,276 x $ 3.66 x 12	231,722	
MONTHLY FIRE PROTECTION CHARGE	236,553	
ANNUAL HYDRANT CHARGE	-	(3,797,410)
		$ 1,707,056

$$\text{MONTHLY METER CHARGE} = \frac{\$1{,}707{,}056}{9{,}378 \times 12} = \$\ 15.17 \text{ MONTHLY}$$

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE METER	BILLING	TOTAL	PRESENT
3/4" or less	1.0000	$ 15.17	$ 3.66	$ 18.83	$ 18.42
1"	1.7778	26.97	3.66	30.63	29.89
1 1/4"	2.7778	42.14	3.66	45.80	44.64
1 1/2"	4.0000	60.68	3.66	64.34	62.67
2"	7.1111	107.88	3.66	111.54	108.56
3"	16.0000	242.72	3.66	246.38	239.67
4"	28.4444	431.50	3.66	435.16	423.22
6" and over	64.0000	970.88	3.66	974.54	947.67

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2027

CASCADE TOWNSHIP

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

SYSTEM REVENUE REQUIREMENTS*						$ 5,026,597
REVENUES FROM CURRENT RATES						
MONTHLY METER CHARGE						
6,149 meter equivalents	**x**	$ 22.16	**x**	12 =	$ 1,635,142	
MONTHLY BILLING CHARGE						
4,112 meters	**x**	$ 3.67	**x**	12 =	181,092	
COMMODITY CHARGE						
1,019,293 units (100 CF)	**x**	$ 2.67		=	2,721,512	
MONTHLY FIRE PROTECTION					151,742	
ANNUAL HYDRANT CHARGE					-	(4,689,488)
REQUIRED REVENUE INCREASE (DECREASE)						$ 337,109
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES						7.19%

* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF $ 258,781

CASCADE TOWNSHIP

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

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT	$ 2.86	/100 CF *
$ 2.67 x 107.19%		

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS **		$ 5,026,597
NEW COMMODITY CHARGE		
1,019,293 x $ 2.86	$ 2,915,178	
NEW MONTHLY BILLING CHARGE		
4,112 x $ 3.66 x 12	180,599	
MONTHLY FIRE PROTECTION CHARGE	151,742	
ANNUAL HYDRANT CHARGE	-	(3,247,519)
		$ 1,779,078

$$\text{MONTHLY METER CHARGE} = \frac{\$1{,}779{,}078}{6{,}149 \times 12} = \$\ 24.11 \text{ MONTHLY}$$

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE METER	BILLING	TOTAL	PRESENT
3/4" or less	1.0000	$ 24.11	$ 3.66	$ 27.77	$ 25.83
1"	1.7778	42.86	3.66	46.52	43.07
1 1/4"	2.7778	66.97	3.66	70.63	65.23
1 1/2"	4.0000	96.44	3.66	100.10	92.31
2"	7.1111	171.45	3.66	175.11	161.25
3"	16.0000	385.76	3.66	389.42	358.23
4"	28.4444	685.79	3.66	689.45	634.00
6" and over	64.0000	1,543.04	3.66	1,546.70	1,421.91

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2027
** REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF $ 258,781

GRAND RAPIDS TOWNSHIP

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

SYSTEM REVENUE REQUIREMENTS*						$ 3,403,171
REVENUES FROM CURRENT RATES						
MONTHLY METER CHARGE						
6,085 meter equivalents	**x**	$ 17.13	**x**	12 =	$ 1,250,833	
MONTHLY BILLING CHARGE						
4,616 meters	**x**	$ 3.67	**x**	12 =	203,289	
COMMODITY CHARGE						
760,727 units (100 CF)	**x**	$ 2.42		=	1,840,959	
MONTHLY FIRE PROTECTION					50,602	
ANNUAL HYDRANT CHARGE					-	(3,345,683)
REQUIRED REVENUE INCREASE (DECREASE)						$ 57,488
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES						1.72%

GRAND RAPIDS TOWNSHIP

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

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT		
$ 2.42 x 101.72%	$ 2.46 /100 CF *	

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS		$ 3,403,171
NEW COMMODITY CHARGE		
760,727 x $ 2.46	$ 1,871,388	
NEW MONTHLY BILLING CHARGE		
4,616 x $ 3.66 x 12	202,735	
MONTHLY FIRE PROTECTION CHARGE	50,602	
ANNUAL HYDRANT CHARGE	-	(2,124,725)
		$ 1,278,446

$$\text{MONTHLY METER CHARGE} = \frac{\$1{,}278{,}446}{6{,}085 \times 12} = \$\ 17.51 \text{ MONTHLY}$$

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE METER	BILLING	TOTAL	PRESENT
3/4" or less	1.0000	$ 17.51	$ 3.66	$ 21.17	$ 20.80
1"	1.7778	31.13	3.66	34.79	34.12
1 1/4"	2.7778	48.64	3.66	52.30	51.25
1 1/2"	4.0000	70.04	3.66	73.70	72.19
2"	7.1111	124.52	3.66	128.18	125.48
3"	16.0000	280.16	3.66	283.82	277.75
4"	28.4444	498.06	3.66	501.72	490.92
6" and over	64.0000	1,120.64	3.66	1,124.30	1,099.99

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2027

TALLMADGE TOWNSHIP

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

SYSTEM REVENUE REQUIREMENTS								$ 285,038
REVENUES FROM CURRENT RATES								
MONTHLY METER CHARGE								
509 meter equivalents	**x**	$	0.06	**x**	12 =	$	366	
MONTHLY BILLING CHARGE								
371 meters	**x**	$	3.67	**x**	12 =		16,339	
COMMODITY CHARGE								
81,348 units (100 CF)	**x**	$	2.50		=		203,370	
MONTHLY FIRE PROTECTION							10,985	
ANNUAL HYDRANT CHARGE							66,503	(297,563)
REQUIRED REVENUE INCREASE (DECREASE)								$ (12,525)

INITIAL PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES	-4.21%
ADDITIONAL PERCENTAGE DECREASE OVER EXISTING RATES *	-1.60%
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES	-5.81%

* IF REQUIRED, FURTHER REDUCTION OF COMMODITY CHARGE TO ALLOW FOR A POSITIVE MONTHLY METER FEE (SEE TASK 27)

TALLMADGE TOWNSHIP

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

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT	$ 2.35	/100 CF *
$ 2.50 x 94.19%		

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS		$ 285,038
NEW COMMODITY CHARGE		
81,348 x $ 2.35	$ 191,168	
NEW MONTHLY BILLING CHARGE		
371 x $ 3.66 x 12	16,294	
MONTHLY FIRE PROTECTION CHARGE	10,985	
ANNUAL HYDRANT CHARGE	66,503	(284,950)
		$ 88

MONTHLY METER CHARGE = $\frac{\$88}{509 \times 12}$ = $ 0.01 MONTHLY

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE METER	BILLING	TOTAL	PRESENT
3/4" or less	1.0000	$ 0.01	$ 3.66	$ 3.67	$ 3.73
1"	1.7778	0.02	3.66	3.68	3.78
1 1/4"	2.7778	0.03	3.66	3.69	3.84
1 1/2"	4.0000	0.04	3.66	3.70	3.91
2"	7.1111	0.07	3.66	3.73	4.10
3"	16.0000	0.16	3.66	3.82	4.63
4"	28.4444	0.28	3.66	3.94	5.38
6" and over	64.0000	0.64	3.66	4.30	7.51

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2027

CITY OF EAST GRAND RAPIDS, MICHIGAN

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

INTEGRATED SYSTEM REVENUE REQUIREMENTS *					$ 657,700
COMMODITY CHARGE					
(100CF)	559,797 units	**x**	$ 1.19		666,158
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)					$ (8,458)
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS					$ 233,654
MONTHLY SERVICE CHARGE					
	$19,265	**x**	12 MONTHS		231,180
REQUIRED SERVICE REVENUE INCREASE (DECREASE)					$ 2,474
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES					-0.67%

* 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					$ 891,354
NEW COMMODITY CHARGE *					
559,797	x	$1.17	=		(654,962)
					$ 236,392

MONTHLY SERVICE CHARGE * = $ 236,392 / 12 = $19,699

* NEW RATES EFFECTIVE ON JANUARY 1, 2027

ADA TOWNSHIP

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

INTEGRATED SYSTEM REVENUE REQUIREMENTS *					$ 811,927
COMMODITY CHARGE					
(100CF)	607,717 units	**x**	$ 1.35		820,418
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)					$ (8,491)
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS					$ 998,295
MONTHLY SERVICE CHARGE					
	$75,796	**x**	12 MONTHS		909,552
REQUIRED SERVICE REVENUE INCREASE (DECREASE)					$ 88,743
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES					4.64%

* NET OF INTEGRATED CONNECTION FEE CREDIT.

ADA TOWNSHIP

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

SYSTEM REVENUE REQUIREMENTS	$ 1,810,222
NEW COMMODITY CHARGE *	
607,717 x $1.34 =	(814,341)
	$ 995,881

MONTHLY SERVICE CHARGE * = $ 995,881 / 12 = $82,990

* NEW RATES EFFECTIVE ON JANUARY 1, 2027

OTTAWA COUNTY

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

INTEGRATED SYSTEM REVENUE REQUIREMENTS					$ 3,358,610
COMMODITY CHARGE					
(100CF)	2,342,134 units	**x**	$ 1.34		3,138,460
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)					$ 220,150
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS					$ -
MONTHLY SERVICE CHARGE					
	$0	**x**	12 MONTHS		-
REQUIRED SERVICE REVENUE INCREASE (DECREASE)					$ -
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES					7.01%

OTTAWA COUNTY

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

SYSTEM REVENUE REQUIREMENTS					$ 3,358,610
NEW COMMODITY CHARGE *					
2,342,134	x	$1.43	=		(3,349,252)
					$ 9,358

* NEW RATES EFFECTIVE ON JANUARY 1, 2027

CALEDONIA TOWNSHIP

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

INTEGRATED SYSTEM REVENUE REQUIREMENTS *					$ 367,805
COMMODITY CHARGE					
(100CF)	221,250	units	**x**	$ 1.69	373,913
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)					$ (6,108)
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS					$ 818,580
MONTHLY SERVICE CHARGE					
	$69,993		**x**	12 MONTHS	839,916
REQUIRED SERVICE REVENUE INCREASE (DECREASE)					$ (21,336)
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES					-2.26%

* NET OF INTEGRATED CONNECTION FEE CREDIT.

CALEDONIA TOWNSHIP

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

SYSTEM REVENUE REQUIREMENTS	$ 1,186,385
NEW COMMODITY CHARGE *	
221,250 x $1.66 =	(367,275)
	$ 819,110

MONTHLY SERVICE CHARGE * = $ 819,110 / 12 = $68,259

* NEW RATES EFFECTIVE ON JANUARY 1, 2027

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	2026 Rate	2027 Rate	% Change
Domestic	Property is domicile for single or multiple family use, such as homes, apartments, duplexes, condominium, etc.	$ 166.00	$ 173.00	4.22%
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).	$ 240.00	$ 240.00	0.00%

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, 2025 through June 30, 2026. 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	2026	$ 4,200	$ 4,700	$ 5,000	$ 5,700	$ 6,700
	2027	$ 4,900	$ 5,500	$ 5,800	$ 6,700	$ 7,800
1-1/2" Water Service	2026	$ 5,700	$ 6,400	$ 6,800	$ 7,600	$ 9,100
	2027	$ 6,500	$ 7,300	$ 7,800	$ 8,800	$ 10,400
2" Water Service	2026	$ 7,000	$ 7,700	$ 8,200	$ 9,300	$ 10,800
	2027	$ 7,500	$ 8,400	$ 8,900	$ 10,100	$ 11,800

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	16.67%	17.02%	16.00%	17.54%	16.42%
1-1/2" Water Service	14.04%	14.06%	14.71%	15.79%	14.29%
2" Water Service	7.14%	9.09%	8.54%	8.60%	9.26%

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: October 15, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: Samarhia Giffel
Administrative Services Officer II

SUBJECT: 2026 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, 2027.

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

Fire Protection Monthly

- Fee increases 4.776% for all sizes based on the Bond Buyer Index (BBI) referenced from Task 19.

Hydrant Use Per Season

- Non-Metered Hydrant Connection Permits and Fees are removed for residential customers.

Meter Set/Installation and Service On/Off Requests

- Fee increases 6.67% for all meter sizes and for inspection/repair scheduled on & off requests.

Meter Reading

- Fee increases 12.5% for the smart endpoint device due to manufacturer and distributor price increase.

Meter Replacement

- Meter fees increase due to manufacturer and distributor price increases:
  - ¾”meters increase 9.33%
  - 3” meters increase 7.69%
  - 4” meters increase 6.99%
  - 6” meters increase 7.00%
  - 10” meters increase 6.51%

Miscellaneous

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

SG

cc: Wayne Jernberg, Utilities Director
Nick Fisher, Water System Manager
James Ouzts, Environmental Services Manager
Lindsay Sagorski-Munsell, Assistant Water System Manager

Fees, Charges, and Penalties	2026 Fee ($)	2027 Fee ($)	% Change
Fire Protection Monthly			
6"	$24.03	$25.18	4.776%
8"	$42.63	$44.67	4.776%
10"	$66.80	$69.99	4.776%
12"	$96.12	$100.71	4.776%

BBI referenced from Task 19

Hydrant Use Per Season			
Hydrant Use Permit Fee (Metered Hydrant Connection)	$300	$300	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 *All non-emergency service requests must be scheduled (normal service Hours 8am - 7pm M-F)*			
All sizes	$75	$80	6.67%
Inspection/Repair Scheduled On & Off Request (may also need meter set/install)	$75	$80	6.67%

Meter Reading			
Final or Actual Reading	$65	$65	0%
Meter Interface Unit Replacement (includes Smart Endpoint Device)	$200	$225	12.5%

Meter Testing *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.* **In addition to the Meter Testing fee a Service On/Off Requests fee applies.*			
¾" and 1"	$200	$200	0%
1 ½ "	$250	$250	0%
2"	$455	$455	0%
3"	$525	$525	0%
4" or larger	Cost	Cost	0%

Ultrasonic Meters charged at costs

Security Deposit			
Minimum Deposit Amount	$500	$500	0%

Fees, Charges, and Penalties	2026 Fee ($)	2027 Fee ($)	% 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.*			
¾"	$225	$246	9.33%
1"	$315	$315	0%
1 ½"	$1,065	$1,065	0%
2"	$1,250	$1,250	0%
3"	$2,355	$2,536	7.69%
4"	$3,147	$3,367	6.99%
6"	$5,202	$5,566	7.00%
8"	$11,320	$11,320	0%
10"	$14,770	$15,731	6.51%
Miscellaneous			
Street Opening Permit (Water/ESD, City Engineering, Streets)	$300	$300	0%
Water Inspection Permit (Within City Limits)	$100	$105	5.00%
Water Inspection Permit (Outside City Limits)	$115	$120	4.35%
Sanitary Service Line Inspection Permit (Within City Limits)	$100	$105	5.00%
Sanitary Service Line Inspection Permit (Outside City Limits)	$115	$120	4.35%
Storm Service Line Inspection Permit (Within City Limits)	$100	$105	5.00%
Storm Service Line Inspection Permit (Outside City Limits)	$115	$120	4.35%
Footing Drain Lateral Inspection Permit (Within City Limits)	$100	$105	5.00%
Footing Drain Lateral Inspection Permit (Outside City Limits)	$115	$120	4.35%
Sewer Lateral Service Demolition/Cap off Inspection Fee (Within City Limits)	$100	$105	5.00%
Sewer Later Service Demolition/Cap off Inspection Fee (Outside City Limits)	$115	$120	4.35%
Plumbing Service Re-inspection Fee	$100	$105	5.00%
Cross Connection Re-inspection Fee	$75	$75	0%

Fees, Charges, and Penalties	2026 Fee ($)	2027 Fee ($)	% 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 1st 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)	$75	$75	0%
Missed Appointment	$55	$55	0%
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 25, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: Lindsay Sagorski Munsell, PE
Assistant Water System Manager

SUBJECT: **2026 WATER RATE STUDY - TASK #32 - WATER MAIN OVERSIZING RATES**

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

Pipe Size	2025 Rate	2026 Rate	2027 Rate	2026 to 2027 % Change
8"-12"	$40.97/ft	$42.59/ft	$49.24/ft	15.61%
12"-16"	$27.75/ft	$66.31/ft	$62.00/ft	-6.50%
8"-16"	$68.22/ft	$108.89/ft	$111.24/ft	2.16%

These rates have been determined in accordance with the Water System Rules and Regulations, and are approved for use from January 1, 2027 through December 31, 2027. Background information and calculations to establish these rates are on file in the Utility Engineering, Distribution and Collection Office.

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
Chad Reul

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, 2026:

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:

Description	AMOUNT	PERCENT
Individual Circuit Breaker (ICB)*	$ 152,116	23.16%
City & Customer Community Circuit Breaker (CCCCB)	504,811	76.84%
Total	$ 656,927	100.00%

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:

Description	AMOUNT	PERCENT
City & Customer Community Circuit Breaker Amount- Above	$ 504,811	100.00%
Less: Amount Applied in Current Rate Study	(504,811)	-100.00%
Total CCCCB Revenue Credit- Next Year's Rate Study	$ (0)	0.00%

*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. $152,116 includes $80,000 of facility rental revenue from fiscal year 2026 to supplement the 2027 ICB.

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

Table of Contents

Task No.		Page
1	Inventory of Plant and Equipment	S 1
2	Cost of Plant and Equipment	S 1
3	Source of Funding for Plant and Equipment	S 1
4	Operating Costs for the Test Period	S 2
5	Adjustments to Operating Costs	S 4
6	Sewer Volumes and Revenues	S 18
7	Other Operating Revenues	S 21
8	Changes in Operating Levels	S 22
9	Changes in Operating Revenues	S 23
10	System Additions and Retirements	S 24
11	Fixed Assets-Cost, Accumulated Depreciation & Depreciation	S 25
12	Working Capital Needs	S 26
13	Joint Use Facilities-Zonegated	S 27
14	Verification of System Map	S 32
15	Construction Cost Rate Base	S 33
15A	Integrated Sewer Connection Fees	S 34
16	CSO Debt Service Requirements	S 36
16A	Future Non-Integrated Improvements	S 37
17	Outstanding Debt Service on Senior Bonds	S 38
18	Sewer System Equity	S 39
19	Rate of Return-Bond Buyer's Index	S 40
20	Composite Rate of Return	S 41
21	Rate of Return by Customer Community	S 42
22	Adjusted Operating Cost by Customer Community-Zonegated	S 47
23	Other Operating Revenues by Customer Community	S 48
24	Depreciation Expense by Customer Community	S 49
25	Revenue Requirement Summary by Customer Community	S 50
25A	Revenue Requirements-Bond Ordinance Provision	S 51
26	Comparative Summary of System Revenue Levels	S 52
26 / 27	Revenue Levels / Rate Schedules by Customer Community	S 54
28	Front Foot Charges	S 76
29	Sewer Lateral Charges	S 77
30	Surcharges for BOD, TSS, Phosphorus & Ammonia	S 78
31	Industrial Pretreatment Permit & Laboratory Fees	S 83
32	Sanitary Sewer Oversizing	S 92
33	Utility Service District Areas	S 93
34	Circuit Breaker -- Individual and City & Customer Community	S 94
35	Footing Drain Opt Out Sewer Rate	S 95

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
SYSTEM ADDITIONS AND IMPROVEMENTS
FOR THE YEAR ENDED JUNE 30, 2026
TASKS NO. 1, 2, & 3

	LOCAL		TRUNK		INTERCEPTOR		TOTALS	
COMMUNITY	FEET	MILES	FEET	MILES	FEET	MILES	FEET	MILES
Grand Rapids								
Construction	20,333	3.85	8,720	1.65	1,781	0.34	30,834	5.84
Abandonment	(1,264)	(0.24)	(327)	(0.06)	0	0.00	(1,591)	(0.30)
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
	19,069	3.61	8,393	1.59	1,781	0.34	29,242.50	5.54
Kentwood								
Construction	1,455	0.28	526	0.10	2,651	0.50	4,632	0.88
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	1,455	0.28	526	0.10	2,651	0.50	4,632	0.88
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
	0	0.00	0	0.00	0	0.00	0	0.00
G.R. Twp.								
Construction	1,306	0.25	277	0.05	0	0.00	1,583	0.30
Abandonment	(646)	(0.12)	0	0.00	0	0.00	(646)	(0.12)
	661	0.13	277	0.05	0	0.00	938	0.18
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
	0	0.00	0	0.00	0	0.00	0	0.00
Walker								
Construction	3,638	0.69	0	0.00	0	0.00	3,638	0.69
Abandonment	0	0.00	0	0.00	0	0.00	0	0.00
	3,638	0.69	0	0.00	0	0.00	3,638	0.69
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
	0	0.00	0	0.00	0	0.00	0	0.00
TOTAL	24,822	4.71	9,196	1.74	4,432	0.84	38,450	7.29

	CONTRIBUTIONS		
	COMM	OTHER	TOTAL
Integrated	$ -		$ -
Grand Rapids	71,404		71,404
Kentwood	937,485		937,485
Cascade Twp.	-		-
Grand Rapids Twp.	216,538		216,538
Tallmadge Twp.	-		-
Walker	624,596		624,596
Wright Twp.	-		-
TOTAL	$ 1,850,024	$ -	$ 1,850,024

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
OPERATING EXPENSE ALLOCATION BY COST CENTER - TASK #4, PART 1
FISCAL YEAR ENDED JUNE 30, 2026

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)*	$ 25,616,713	$ 24,441,459	$ 286,126	$ 213,576	$ 671,249				$ 4,303			
(52770) 5900	SEWER MAINTENANCE	7,219,200					368,396	879,587	5,971,217				
(52730) 5900	CUSTOMER SERVICE*	3,306,205									3,306,205		
(52744) 5900	INDUSTRIAL PRETREATMENT	1,459,999										1,459,999	
	SUBTOTAL OPERATING EXPENSE	37,602,117	24,441,459	286,126	213,576	671,249	368,396	879,587	5,971,217	4,303	3,306,205	1,459,999	-
(52701/52760/52780) 5900	ADMINISTRATION	3,911,169											3,911,169
	TOTAL	$ 41,513,286	$ 24,441,459	$ 286,126	$ 213,576	$ 671,249	$ 368,396	$ 879,587	$ 5,971,217	$ 4,303	$ 3,306,205	$ 1,459,999	$ 3,911,169

** 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			95.412%									
	B. LIFT & METER STATIONS			4.588%									
	NO. OF STATIONS	(59)			(1)	(8)	(45)			(5)			
(52770) 5900	SEWER MAINTENANCE												
	TOTAL MILES	952.67	100.000%										
	A. INTERCEPTOR												
	MILES	48.61	5.103%				5.103%						
	B. TRUNK LINES												
	MILES	116.07	12.184%					12.184%					
	C. LOCAL COLLECTOR												
	MILES	787.99	82.713%						82.713%				
(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, 2026

			RETAIL							WHOLESALE			
COST CENTER	EXPENSE BY COST CENTER	INTEGRATED SYSTEM	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	$ 24,441,459	$ 24,441,459											
LIFT STATIONS:													
A. INTERCEPTOR	286,126		286,126	-	-	-	-	-	-	-	-	-	-
B. TRUNK	213,576		88,626	73,702	-	34,020	17,228	-	-	-	-	-	-
C. LOCAL COLLECTOR	671,249		121,330	75,420	-	122,877	279,080	55,149	10,010	-	-	7,384	-
SEWER LINES:													
A. INTERCEPTOR	368,396		209,547	52,367	96,325	10,157	-	-	-	-	-	-	-
B. TRUNK	879,587		328,895	213,397	191,196	75,477	48,272	21,444	906	-	-	-	-
C. LOCAL COLLECTOR	5,971,217		4,053,376	414,886	584,881	354,690	463,605	65,683	34,096	-	-	-	-
BULK METERING STATIONS	4,303		-	-	1,576	-	-	-	-	425	-	1,782	521
CUSTOMER ACCOUNTING	3,306,205		2,518,370	263,901	227,467	91,615	179,461	15,539	9,852				
INDUSTRIAL PRETREATMENT	1,459,999	1,459,999											
SUBTOTAL OPERATING EXPENSE	37,602,117	25,901,458	7,606,270	1,093,673	1,101,445	688,836	987,646	157,815	54,864	425	-	9,165	521
ADMINISTRATIVE EXPENSE	3,911,169	2,654,058	837,569	112,066	112,862	70,583	101,202	16,171	5,622	44	-	939	53
TOTAL	$ 41,513,286	$ 28,555,516	$ 8,443,840	$ 1,205,739	$ 1,214,307	$ 759,419	$ 1,088,848	$ 173,986	$ 60,486	$ 469	$ -	$ 10,104	$ 574
METHOD OF DISTRIBUTION													
WASTEWATER TREATMENT													
A. TREATMENT PLANT	100.000%	100.00%											
B. LIFT & METER STATIONS (1)	100.000%												
NO. OF STATIONS (59)			(13)	(6)	(2)	(10)	(18)	(5)	(1)	(1)	-	(2)	(1)
SEWER LINES:													
TOTAL MILES: 952.67													
A. INTERCEPTOR	100.000%		56.881%	14.215%	26.147%	2.757%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
MILES 48.61			27.65	6.91	12.71	1.34	-	-	-	-	-	-	-
B. TRUNK LINES	100.000%		37.392%	24.261%	21.737%	8.581%	5.488%	2.438%	0.103%	0.000%	0.000%	0.000%	0.000%
MILES 116.07			43.40	28.16	25.23	9.96	6.37	2.83	0.12	-	-	-	-
C. LOCAL COLLECTOR	100.000%		62.225%	12.605%	9.795%	5.940%	7.764%	1.100%	0.571%	0.000%	0.000%	0.000%	0.000%
MILES 787.99			490.32	99.33	77.18	46.81	61.18	8.67	4.50	-	-	-	-
CUSTOMER ACCTG (2)	100.000%		76.469%	7.982%	6.880%	2.771%	5.428%	0.470%	0.298%				
NO. OF METERS 75,811.00			57,746.00	6,051.00	5,216.00	2,101.00	4,115.00	356.00	226.00				
INDUSTRIAL PRETREATMENT	100.000%	100.00%											
ADMINISTRATIVE EXPENSE (3)	100.000%	67.858%	21.415%	2.865%	2.886%	1.805%	2.588%	0.413%	0.144%	0.001%	0.000%	0.024%	0.001%

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, 2026

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)*	$ 26,070,461	$ 24,862,851	$ 294,003	$ 219,454	$ 689,731				$ 4,422			
(52770) 5900	SEWER MAINTENANCE	7,405,374					377,896	902,271	6,125,207				
(52730) 5900	CUSTOMER SERVICE *	4,078,279									4,078,279		
(52744) 5900	INDUSTRIAL PRETREATMENT	1,523,339										1,523,339	
	SUBTOTAL OPERATING EXPENSE	39,077,452	24,862,851	294,003	219,454	689,731	377,896	902,271	6,125,207	4,422	4,078,279	1,523,339	-
(52701/52760/52780) 5900	ADMINISTRATION	3,850,093											3,850,093
	TOTAL	$ 42,927,546	$ 24,862,851	$ 294,003	$ 219,454	$ 689,731	$ 377,896	$ 902,271	$ 6,125,207	$ 4,422	$ 4,078,279	$ 1,523,339	$ 3,850,093

** 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			95.368%									
	B. LIFT & METER STATIONS			4.632%									
	NO. OF STATIONS	(59)			(1)	(8)	(45)			(5)			
(52770) 5900	SEWER MAINTENANCE												
	TOTAL MILES	952.67	100.000%										
	A. INTERCEPTOR												
	MILES	48.61	5.103%				5.103%						
	B. TRUNK LINES												
	MILES	116.07	12.184%					12.184%					
	C. LOCAL COLLECTOR												
	MILES	787.99	82.713%						82.713%				
(52730) 5900	CUSTOMER SERVICE		100.000%								100.000%		
(52744) 5900	INDUSTRIAL PRETREATMENT		100.000%									100.000%	
(52701/52760/52780) 5900	ADMINSTRATION		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, 2026

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	$ 24,868,301	$ 24,868,301											
LIFT STATIONS:													
A. INTERCEPTOR	294,003		294,003	-	-	-	-	-	-	-	-	-	-
B. TRUNK	219,454		91,066	75,730	-	34,956	17,702	-	-	-	-	-	-
C. LOCAL COLLECTOR	689,731		124,671	77,496	-	126,261	286,764	56,667	10,285	-	-	7,587	-
SEWER LINES:													
A. INTERCEPTOR	378,034		215,029	53,738	98,845	10,422	-	-	-	-	-	-	-
B. TRUNK	902,600		337,500	218,980	196,198	77,452	49,535	22,005	930	-	-	-	-
C. LOCAL COLLECTOR	6,127,445		3,812,803	772,364	600,183	363,970	475,735	67,402	34,988	-	-	-	-
BULK METERING STATIONS	4,422		-	-	1,619	-	-	-	-	437	-	1,831	535
CUSTOMER ACCOUNTING	4,078,374		3,106,538	325,536	280,592	113,012	221,374	19,168	12,154				
INDUSTRIAL PRETREATMENT	1,525,112	1,525,112											
SUBTOTAL OPERATING EXPENSE	39,087,477	26,393,413	7,981,611	1,523,844	1,177,437	726,073	1,051,110	165,242	58,357	437	-	9,418	535
ADMINISTRATIVE EXPENSE	3,852,412	2,562,020	832,952	147,920	114,294	70,480	102,032	16,040	5,665	42	-	914	52
TOTAL	$ 42,939,889	$ 28,955,433	$ 8,814,563	$ 1,671,764	$ 1,291,731	$ 796,553	$ 1,153,142	$ 181,282	$ 64,022	$ 479	$ -	$ 10,332	$ 587
METHOD OF DISTRIBUTION													
WASTEWATER TREATMENT													
A. TREATMENT PLANT	100.000%	100.00%											
B. LIFT & METER STATIONS (1)	100.000%												
NO. OF STATIONS (59)			(13)	(6)	(2)	(10)	(18)	(5)	(1)	(1)	-	(2)	(1)
SEWER LINES:													
TOTAL MILES: 952.67													
A. INTERCEPTOR	100.000%		56.881%	14.215%	26.147%	2.757%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
MILES 48.61			27.65	6.91	12.71	1.34	-	-	-	-	-	-	-
B. TRUNK LINES	100.000%		37.392%	24.261%	21.737%	8.581%	5.488%	2.438%	0.103%	0.000%	0.000%	0.000%	0.000%
MILES 116.07			43.40	28.16	25.23	9.96	6.37	2.83	0.12	-	-	-	-
C. LOCAL COLLECTOR	100.000%		62.225%	12.605%	9.795%	5.940%	7.764%	1.100%	0.571%	0.000%	0.000%	0.000%	0.000%
MILES 787.99			490.32	99.33	77.18	46.81	61.18	8.67	4.50	-	-	-	-
CUSTOMER ACCTG (2)	100.000%		76.171%	7.982%	6.880%	2.771%	5.428%	0.470%	0.298%				
NO. OF METERS 75,811.00			57,746.00	6,051.00	5,216.00	2,101.00	4,115.00	356.00	226.00				
INDUSTRIAL PRETREATMENT	100.000%	100.00%											
ADMINISTRATIVE EXPENSE (3)	100.000%	66.503%	21.622%	3.840%	2.967%	1.830%	2.649%	0.416%	0.147%	0.001%	0.000%	0.024%	0.001%

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, 2026
RATE STUDY- TASKS NO. 4 & 5 SUPPORT

ORGANIZATIONAL UNIT: ADMINISTRATION

EXPENDITURE SUB-OBJECT		OPERATING	ADJUSTED COST	ADJUSTED CURRENT ANNUAL
OBJ	DESCRIPTION	EXPENSES	FACTORS	EXPENSES
70200000	PERMANENT EMPLOYEES	$ 844,524.98	$ 51,347.12	$ 895,872.10
70550000	TIME & ONE-HALF	2,329.19	141.61	2,470.80
71050000	EMPLOYERS SOCIAL SECURITY	60,757.82	3,694.08	64,451.90
71100000	HOSPITALIZATION INSURANCE	167,936.04	16,222.62	184,158.66
71150000	RETIREE HEALTH CARE	32,573.14	(9.77)	32,563.37
71200000	RETIREMENT FUND CONTRIBUTION	180,629.66	(4,262.86)	176,366.80
71350000	UNEMPLOYMENT COMPENSATION	1,186.26	-	1,186.26
71500000	LONGEVITY PAY	515.00	-	515.00
71750000	FOOD/CLEAN/CAR ALLOW	1,397.59	-	1,397.59
	TOTAL PERSONAL SERVICES	1,291,849.68	67,132.80	1,358,982.48
75200000	SUPPLIES	10,840.76	-	10,840.76
76700000	CLOTHING/CLEANING ALLOWANCE	1,834.62	-	1,834.62
78000000	INVENTORY - COST OF GOODS SOLD	(264,830.05)	-	(264,830.05)
79100000	SUBSCRIPTIONS AND PUBLICATIONS	564.00	-	564.00
	TOTAL SUPPLIES	(251,590.67)	-	(251,590.67)
69310000	GAIN-LOSS ON SALE OF ASSETS-FA	121,568.32	-	121,568.32
80100000	CONTRACTUAL SERVICES	568,197.09	-	568,197.09
80300000	ADMINISTRATIVE SERVICES	27,216.49	(27,216.49)	-
82400000	FEES	36,847.90	-	36,847.90
84000000	INSURANCE PREMIUMS	364,056.00	-	364,056.00
84500000	GENERAL LIABILITY INSURANCE/CLAIMS	308,061.00	30,722.00	338,783.00
85000000	TELEPHONE	5,177.80	-	5,177.80
90000000	PRINTING & PUBLISHING	3,649.75	-	3,649.75
95600000	PROFESSIONAL DEVELOPMENT	180.62	-	180.62
95610000	OTHER TRAVEL & TRAINING	13,670.82	-	13,670.82
95630000	FOOD-BEVERAGE	529.00	-	529.00
95800000	MEMBERSHIPS	34,645.50	-	34,645.50
92000000	ELECTRICITY	-	58,174.20	58,174.20
93400000	MAINTENANCE SERVICE	1,910.00	-	1,910.00
94100000	EQUIPMENT RENTALS OR LEASE	6,822.86	-	6,822.86
82820000	ENGINEERING SERVICES	23,414.41	-	23,414.41
82830000	VEHICLE USAGE/CAR MILAGE	12,773.17	-	12,773.17
82840000	COMPUTER SERVICES	16,644.00	1,722.00	18,366.00
96500000	BAD DEBT WRITE-OFFS	584.92	-	584.92
	TOTAL OTHER SERVICES & CHARGES	1,545,949.65	63,401.71	1,609,351.36
98800000	CONSTRUCTION IN PROGRESS	9,580.05	-	9,580.05
	TOTAL CAPITAL	9,580.05	-	9,580.05
82850000	A-87 COST ALLOCATION	1,315,380.00	(191,610.00)	1,123,770.00
	TOTAL TRANSFERS/FEES	1,315,380.00	(191,610.00)	1,123,770.00
	ORGANIZATIONAL UNIT TOTAL	$ 3,911,168.71	$ (61,075.49)	$ 3,850,093.22

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2026
RATE STUDY- TASKS NO. 4 & 5 SUPPORT

ORGANIZATIONAL UNIT: SDSF - CUST.SERV'S

EXPENDITURE SUB-OBJECT		OPERATING	ADJUSTED COST	ADJUSTED CURRENT ANNUAL
OBJ	DESCRIPTION	EXPENSES	FACTORS	EXPENSES
82860000	UTILITY CUSTOMER SERVICE	$ 3,306,205.00	$ 772,074.21	$ 4,078,279.21
	TOTAL OTHER SERVICES & CHARGES	3,306,205.00	772,074.21	4,078,279.21
	ORGANIZATIONAL UNIT TOTAL*	$ 3,306,205.00	$ 772,074.21	$ 4,078,279.21

** 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, 2026
RATE STUDY- TASKS NO. 4 & 5 SUPPORT

ORGANIZATIONAL UNIT: WASTEWATER

EXPENDITURE SUB-OBJECT OBJ	DESCRIPTION	OPERATING EXPENSES	ADJUSTED COST FACTORS	ADJUSTED CURRENT ANNUAL EXPENSES
70200000	PERMANENT EMPLOYEES	$ 5,514,851.96	$ 335,303.00	$ 5,850,154.96
70250000	ACT.ASSIGNMENT	25,325.73	$ 1,539.80	26,865.53
70400000	TEMPORARY EMPLOYEES	22,474.73	1,366.46	23,841.19
70500000	REGULAR HOURLY RATE	9,461.79	575.28	10,037.07
70550000	TIME & ONE-HALF	257,141.97	15,634.23	272,776.20
71050000	EMPLOYERS SOCIAL SECURITY	421,459.21	25,624.72	447,083.93
71100000	HOSPITALIZATION INSURANCE	1,354,873.41	130,880.77	1,485,754.18
71150000	RETIREE HEALTH CARE	205,003.15	(61.50)	204,941.65
71200000	RETIREMENT FUND CONTRIBUTION	1,165,168.23	(27,497.97)	1,137,670.26
71350000	UNEMPLOYMENT COMPENSATION	8,269.37	-	8,269.37
71500000	LONGEVITY PAY	25,865.00	-	25,865.00
71650000	SHIFT DIFFERENTIAL	36,377.13	-	36,377.13
71700000	ELECTION WRKR-BRD MEMBERS PAY	210.00	-	210.00
	TOTAL PERSONAL SERVICES	9,046,481.68	483,364.79	9,529,846.47
75200000	SUPPLIES	1,612,140.92	-	1,612,140.92
75300000	PROCESS CHEMICALS	1,106,051.41	-	1,106,051.41
76700000	CLOTHING/CLEANING ALLOWANCE	42,577.60	-	42,577.60
79100000	PUBLICATIONS AND SUBSCRIPTIONS	340.00	-	340.00
	TOTAL SUPPLIES	2,761,109.93	-	2,761,109.93
80100000	CONTRACTUAL SERVICES	8,937,208.44	-	8,937,208.44
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	16,281.32	-	16,281.32
80150000	CONTRACT SERV-TRAINING	6,829.99	-	6,829.99
82400000	FEES	135,868.33	-	135,868.33
85000000	TELEPHONE	43,637.07	-	43,637.07
85100000	POSTAGE	2,805.43	-	2,805.43
95600000	PROFESSIONAL DEVELOPMENT	23,340.96	-	23,340.96
95610000	OTHER TRAVEL & TRAINING	51,319.54	-	51,319.54
95630000	FOOD-BEVERAGE	2,054.74	-	2,054.74
95800000	MEMBERSHIPS	16,290.26	-	16,290.26
92800000	WATER	117,292.52	-	117,292.52
92900000	REFUSE COLLECTION CHARGES	12,360.18	-	12,360.18
92000000	ELECTRICITY	1,930,062.53	(58,174.20)	1,871,888.33
92100000	NATURAL GAS	1,120,250.48	-	1,120,250.48
93100000	EQUIPMENT REPAIRS	5,408.26	-	5,408.26
93300000	SOFTWARE MAINTENANCE AGREEMENTS	208,296.78	-	208,296.78
93400000	MAINTENANCE SERVICE	17,213.95	-	17,213.95
94100000	EQUIPMENT RENTALS OR LEASE	71,115.89	-	71,115.89
82800000	FLEET MANAGEMENT EQUIPMENT	369,247.65	-	369,247.65
82810000	311 CALL CENTER SERVICES	2,669.00	-	2,669.00
82830000	VEHICLE USAGE/CAR MILAGE	4,849.07	-	4,849.07
82840000	COMPUTER SERVICES	276,600.00	28,557.00	305,157.00
	TOTAL OTHER SERVICES & CHARGES	13,371,002.39	(29,617.20)	13,341,385.19
97600000	EQUIPMENT	409,745.73	-	409,745.73
98000000	OFFICE EQUIPMENT & FURNITURE	28,373.30	-	28,373.30
	TOTAL CAPITAL	438,119.03	-	438,119.03
	ORGANIZATIONAL UNIT TOTAL	$ 25,616,713.03	$ 453,747.59	$ 26,070,460.62

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2026
RATE STUDY- TASKS NO. 4 & 5 SUPPORT

ORGANIZATIONAL UNIT: IND. PRETREATMENT

EXPENDITURE SUB-OBJECT		OPERATING	ADJUSTED COST	ADJUSTED CURRENT ANNUAL
OBJ	DESCRIPTION	EXPENSES	FACTORS	EXPENSES
70200000	PERMANENT EMPLOYEES	$ 784,597.93	$ 47,703.55	$ 832,301.48
70250000	ACT.ASSIGNMENT	844.94	51.37	896.31
70550000	TIME & ONE-HALF	4,657.46	283.17	4,940.63
71050000	EMPLOYERS SOCIAL SECURITY	57,714.48	3,509.04	61,223.52
71100000	HOSPITALIZATION INSURANCE	163,554.58	15,799.37	179,353.95
71150000	RETIREE HEALTH CARE	29,471.03	(8.84)	29,462.19
71200000	RETIREMENT FUND CONTRIBUTION	169,407.04	(3,998.01)	165,409.03
71350000	UNEMPLOYMENT COMPENSATION	1,104.76	-	1,104.76
71500000	LONGEVITY PAY	4,850.00	-	4,850.00
	TOTAL PERSONAL SERVICES	1,216,202.22	63,339.65	1,279,541.87
75200000	SUPPLIES	36,801.54	-	36,801.54
76700000	CLOTHING/CLEANING ALLOWANCE	3,430.88	-	3,430.88
79100000	SUBSCRIPTIONS AND PUBLICATIONS	868.00	-	868.00
	TOTAL SUPPLIES	41,100.42	-	41,100.42
80100000	CONTRACTUAL SERVICES	45,229.00	-	45,229.00
80160000	CONTRACTS-EXTERNAL LEGAL SERVICES	19,305.00	-	19,305.00
85000000	TELEPHONE	(220.00)	-	(220.00)
85100000	POSTAGE	1,860.32	-	1,860.32
90100000	ADVERTISING - ANY MEDIA	1,053.75	-	1,053.75
95600000	PROFESSIONAL DEVELOPMENT	2,503.80	-	2,503.80
95610000	OTHER TRAVEL & TRAINING	5,485.71	-	5,485.71
95800000	MEMBERSHIPS	2,010.00	-	2,010.00
93100000	EQUIPMENT REPAIRS	3,561.92	-	3,561.92
93300000	SOFTWARE MAINTENANCE AGREEMENTS	59,990.36	-	59,990.36
94100000	EQUIPMENT RENTALS OR LEASE	1,013.70	-	1,013.70
82800000	FLEET MANAGEMENT EQUIPMENT	57,677.28	-	57,677.28
82830000	VEHICLE USAGE/CAR MILAGE	79.80	-	79.80
	TOTAL OTHER SERVICES & CHARGES	199,550.64	-	199,550.64
98400000	SOFTWARE	3,146.00	-	3,146.00
	TOTAL CAPITAL	3,146.00	-	3,146.00
	ORGANIZATIONAL UNIT TOTAL	$ 1,459,999.28	$ 63,339.65	$ 1,523,338.93

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2026
RATE STUDY- TASKS NO. 4 & 5 SUPPORT

ORGANIZATIONAL UNIT: REPAIR & MAINTENANCE

EXPENDITURE SUB-OBJECT		OPERATING	ADJUSTED COST	ADJUSTED CURRENT ANNUAL
OBJ	DESCRIPTION	EXPENSES	FACTORS	EXPENSES
70200000	PERMANENT EMPLOYEES	$ 1,941,081.16	$ 118,017.73	$ 2,059,098.89
70250000	ACT.ASSIGNMENT	4,081.02	248.13	4,329.15
70550000	TIME & ONE-HALF	194,900.82	11,849.97	206,750.79
71050000	EMPLOYERS SOCIAL SECURITY	153,967.53	9,361.23	163,328.76
71100000	HOSPITALIZATION INSURANCE	464,778.57	44,897.61	509,676.18
71150000	RETIREE HEALTH CARE	72,910.98	(21.87)	72,889.11
71200000	RETIREMENT FUND CONTRIBUTION	418,014.25	(9,865.14)	408,149.11
71350000	UNEMPLOYMENT COMPENSATION	2,711.86	-	2,711.86
71500000	LONGEVITY PAY	14,306.75	-	14,306.75
71650000	SHIFT DIFFERENTIAL	35.00	-	35.00
	TOTAL PERSONAL SERVICES	3,266,787.94	174,487.66	3,441,275.60
75200000	SUPPLIES	516,972.26	-	516,972.26
76700000	CLOTHING/CLEANING ALLOWANCE	8,315.80	-	8,315.80
	TOTAL SUPPLIES	525,288.06	-	525,288.06
80100000	CONTRACTUAL SERVICES	1,530,056.78	-	1,530,056.78
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	29,461.36	-	29,461.36
80150000	CONTRACT SERV-TRAINING	4,550.00	-	4,550.00
80400000	HOME REPAIRS	975.34	-	975.34
82400000	FEES	100.00	-	100.00
85000000	TELEPHONE	15,096.88	-	15,096.88
95600000	PROFESSIONAL DEVELOPMENT	3,186.50	-	3,186.50
95610000	OTHER TRAVEL & TRAINING	4,866.91	-	4,866.91
95800000	MEMBERSHIPS	1,328.00	-	1,328.00
93300000	SOFTWARE MAINTENANCE AGREEMENTS	39,051.00	-	39,051.00
93400000	MAINTENANCE SERVICE	2,311.74	-	2,311.74
94000000	LAND RENTAL OR LEASE	8,257.86	-	8,257.86
94100000	EQUIPMENT RENTALS OR LEASE	69,322.82	-	69,322.82
82800000	FLEET MANAGEMENT EQUIPMENT	1,284,568.93	-	1,284,568.93
82810000	311 CALL CENTER SERVICES	38,106.00	-	38,106.00
82830000	VEHICLE USAGE/CAR MILAGE	580.98	-	580.98
82840000	COMPUTER SERVICES	113,136.00	11,686.00	124,822.00
	TOTAL OTHER SERVICES & CHARGES	3,144,957.10	11,686.00	3,156,643.10
97600000	EQUIPMENT	279,888.36	-	279,888.36
98000000	OFFICE EQUIPMENT & FURNITURE	2,278.46	-	2,278.46
	TOTAL CAPITAL	282,166.82	-	282,166.82
	ORGANIZATIONAL UNIT TOTAL	$ 7,219,199.92	$ 186,173.66	$ 7,405,373.58

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED ACTUAL EXPENSE
YEAR ENDED JUNE 30, 2026
RATE STUDY- TASKS NO. 4 & 5

ORGANIZATIONAL. SUMMARY

EXPENDITURE SUB-OBJECT		OPERATING	ADJUSTED COST	ADJUSTED CURRENT ANNUAL
OBJ	DESCRIPTION	EXPENSES	FACTORS	CURRENT
70200000	PERMANENT EMPLOYEES	$ 9,085,056.03	$ 552,371.40	$ 9,637,427.43
70250000	ACT.ASSIGNMENT	30,251.69	1,839.30	32,090.99
70400000	TEMPORARY EMPLOYEES	22,474.73	1,366.46	23,841.19
70500000	REGULAR HOURLY RATE	9,461.79	575.28	10,037.07
70550000	TIME & ONE-HALF	459,029.44	27,908.98	486,938.42
71050000	EMPLOYERS SOCIAL SECURITY	693,899.04	42,189.07	736,088.11
71100000	HOSPITALIZATION INSURANCE	2,151,142.60	207,800.37	2,358,942.97
71150000	RETIREE HEALTH CARE	339,958.30	(101.98)	339,856.32
71200000	RETIREMENT FUND CONTRIBUTION	1,933,219.18	(45,623.98)	1,887,595.20
71350000	UNEMPLOYMENT COMPENSATION	13,272.25	-	13,272.25
71500000	LONGEVITY PAY	45,536.75	-	45,536.75
71650000	SHIFT DIFFERENTIAL	36,412.13	-	36,412.13
71750000	FOOD/CLEAN/CAR ALLOW	1,397.59	-	1,397.59
71700000	ELECTION WRKR-BRD MEMBERS PAY	210.00	-	210.00
	TOTAL PERSONAL SERVICES	14,821,321.52	788,324.90	15,609,646.42
75200000	SUPPLIES	2,176,755.48	-	2,176,755.48
75300000	PROCESS CHEMICALS	1,106,051.41	-	1,106,051.41
76700000	CLOTHING/CLEANING ALLOWANCE	56,158.90	-	56,158.90
78000000	INVENTORY - COST OF GOODS SOLD	(264,830.05)	-	(264,830.05)
79100000	SUBSCRIPTIONS AND PUBLICATIONS	1,772.00	-	1,772.00
	TOTAL SUPPLIES	3,075,907.74	-	3,075,907.74
69310000	GAIN-LOSS ON SALE OF ASSETS-FA	121,568.32	-	121,568.32
80100000	CONTRACTUAL SERVICES	11,080,691.31	-	11,080,691.31
80110000	CONTRACT EMPLOYEES - TEMP SERVICES	45,742.68	-	45,742.68
80150000	CONTRACT SERV-TRAINING	11,379.99	-	11,379.99
80160000	CONTRACTS-EXTERNAL LEGAL SERVICES	19,305.00	-	19,305.00
80300000	ADMINISTRATIVE SERVICES	27,216.49	(27,216.49)	-
80400000	HOME REPAIRS	975.34	-	975.34
82400000	FEES	172,816.23	-	172,816.23
84000000	INSURANCE PREMIUMS	364,056.00	-	364,056.00
84500000	GENERAL LIABILITY INSURANCE/CLAIMS	308,061.00	30,722.00	338,783.00
85000000	TELEPHONE	63,691.75	-	63,691.75
85100000	POSTAGE	4,665.75	-	4,665.75
90000000	PRINTING & PUBLISHING	3,649.75	-	3,649.75
90100000	ADVERTISING - ANY MEDIA	1,053.75	-	1,053.75
95600000	PROFESSIONAL DEVELOPMENT	29,211.88	-	29,211.88
95610000	OTHER TRAVEL & TRAINING	75,342.98	-	75,342.98
95630000	FOOD-BEVERAGE	2,583.74	-	2,583.74
95800000	MEMBERSHIPS	54,273.76	-	54,273.76
92800000	WATER	117,292.52	-	117,292.52
92900000	REFUSE COLLECTION CHARGES	12,360.18	-	12,360.18
92000000	ELECTRICITY	1,930,062.53	-	1,930,062.53
92100000	NATURAL GAS	1,120,250.48	-	1,120,250.48
93100000	EQUIPMENT REPAIRS	8,970.18	-	8,970.18
93300000	SOFTWARE MAINTENANCE AGREEMENTS	307,338.14	-	307,338.14
93400000	MAINTENANCE SERVICE	21,435.69	-	21,435.69
94000000	LAND RENTAL OR LEASE	8,257.86	-	8,257.86
94100000	EQUIPMENT RENTALS OR LEASE	148,275.27	-	148,275.27
82800000	FLEET MANAGEMENT EQUIPMENT	1,711,493.86	-	1,711,493.86
82810000	311 CALL CENTER SERVICES	40,775.00	-	40,775.00
82820000	ENGINEERING SERVICES	23,414.41	-	23,414.41
82830000	VEHICLE USAGE/CAR MILAGE	18,283.02	-	18,283.02
82840000	COMPUTER SERVICES	406,380.00	41,965.00	448,345.00
82860000	UTILITY CUSTOMER SERVICE	3,306,205.00	772,074.21	4,078,279.21
96500000	BAD DEBT WRITE-OFFS	584.92	-	584.92
	TOTAL OTHER SERVICES & CHARGES	21,567,664.78	817,544.72	22,385,209.50
97600000	EQUIPMENT	689,634.09	-	689,634.09
98000000	OFFICE EQUIPMENT & FURNITURE	30,651.76	-	30,651.76
98400000	SOFTWARE	3,146.00	-	3,146.00
98800000	CONSTRUCTION IN PROGRESS	9,580.05	-	9,580.05
	TOTAL CAPITAL	733,011.90	-	733,011.90
82850000	A-87 COST ALLOCATION	1,315,380.00	(191,610.00)	1,123,770.00
	TOTAL TRANSFERS/FEES	1,315,380.00	(191,610.00)	1,123,770.00
	GRAND TOTAL- EXPENDITURES	$ 41,513,285.94	$ 1,414,259.62	$ 42,927,545.56

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: October 31, 2026

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: 2026 SEWER RATE STUDY TASK #4
FY26 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

TCV

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE PUMPING STATIONS OPERATING COSTS
FOR THE YEAR ENDED JUNE 30, 2026

Station	Physical Location	Type	FY2026 5900 Expenses
Market Avenue Pump Station	Grand Rapids	Interceptor	$286,125.86
Millbank Lift Station	Grand Rapids	Local	$4,495.85
Eastlake Lift Station	Grand Rapids	Local	$24,285.35
Eastern Lift Station	Grand Rapids	Trunk	$8,671.28
Oak Hollow Lift Station	Grand Rapids Twnsp	Local	$9,857.33
Kingsbury Lift Station	Walker	Trunk	$17,993.07
Bona Vista Lift Station	Grand Rapids	Trunk	$20,589.25
Aberdeen Lift Station	Grand Rapids	Local	$43,474.85
O'Brien Lift Station	Walker	Trunk	$40,541.04
Leonard Heights Lift Station	Walker	Trunk	$15,167.87
Guild Lift Station	Grand Rapids	Local	$11,066.89
Orchard Vista Lift Station	Cascade Twnsp	Local	$8,965.52
Brookview Lift Station	Grand Rapids	Trunk	$59,365.91
Remembrance Road Lift Station	Walker	Local	$50,751.24
Kraft Avenue Lift Station	Cascade Twnsp	Local	$17,158.23
Thornapple Lift Station	Cascade Twnsp	Trunk	$34,019.76
Thornhills Lift Station	Cascade Twnsp	Local	$17,056.61
Greenbrier Lift Station	Grand Rapids Twnsp	Local	$13,419.30
Shore Haven Lift Station	Grand Rapids Twnsp	Local	$11,879.21
Ada Lift Station	Ada	Local	$7,383.87
Robinhood Lift Station	Grand Rapids Twnsp	Local	$11,536.66
Lincoln School Lift Station	Grand Rapids Twnsp	Local	$4,726.29
Reeds Lake Blvd. Lift Station	Grand Rapids Twnsp	Local	$13,309.00
6000 28th Street Lift Station	Cascade Twnsp	Local	$8,629.10
Ada Meter Station	Ada	Meter	$1,781.60
East Grand Rapids Meter Station	East Grand Rapids	Meter	$425.39
Rickman Avenue Lift Station	Grand Rapids	Local	$8,319.43
Michigan Street Lift Station	Grand Rapids	Local	$8,011.34
Eagle Crest Lift Station	Grand Rapids Twnsp	Local	$42,227.28
East Paris Lift Station	Grand Rapids Twnsp	Local	$15,376.71
Alpine Estates Lift Station	Walker	Local	$9,550.02
Elmdale Lift Station	Grand Rapids	Local	$9,126.15
Collindale Lift Station	Walker	Local	$15,118.64
Bird Avenue Lift Station	Grand Rapids Twnsp	Local	$40,190.35
Valentine Lift Station	Grand Rapids Twnsp	Local	$5,299.13
Cascade Springs Lift Station	Cascade Twnsp	Local	$10,718.84
Churchill Downs Lift Station	Grand Rapids	Local	$4,700.16
Woodsboro Court Lift Station	Grand Rapids Twnsp	Local	$9,087.32
Meadowood Trails Lift Station	Cascade Twnsp	Local	$10,393.49
Gaines Township Meter Station	Gaines Township	Meter	$505,149.79
Kentwood Meter Station	Kentwood	Meter	$748.76
Stonebridge Lift Station	Grand Rapids Twnsp	Local	$12,075.39
Burton/Cascade Lift Station	Cascade Twnsp	Local	$31,298.41
Crahen Lift Station	Grand Rapids Twnsp	Local	$10,097.03
Jonathan Woods Lift Station	Cascade Twnsp	Local	$9,147.90
Watermark Lift Station	Cascade Twnsp	Local	$9,508.72
Mountain Ash Lift Station	Tallmadge Twnsp	Local	$11,151.19
Reeds Hollow Lift Station	Grand Rapids Twnsp	Local	$7,716.61
Celebration Village Lift Station	Grand Rapids Twnsp	Trunk	$17,227.79
Saddleback Lift Station	Grand Rapids Twnsp	Local	$9,997.39
Arbor Hills Lift Station	Grand Rapids Twnsp	Local	$53,472.70
16th Avenue Lift Station	Marne	Local	$10,009.57
Hayes West Lift Station	Wright TWP	Local	$17,760.48
Hayes East Lift Station	Wright TWP	Local	$6,449.33
Cypress Trails Lift Station	Grand Rapids Twnsp	Local	$8,812.03
8th & Leonard Lift Station	Tallmadge Twnsp	Local	$9,476.91
Summit Ridge Lift Station	Grand Rapids	Local	$7,850.01
Lake Michigan Estates	Tallmadge Twnsp	Local	$10,311.02
Bretonfield Meter Station	Kentwood	Meter	$826.82
Caledonia Meter Station	Caledonia	Meter	$0.00
			$1,679,883.04

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: September 21, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: Molly Clarin
Chief Financial Officer

SUBJECT: 2026 SEWER RATE STUDY TASK #5
KNOWN COST ADJUSTMENTS

Known cost adjustments by which to adjust FY26 operating costs are listed below.

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

The most recent labor negotiations resulted in both GREIU and APA wages increasing by 4.00% in FY2027 and FY2028. After converting these increases from a 2026 fiscal year to a 2027 calendar year basis, the result is a 6.080% factor for both GREIU and 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 1.5% of the population and were therefore excluded. **The wage increase factor to translate FY2026 actual costs to estimated calendar 2027 will be 6.080%** [6.080 X 79% + 6.080 X 21%].

Expense Object – 82840000/84500000/82850000

Adjust FY2026 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 FY2027 and FY2028 budget amounts thus arriving at an estimated 2027 calendar year rate as follows:

82840000-Data Charges			
Fund-Cost Center	FY2027 Request	FY2028 Forecast	Calendar 2027 Estimate
5900-52701	$18,137	$18,594	**$18,366**
5900-52740	$301,364	$308,950	**$305,157**
5900-52770	$123,270	$126,373	**$124,822**
Total	$442,771	$453,917	**$448,345**

84500000-General Liability Insurance			
Fund-Cost Center	FY2027 Request	FY2028 Forecast	Calendar 2027 Estimate
5900-52701	$327,326	$350,239	**$338,783**

82850000-Contributions to Other Funds (Cost Allocation)			
Fund-Cost Center	FY2027 Request	FY2028 Forecast	Calendar 2027 Estimate
5900-52701	$1,195,813	$1,051,727	**$1,123,770**

Expense Object - 71050000

Increase FY2026 actual FICA expense by 6.080% consistent with the known wage increase factor noted above.

Expense Object - 71100000

The calendar 2027 Trend Report is not finalized at this time. However, unfavorable health insurance cost trends were anticipated in the calendar 2026 report. Both the medical trend increase assumption (6.5%) and the prescription drug trend increase assumption (7.5%) remained the same in the 2026 report as in the 2025 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 as no surplus reduction adjustment was included in the 2026 report. This further contributes to projected health insurance cost increases. **Increase FY2026 health insurance actual by 9.66% to reflect these anticipated rate changes.**

The budgeted FY2027 ($19,338.00) and FY2028 ($21,042.00) health insurance rates were blended into a 2027 calendar year rate estimate and divided by the FY2026 base budget amount ($18,412.00) to arrive at the increase factor [(((((($19,338.00 + $21,042.00) / 2)) / $18,412.00) - 1) * 100)].

Expense Object - 71150000

Retiree health care (“RHC”) rates are projected to trend down in FY2027 (to 3.66%) and FY2028 (to 3.69%) from a base year rate of 3.90% in FY2026.

The RHC factor after consideration of the above rate and wage adjustments is 99.97% (or a decrease of 0.03%) for both GREIU and APA members. These factors are then weighted in accordance with union membership within the Sewer Fund [(-0.03 * 79%) + (-0.03 * 21%)].

The factor to establish calendar year 2027's retiree health care cost is -0.03%. **Decrease the total of fiscal year 2026's retiree health care by this percent to establish the cost for calendar year 2027.**

Expense Object - 71200000

The pension expense factor to translate FY2026 actual costs to estimated calendar 2027 will be -2.36%. **Decrease the total of fiscal year 2026's pension expense by this percent to establish the cost for calendar year 2027.** This reflects the effect of a General Pension rate change decrease from FY26 of 22.12% to a calendar 2027 rate of 20.36% and the projected wage adjustments discussed above. The calendar 2027 rate is a blend of the FY2027 rate (20.32%) and the FY2028 rate (20.40%).

The pension factor after consideration of the above rate and wage adjustments is 97.64% (or a decrease of 2.36%) for both GREIU and APA members. These factors are then weighted in accordance with union membership within the Sewer Fund [(-2.36 * 79%) + (-2.36 * 21%)].

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: October 31, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: James Ouzts
Environmental Services Manager

SUBJECT: 2026 SEWER RATE STUDY TASK #5
KNOWN COST ADJUSTMENTS

Known cost adjustments by which to adjust FY26 operating costs are listed below:

ACCOUNT	DESCRIPTION	AMOUNT
5900-52701-80300000	Kent County Community Action Program (ICB) (adjusting FY26 to zero, as this program is not funded by sewer rates)	($21,216.49)
5900-52740-92000000	Consumers Energy Green Generation Participation (adjust to admin cost center 52701 to allocate to GR Only)	$58,174.20

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: October 31, 2026

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: 2026 SEWER RATE STUDY TASK #6

The Sewage Disposal System Fund's revenues by governmental unit for the year ended June 30, 2026, 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

TCV

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, 2026:

RETAIL:	SALES REVENUE	3 YR AVE BILLED VOL (GALLONS)	3 YR AVE BILLED VOL (HCF)
CITY OF GRAND RAPIDS (1)	$ 43,632,409.29	4,915,542,588	6,571,581
CITY OF WALKER	5,927,371.07	644,033,984	861,008
CITY OF KENTWOOD	5,511,856.11	969,504,492	1,296,129
CASCADE TOWNSHIP	3,416,722.54	369,149,220	493,515
GRAND RAPIDS TOWNSHIP	3,260,472.36	301,918,232	403,634
TALLMADGE TOWNSHIP	591,494.69	38,450,192	51,404
WRIGHT TOWNSHIP (2)	263,618.29	18,699,434	24,999
SUB-TOTAL RETAIL (3)	$ 62,603,944.35	7,257,298,142	9,702,270
WHOLESALE:			
CITY OF E. GRAND RAPIDS	$ 1,178,646.77	360,716,333	482,241
CALEDONIA TOWNSHIP	254,357.60	33,740,000	45,107
ADA TOWNSHIP	1,585,603.46	271,153,000	362,504
GAINES TOWNSHIP (4)	359,054.45	121,764,000	162,786
SUB-TOTAL WHOLESALE	$ 3,377,662.28	787,373,333	1,052,638
TOTAL	$ 65,981,606.63	8,044,671,475	10,754,908

REVENUE CLASSIFICATION:

5900-52701-62810000 RETAIL SEWAGE SERVICE CHARGE		$ 62,510,816.62
5900-52701-62840000 WYOMING SEWAGE SERVICE CHARGE		93,127.73
5900-52701-62820000 WHOLESALE SEWAGE SERVICE CHARGE		3,377,662.28
	TOTAL	$ 65,981,606.63

(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 2026.

(3) A NET REVENUE ACCRUAL OF ($905,670.41) HAS BEEN PRORATED TO ALL RETAIL CUSTOMER COMMUNITIES TO ACCRUE BILLINGS FROM THE LAST READING DATE THROUGH JUNE 30, 2026, 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
2026 RATE STUDY TASK NO. 6

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

MUNICIPALITY	*FY22 VOL BILLED*	*FY23 VOL BILLED*	*FY23 % CHANGE*	*FY24 VOL BILLED*	*FY24 % CHANGE*	*FY25 VOL BILLED*	*FY25 % CHANGE*	*FY26 VOL BILLED*	*FY26 % CHANGE*	*FY22 - FY26 % CHANGE*
GRAND RAPIDS	4,848,898	4,889,314	0.83%	4,795,951	-1.91%	4,924,883	2.69%	5,025,793	2.05%	3.65%
WALKER	628,004	634,824	1.09%	613,225	-3.40%	653,116	6.51%	665,762	1.94%	6.01%
KENTWOOD	991,359	999,662	0.84%	963,578	-3.61%	961,137	-0.25%	983,798	2.36%	-0.76%
CASCADE	351,062	358,418	2.10%	358,140	-0.08%	369,868	3.27%	379,441	2.59%	8.08%
GRAND RAPIDS TWP	291,121	301,740	3.65%	285,954	-5.23%	306,603	7.22%	313,197	2.15%	7.58%
TALLMADGE	29,628	36,870	24.45%	37,119	0.67%	38,753	4.40%	39,479	1.87%	33.25%
WRIGHT TWP	15,037	17,363	15.47%	12,984	-25.22%	17,149	32.07%	16,877	-1.58%	12.24%
EAST GRAND RAPIDS	459,754	447,512	-2.66%	358,522	-19.89%	335,428	-6.44%	388,199	15.73%	-15.56%
ADA TWP	276,776	276,304	-0.17%	274,399	-0.69%	269,353	-1.84%	269,707	0.13%	-2.55%
CALEDONIA TWP	30,777	31,098	1.04%	29,841	-4.04%	36,407	22.00%	34,972	-3.94%	13.63%
GAINES TWP	116,742	116,500	-0.21%	74,400	-36.14%	125,444	68.61%	121,764	-2.93%	4.30%
TOTAL	8,039,158	8,109,605	0.88%	7,804,112	-3.77%	8,038,141	3.00%	8,238,990	2.50%	2.49%

GRAND RAPIDS VOLUME COMPARED TO
CUSTOMER COMMUNITIES

VOLUME = 1,000 GALLONS	*FY22 VOL BILLED*	*FY23 VOL BILLED*	*FY23 % OF TOTAL*	*FY24 VOL BILLED*	*FY24 % OF TOTAL*	*FY25 VOL BILLED*	*FY25 % OF TOTAL*	*FY26 VOL BILLED*	*FY26 % OF TOTAL*
GRAND RAPIDS	4,848,898	4,889,314	60.29%	4,795,951	61.45%	4,924,883	61.27%	5,025,793	61.00%
CUSTOMER COMMUNITIES	3,190,260	3,220,292	39.71%	3,008,161	38.55%	3,113,258	38.73%	3,213,197	39.00%
TOTAL	8,039,158	8,109,605	100.00%	7,804,112	100.00%	8,038,141	100.00%	8,238,990	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	$ 7,334.94
61400000	INSPECTION FEES - UTILITIES	33,730.00
64610000	INVENTORY WITHDRAWALS (SALES)	49,650.82
67230000	INTEREST/PENALTIES ON SPEC ASSM	5,765.17
5274X-5900		
49120000	INDUSTRIAL PRETREATMENT PERMITS	$ 162,213.91
62600000	MISCELLANEOUS SERVICE FEES	7,334.94
64230000	SALES OF SCRAP MATERIAL	1,558.19
		$ 267,587.97
CREDIT: UNDERUTILIZATION OF PENALTY CREDIT FROM PREVIOUS YEAR		$ 446,552.50
INTEGRATED SYSTEM CREDITS		
52701/52740-5900		
61520000	INTEGRATED SEWER CONNECTION	$ 235,710.00
62830000	SEWAGE SURCHARGE	4,155,628.44
64240000	RENEWABLE NATURAL GAS SALES	2,345,783.22
66710000	RENTALS-FACILITIES	35,000.00
67610000	REIMBURSEMENTS	20,918.53
68710000	REFUNDS-REBATES	518.00
		$ 6,793,558.19

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: October 20, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: James Ouzts
Environmental Services Manager

SUBJECT: 2026 SEWER RATE STUDY – TASK #8
CHANGES IN OPERATING LEVELS

No significant changes in operating levels are anticipated to take effect by January 1, 2027, which would require an adjustment to operating costs for the preparation of the current Rate Study model.

JO

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: October 20, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: James Ouzts
Environmental Services Manager

SUBJECT: 2026 SEWER RATE STUDY – TASK #9
CHANGES IN OPERATING REVENUES

No significant changes in operating levels are anticipated to take effect by January 1, 2027, which would require an adjustment to operating revenues for the preparation of the current Rate Study model.

JO

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: October 31, 2026

TO: Molly J. Clarin
Chief Financial Officer

FROM: Tai Verbrugge
Utility Financial Officer

SUBJECT: **2026 SEWER RATE STUDY- TASK #10**

The following are sewage system projects that should be considered operative as of January 1, 2027.

Description	Location	Proj. Code	Cost
Pleasant Hills – Pleasant & Osgood	Grand Rapids	Contribution	$113,562
Fountain Street	Grand Rapids	Operations	$77,276
MAPS VFD Replacement	Grand Rapids	220210	$1,118,900
WRRF Staircases	Grand Rapids	260370	$129,585
WRRF Cold Storage Building	Grand Rapids	260370	$288,770
WRRF Forklift	Grand Rapids	230360	$65,000
MARB Boiler Lines	Grand Rapids	260230	$240,000
WRRF Parking Lot Repairs	Grand Rapids	260370	$118,081
Knapp Hills – Dean Lake NE	Grand Rapids	Contribution	$127,600
Garden Apts – Phase 2 Force Main	Cascade	Contribution	$572,500
Garden Apts – Phase 2 Lift Station	Cascade	Contribution	$500,000
West Wing Ct – Lakewood Condo	Kentwood	Contribution	$192,700
North Ravines – Shaffer SE	Kentwood	Contribution	$510,120
Collindale Gravity & LS Improv.	Walker	Contribution	$673,725
Waterford Reserve – Lake MI Dr	Walker	Contribution	$300,795
Highview – Lewis Farms – Maverick	Walker	Contribution	$149,025
Lake MI Dr – The Drive Townhomes	Walker	Contribution	$124,350
Cambridge Grove Phase 4	Walker	Contribution	$283,450
Jason Ridge West Phase 2	Walker	Contribution	$171,895
Standale Meijer Outlots	Walker	220190	$189,000
Celebration Lift Station	GR Township	Contribution	$71,000
Michigan NE – 4100 Blackhawk	GR Township	260190	$565,000
		Total:	$6,582,334

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

COMPUTE ACCUMULATED COST, DEPRECIATION AND DEPRECIATION EXPENSE AS OF JUNE 30, 2026

INTEGRATED SYSTEM

	ORIGINAL COST	ACCUMULATED DEPRECIATION	DEPRECIATION EXPENSE
LAND & EASEMENTS	$ 1,494,738	$ -	$ -
LAND IMPROVEMENTS	19,542,933	16,912,113	391,560
BUILDINGS & STRUCTURES	75,459,988	43,846,961	1,543,994
PROCESS EQUIPMENT	101,725,036	38,795,143	3,583,391
AUXILIARY EQUIPMENT	37,460,680	21,772,591	2,173,840
MACHINERY & EQUIPMENT	3,834,424	2,753,560	129,225
OFFICE EQUIPMENT & FURNITURE	11,720	5,743	235
WATER, SEWER, & STORM MAIN	1,578,189	84,011	24,661
	$ 241,107,708	$ 124,170,122	$ 7,846,906

NON-INTEGRATED SYSTEM

	ORIGINAL COST	ACCUMULATED DEPRECIATION	DEPRECIATION EXPENSE
LAND & EASEMENTS	$ 4,712,823	$ -	$ -
LAND IMPROVEMENTS	3,509,383	3,217,120	164,499
BUILDINGS & STRUCTURES	13,050,152	5,980,051	302,068
PROCESS EQUIPMENT	15,338,934	11,026,487	514,051
AUXILIARY EQUIPMENT	4,517,489	3,850,669	124,267
MACHINERY & EQUIPMENT	1,701,162	1,663,981	6,834
SERVICEMAINS - GRAND RAPIDS	427,651,286	186,211,612	8,124,143
SERVICEMAINS - WALKER	45,357,461	23,973,268	824,295
SERVICEMAINS - KENTWOOD	45,448,438	23,730,618	792,269
SERVICEMAINS - CASCADE TWP	22,665,632	12,696,651	411,513
SERVICEMAINS - GRAND RAPIDS TWP	21,621,005	11,021,903	390,246
SERVICEMAINS - TALLMADGE TWP	6,408,679	2,720,738	128,174
SERVICEMAINS - WRIGHT TWP	125,288	51,368	2,506
	$ 612,107,732	$ 286,144,466	$ 11,784,865
TOTAL	$ 853,215,440	$ 410,314,588	$ 19,631,771

SOURCE: GENERAL LEDGER, AS ADJUSTED, FOR JUNE 30, 2026

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, 2026: $ 1,945,707

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 = $ 42,927,546 @ 90/365 = $ 10,584,874

TOTAL WORKING CAPITAL NEEDS CONSIST OF THE FOLLOWING:

12A	INVESTMENT IN INVENTORY	$ 1,945,707
12B	PREPAYMENT OF OPERATING EXPENSES	-
12C	90 DAY OPERATING EXPENSES	10,584,874
		$ 12,530,581

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: November 2, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: James Ouzts
Environmental Services Manager

SUBJECT: 2026 SEWER RATE STUDY- TASK #13
ZONEGATING & JOINT USE ALLOCATION METHODS

Lengths and costs of all zonegated interceptor and trunk sewer mains as well as jointly used lift stations are allocated to customer communities based on the 2025 Comprehensive Master Plan update performed by Fishbeck engineering and adjusted annually for the changes in billed flow for each customer community. A separate zone-gating study was conducted by Fishbeck in 2025. The study resulted in revisions to flow allocations throughout the collection system, specifically affecting the nine lift stations listed below and the corresponding percentage contributions from each partner community.

Lift Station	City of GR	GR Township	City of Kentwood	City of East GR	City of Walker	Tallmadge Township	Wright Twp
Aberdeen	81.48%	18.52%					
Bona Vista	88.34%				11.66%		
Brookview	22.87%	77.13%					
Celebration	8.82%	91.18%					
Hayes West							100%
Leonard Heights	33.04%				66.96%		
O'Brien	3.74%				86.66%	9.6%	
Reeds Lake Blvd	39.12%	39.72%	15.48%	5.68%			
Remembrance					83.70%	3.77%	12.53%

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	14,974.00
LESS: WHOLESALE BILLED FLOW	(814.64)
LESS: RETAIL BILLED FLOW	(7,424.35)
TOTAL RETAIL I/I & OTHER FLOW	6,735.01
2.) RETAIL INFLOW FROM SEPARATED AREAS (A)	555.04
RETAIL INFLOW FROM COMBINED AREAS - AMOUNT ESTIMATED (A)	759.26
LESS: ANNUAL BYPASS FROM (3) PUMPING STATIONS	-
LESS: IN-SYSTEM BYPASS & RETENTION BASIN OVERFLOW	(19.58)
TOTAL RETAIL INFLOW	1,294.72
3.) RETAIL INFILTRATION:	
TOTAL RETAIL I/I & OTHER FLOW	6,735.01
LESS: TOTAL RETAIL INFLOW (#2)	(1,294.72)
	5,440.29
LESS: MARKET AVE RETENTION BASIN (MARB) CAPTURE	(89.98)
TOTAL RETAIL INFILTRATION & OTHER FLOW	5,350.31

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 INFILTRATION & OTHER	MILLION GALLONS
UTILITY PARTNERS	100.0000%	5,350.31
TOTAL	100.0000%	5,350.31

(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)

GOVERNMENTAL UNIT(S)	BILLED FLOW (TASK #6)	INFLOW (#2 ABOVE)	INFILTRATION & OTHER FLOW (#4 ABOVE)	MARB (A) (#3 ABOVE)	TOTAL PLANT FLOW	PERCENT OF TOTAL	TOTAL PLANT FLOW (MGD)
UTILITY PARTNERS	8,117.23	1,294.72	5,350.31	88.65	14,850.91	99.1780%	40.6874
GAINES TWP	121.76	-	-	1.33	123.09	0.8220%	0.3372
TOTAL	8,238.99	1,294.72	5,350.31	89.98	14,974.00	100.0000%	41.0246

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

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: July 16, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: Andrew Meyer
Wastewater Plant Superintendent

SUBJECT: 2026 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 increased 9.57% from 13,665 MG treated in FY2025 to 14,974 MG treated in FY2026. The final, in-system Combined Sewer Overflow point was eliminated July 13, 2015, and is no longer applicable to this report. The Market Avenue Retention Treatment Basin overflowed 19.58 MG of treated effluent in FY2026 compared to no discharges in the previous two fiscal years. Data was generated using ESD eRIS software.

Month	FY 2024	FY 2025	FY 2026	% incr (decr)
July	1305.9	1310.7	1081.5	(17.49%)
August	1227.5	1174.4	1042.6	(11.22%)
September	1086.2	1019.4	1000.9	(1.81%)
October	1237.2	1021.2	1086.3	6.37%
November	1142.3	1040.5	956.2	(8.10%)
December	1128.1	1087.8	1108.4	1.89%
January	1388.5	1132.8	1296.0	14.41%
February	1254.1	986.2	1110.2	12.57%
March	1319.7	1217.3	1688.8	38.73%
April	1264.6	1330.2	2087.1	56.90%
May	1218.8	1250.2	1335.7	6.84%
June	1128.9	1094.9	1180.3	7.80%
Total	**14701.8**	**13665.6**	**14974.0**	**9.57%**

Data Measured	FY 2024	FY 2025	FY 2026	% incr (decr)
Water Resource Recovery Facility (WRRF) avg daily flow (MG)	40.3	37.4	41.0	9.57%
Rainfall Recorded at WRRF (inches)	22.78	27.31	33.78	23.69%
Market Ave Retention Basin (MARB) inflow (MG)	18.64	23.17	109.56	372.85%
Market Ave Retention Basin (MARB) outflow (MG)	0	0	19.58	N/A

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

This page intentionally left blank.

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: August 13, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: James Ouzts
Environmental Services Department Manager

SUBJECT: 2026 SEWER RATE STUDY – TASK #14

The 2026 zonegating update introduces notable allocation percentage changes for several customer communities, particularly in segments S-16, S-14, S-108A, and S-126. Grand Rapids Charter Township and Cascade Charter Township saw substantial increases in their allocations, while Ada Township and Kentwood experienced corresponding decreases. These adjustments reflect updated sewer billing and flow monitoring data trends from 2015–2025, correcting prior underrepresentation of certain communities. Overall, the changes are expected to have minimal impact on most customer rates, with the exception of Ada Township, which may see a more pronounced effect. 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	$ 6,582,334	
	- TASK #11/21	611,302,732	
	- TASK #16/21	(187,322,829)	$ 430,562,238
LESS: ACCUMULATED DEPRECIATION	- TASK #10	$ -	
	TASK #11/21	286,109,387	
	TASK #16/21	(96,215,631)	(189,893,756)
			240,668,482
WORKING CAPITAL REQUIREMENT	- TASK #12	$ 12,530,581	
			12,530,581
			253,199,062
CONTRIBUTIONS BY OTHERS	- TASK #21	$ 220,863,376	
LESS: AMORTIZATION		(172,181,504)	
			(48,681,871)
CONSTRUCTION COST RATE BASE			$ 204,517,191

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: September 11, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: Lindsay Sagorski Munsell
Assistant Water System Manager

SUBJECT: 2026 Sewer Rate Study Integrated Connection Fees Task #15A

Below is the Integrated Sewer Connection Fee Schedule of rates effective January 1, 2027. 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, 2027, shall be as follows:

Residential Users (three residential units or less)

Plan Review and Connection Fee (PRC Fee)			
Meter Size	**2026**	**2027**	**% Change**
3/4 inch	$400	$405	1.25%
1 inch	$420	$425	1.19%
1-1/2 inch	$420	$425	1.19%

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

Plan Review and Connection Fee (PRC Fee)			
Meter Size	**2026**	**2027**	**% Change**
3/4 inch	$815	$815	0.00%
1 inch	$1,075	$1,075	0.00%

1-1/2 inch	$1,460	$1,460	0.00%
2 inch	$2,015	$2,015	0.00%
3 inch	$2,485	$2,485	0.00%
4 inch	$3,600	$3,600	0.00%
6 inch	$5,115	$5,115	0.00%

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	**2026**	**2027**	**% Change**
¾ inch	$225	$246	9.33%
1 inch	$315	$315	0.00%
1 ½ inch	$1,065	$1,065	0.00%
2 inch	$1,250	$1,250	0.00%
3 inch	$2,355	$2,536	7.69%
4 inch	$3,147	$3,367	6.99%
6 inch	$5,202	$5,566	7.00%
8 inch	$11,320	$11,320	0.00%
10 inch	$14,770	$15,731	6.51%

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			
	2026	**2027**	**% Change**
All Sizes	$125	$130	4.00%

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

LMS

Cc: James Ouzts
Nick Fisher
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 2027 - ACCRUAL BASIS

	SRF/REVENUE REFERENCE			REVENUE BONDS			TOTAL		TOTAL PRINCIPAL &
DATE	5073-	SERIES		PRINCIPAL	INTEREST	EST. FEES	PRINCIPAL	INTEREST	INTEREST
07/01/27	N/A	2010A	(1)		$ 316,270.00	$ 625.00	$ -	$ 316,895.00	$ 316,895.00
01/01/28	N/A	2010A	(1)		316,270.00	625.00	0.00	316,895.00	316,895.00
07/01/27	N/A	2021	(2)		304,148.89	687.50	0.00	304,836.39	304,836.39
01/01/28	N/A	2021	(2)	3,033,393.93	304,148.89	687.50	3,033,393.93	304,836.39	3,338,230.32
07/01/27	N/A	2025	(3)		467,955.94	687.50	0.00	468,643.44	468,643.44
01/01/28	N/A	2025	(3)	824,769.20	467,955.94	687.50	824,769.20	468,643.44	1,293,412.64
							$ 3,858,163.13	$ 2,180,749.65	$ 6,038,912.78

(1) DS ON ES CSO PORTION OF 2010A ISSUE. ($14.05M)
(2) PRORATED AMOUNT OF REFUNDED 2013 AND 2014 (2005 CSO REFUNDING) ISSUES RELATED TO CSO DEBT
(3) PRORATED AMOUNT OF REFUNDED 2016 AND 2021 (PARTIAL) 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	800,000	2026
2	EAST PARIS LIFT STATION FORCEMAIN REPLACEMENT	1,200,000	2026
3	WOODLAWN CEMETERY SANITARY SEWER CIPP	1,500,000	2026
4	LIFT STATION UPGRADES	350,000	2026
5	ORCHARD VISTA LS UPGRADE	1,000,000	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	PLASTER CREEK IMPROVEMENTS	137,500	2026
9	FORCEMAIN AIR RELIEF VALVE REPLACEMENT	60,000	2026
10	COLLINDALE GRAVITY SEWER AND LIFT STATION IMPROVEMENTS	335,000	2026
11	VITAL STREET & CSO SEPARATION AT VARIOUS LOCATIONS	150,000	2026
12	VALENTINE LIFT STATION UPGRADES	100,000	2026
13	FORCEMAIN AIR RELIEF VALVE REPLACEMENT	60,000	2027
14	BRISTOL AVE SANITARY SEWER	1,500,000	2027
15	LIFT STATION UPGRADES	350,000	2027
16	6862-A.C. FORCEMAIN REPLACEMENT - EASTERN AVENUE LIFT STATION	250,000	2027
17	VAR LOC CIPP REHAB OF S/S	1,000,000	2027
18	GODFREY AVE - OXFORD ST TO CHESTNUT ST	4,200,000	2027
19	WOODLAWN CEMETARY SANITARY SEWER CIPP	500,000	2027
20	VITAL STREET & CSO SEPARATION AT VARIOUS LOCATIONS	100,000	2027
21	BRANDYWINE SANITARY TRUNK SEWER	1,000,000	2027
22	PLASTER CREEK IMPROVEMENTS	1,000,000	2028
23	EAST PARIS LIFT STATION FORCEMAIN REPLACEMENT	850,000	2028
24	6864-A.C. FORCEMAIN REPLACEMENT - LINCOLN SCHOOL LIFT STATION	250,000	2028
25	FORCEMAIN AIR RELIEF VALVE REPLACEMENT	60,000	2028
26	VITAL STREET & CSO SEPARATION AT VARIOUS LOCATIONS	50,000	2028
27	LIFT STATION UPGRADES	100,000	2028
28	4532 - BUTTERWORTH - HOGADONE TO SEWARD AVE	100,000	2028
29	WOODLAWN CEMETARY SANITARY SEWER CIPP	500,000	2028
30	VAR LOC CIPP REHAB OF S/S	100,000	2028
31	2530-BURTON/BRETON SANITARY TRUNK SEWER	3,000,000	2029
32	6862-A.C. FORCEMAIN REPLACEMENT - EASTERN AVENUE LIFT STATION	1,000,000	2029
33	VITAL STREET & CSO SEPARATION AT VARIOUS LOCATIONS	50,000	2029
34	GODFREY AVE - CHESTNUT AVE TO GRAND RIVER	29,000,000	2029
35	VAR LOC CIPP REHAB OF S/S	1,200,000	2029
36	6864-A.C. FORCEMAIN REPLACEMENT - LINCOLN SCHOOL LIFT STATION	2,000,000	2029
37	BURTON/BRETON SE COLLECTION AREA CONSTRUCTION	500,000	2030
38	NELAND - BATES TO SHERMAN	1,000,000	2030
39	BEACON ST - GRANDVILLE TO CAULFIELD	500,000	2030
40	B ST - GRANDVILLE TO CAULFIELD ALLEY	305,000	2030
41	2537 - LAFAYETTE AVENUE - FULTON TO FOUNTAIN	270,000	2030
42	VAR LOC CIPP REHAB OF S/S	1,300,000	2030
43	VITAL STREET & CSO SEPARATION AT VARIOUS LOCATIONS	50,000	2030
44	OBRIEN LIFT STATION UPGRADE	1,700,000	2030
45	ORCHARD VISTA FORCEMAIN REPLACEMENT	1,000,000	2031
46	2516-WHISKEY CREEK SANITARY TRUNK	3,700,000	2031
47	2528-KENT COUNTRY CLUB SANITARY TRUNK SEWER	1,600,000	2031
48	BOSTON/BLAINE SE COLLECTION AREA CONSTRUCTION	2,000,000	2031
		$72,827,500	

NOTE: NONE OF THE PROJECTS ABOVE ARE INCLUDED IN RECOMMENDED REVENUE REQUIREMENTS FOR CALENDAR YEAR 2026. COSTS SHOWN ARE IN 2026 DOLLARS.

SOURCE: MICHAEL RUMMELT, UTILITIES OPERATIONS SUPERINTENDENT, SEPT. 2026

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
2027	$ 9,355,000	$ 8,084,364	17,439,364
2028	9,250,000	7,709,956	16,959,956
2029	10,505,000	7,455,785	17,960,785
2030	11,800,000	7,110,040	18,910,040
2031	12,230,000	6,679,096	18,909,096
2032	12,665,000	6,236,013	18,901,013
2033	13,210,000	5,702,096	18,912,096
2034	15,295,000	5,216,746	20,511,746
2035	13,645,000	4,630,072	18,275,072
2036	9,265,000	4,087,813	13,352,813
2037	9,675,000	3,669,361	13,344,361
2038	10,105,000	3,245,385	13,350,385
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	-	-	-
2052	-	-	-
	$ 200,250,000	$ 84,602,483	$ 284,852,483

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 (CCRB) - TASK NO. 15	$ 204,520,235
LESS: BONDED INDEBTEDNESS IN CCRB (CASH BASIS) - TASK NO. 20	(155,685,835)
NET SEWER SYSTEM EQUITY	$ 48,834,399

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

DATE	RATE	DATE	RATE
11-Sep-25	4.940%	12-Mar-26	4.810%
18-Sep-25	4.880%	19-Mar-26	4.780%
25-Sep-25	4.900%	26-Mar-26	4.940%
02-Oct-25	4.850%	02-Apr-26	4.860%
09-Oct-25	4.830%	09-Apr-26	4.720%
16-Oct-25	4.780%	16-Apr-26	4.720%
23-Oct-25	4.720%	23-Apr-26	4.680%
30-Oct-25	4.740%	30-Apr-26	4.740%
06-Nov-25	4.750%	07-May-26	4.720%
13-Nov-25	4.750%	14-May-26	4.750%
20-Nov-25	4.760%	21-May-26	4.890%
26-Nov-25	4.770%	28-May-26	4.770%
04-Dec-25	4.810%	04-Jun-26	4.700%
11-Dec-25	4.810%	11-Jun-26	4.720%
18-Dec-25	4.830%	18-Jun-26	4.690%
24-Dec-25	4.830%	25-Jun-26	4.670%
31-Dec-25	4.830%	02-Jul-26	4.630%
08-Jan-26	4.760%	09-Jul-26	4.680%
15-Jan-26	4.760%	16-Jul-26	4.720%
22-Jan-26	4.810%	23-Jul-26	4.810%
29-Jan-26	4.810%	30-Jul-26	4.710%
05-Feb-26	4.810%	06-Aug-26	4.700%
12-Feb-26	4.790%	13-Aug-26	4.670%
19-Feb-26	4.750%	20-Aug-26	4.760%
26-Feb-26	4.710%	27-Aug-26	4.780%
05-Mar-26	4.790%	03-Sep-26	4.940%
		52 WEEKS	4.776%

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)	$ 48,834,399	@	5.776%	=	$ 2,820,468
SEWER SYSTEM INDEBTEDNESS IN THE CCRB					
2010A BONDS	6,955,000	@	4.37%	=	303,934
2011 SRF BONDS	2,304,675	@	2.50%	=	57,617
2013 SRF BONDS	499,125	@	2.00%	=	9,983
2018 BONDS	36,365,000	@	5.00%	=	1,818,250
2020 BONDS	33,710,000	@	4.63%	=	1,559,088
2021 BONDS (refunded 2012, 2013, 2014 bonds)	35,647,068	@	2.28%	=	812,753
2023 CWRF BONDS	7,500,000	@	1.88%	=	140,625
2025 BONDS (partially refunded 2016, 2021 bonds)	32,704,967	@	5.00%	=	1,635,248
LESS INTEREST ON BOND RESERVE ACCOUNTS					(682,857)
	$ 204,520,235				$ 8,475,109
COMPOSITE RATE OF RETURN ON INVESTMENT			$ 8,475,109 / $204,520,235	=	4.144%

Noted Disclosure:
TOTAL BONDED INDEBTEDNESS IN CCRB (from above) $ 155,685,835 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, 2026

PHYSICAL LOCATION

DESCRIPTION		INTEGRATED SYSTEM	RETAIL: CITY OF GR	RETAIL: CITY OF WALKER	RETAIL: CITY OF KENTWOOD	RETAIL: CASCADE TOWNSHIP	RETAIL: GR TOWNSHIP	RETAIL: TALLMADGE TOWNSHIP	RETAIL: WRIGHT TOWNSHIP	WHOLESALE: CITY OF EAST GR	WHOLESALE: CALEDONIA TOWNSHIP	WHOLESALE: ADA TOWNSHIP	WHOLESALE: GAINES TOWNSHIP	TOTAL
COST		$ 243,068,044	$ 263,198,553	$ 47,150,316	$ 33,598,750	$ 22,649,930	$ 24,897,726	$ 5,735,672	$ 118,230	$ -	$ -	$ -	$ -	$ 640,417,222
LESS: ACCUMULATED DEPRECIATION		124,170,122	105,481,421	24,551,323	18,711,690	12,267,072	11,505,672	2,510,298	78,804	-	-	-	-	299,276,402
NET BOOK VALUE		$ 118,897,922	$ 157,717,132	$ 22,598,993	$ 14,887,060	$ 10,382,858	$ 13,392,054	$ 3,225,374	$ 39,426	$ -	$ -	$ -	$ -	$ 341,140,820
WORKING CAPITAL REQUIREMENT		8,463,079	2,481,532	499,214	364,102	244,782	376,385	47,001	33,966	4,888	1,379	12,534	4,763	12,533,625
		$ 127,361,001	$ 160,198,664	$ 23,098,207	$ 15,251,162	$ 10,627,640	$ 13,768,439	$ 3,272,375	$ 73,392	$ 4,888	$ 1,379	$ 12,534	$ 4,763	$ 353,674,444
CONTRIBUTIONS		50,267,759	70,372,270	29,637,381	28,316,302	19,140,078	17,778,646	5,350,939	-	-	-	-	-	220,863,376
LESS AMORTIZATION		(54,447,359)	(58,233,520)	(16,292,261)	(17,341,532)	(11,713,557)	(9,717,823)	(2,295,305)	-	-	-	-	-	(170,041,357)
		$ 4,179,600	$ (12,138,750)	$ (13,345,120)	$ (10,974,770)	$ (7,426,521)	$ (8,060,823)	$ (3,055,634)	$ -	$ -	$ -	$ -	$ -	$ (50,822,018)
CONSTRUCTION COST RATE BASE		$ 131,540,601	$ 148,059,914	$ 9,753,087	$ 4,276,392	$ 3,201,119	$ 5,707,616	$ 216,741	$ 73,392	$ 4,888	$ 1,379	$ 12,534	$ 4,763	$ 302,852,426
RETURN ON INVESTMENT- TASK 20	4.144%	$ 5,451,042	$ 6,135,603	$ 404,168	$ 177,214	$ 132,654	$ 236,524	$ 8,982	$ 3,041	$ 203	$ 57	$ 519	$ 197	$ 12,550,204

ZONEGATED

COST		$ -	$ (449,920)	$ 6,439,666	$ 2,030,310	$ 4,883,652	$ 8,079,444	$ 1,937,688	$ 1,420,948	$ 399,072	$ 261,129	$ 5,366,075	$ 884,660	$ 31,252,724
LESS: ACCUMULATED DEPRECIATION		-	(983,068)	3,358,269	1,550,845	2,162,468	3,935,142	777,286	718,405	284,552	197,461	2,117,147	668,969	14,787,476
NET BOOK VALUE		$ -	$ 533,148	$ 3,081,397	$ 479,465	$ 2,721,184	$ 4,144,302	$ 1,160,402	$ 702,543	$ 114,520	$ 63,668	$ 3,248,928	$ 215,691	$ 16,465,248
WORKING CAPITAL REQUIREMENT														-
		$ -	$ 533,148	$ 3,081,397	$ 479,465	$ 2,721,184	$ 4,144,302	$ 1,160,402	$ 702,543	$ 114,520	$ 63,668	$ 3,248,928	$ 215,691	$ 16,465,248
CONTRIBUTIONS		-	-	7,716	922,876	377,927	221,455	222	158	1,728	214,370	234,518	726,225	2,707,195
LESS AMORTIZATION		-	-	(7,716)	(756,758)	(309,900)	(181,941)	(222)	(158)	(1,417)	(157,196)	(192,305)	(532,534)	(2,140,147)
		$ -	$ -	$ -	$ (166,118)	$ (68,027)	$ (39,514)	$ -	$ -	$ (311)	$ (57,174)	$ (42,213)	$ (193,691)	$ (567,048)
CONSTRUCTION COST RATE BASE		$ -	$ 533,148	$ 3,081,397	$ 313,347	$ 2,653,157	$ 4,104,788	$ 1,160,402	$ 702,543	$ 114,209	$ 6,494	$ 3,206,715	$ 22,000	$ 15,898,200
RETURN ON INVESTMENT- TASK 19/21		$ -	$ 49,453	$ 285,817	$ 29,065	$ 246,096	$ 380,743	$ 107,634	$ 65,165	$ 10,594	$ 602	$ 297,441	$ 912	$ 1,473,522
RETURN ON INVESTMENT- TASK 19/21		9.276%	9.276%	9.276%	9.276%	9.276%	9.276%	9.276%	9.276%	9.276%	9.276%	9.276%	4.144%	
TOTAL RETURN ON INVESTMENT		$ 5,451,042	$ 6,185,056	$ 689,985	$ 206,279	$ 378,750	$ 617,267	$ 116,616	$ 68,206	$ 10,797	$ 659	$ 297,960	$ 1,109	$ 14,023,726

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
CONSTRUCTION COST & ACCUMULATED DEPRECIATION- TASK NO. 21- PART 2
FISCAL YEAR ENDED JUNE 30, 2026

CONSTRUCTION COST

			RETAIL							WHOLESALE				
COST CENTER	AMOUNT	INTEGRATED SYSTEM	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
BY PHYSICAL LOCATION- TASK 11		$ 241,107,708	$ 463,208,926	$ 48,746,557	$ 45,448,438	$ 23,364,289	$ 24,377,551	$ 6,765,625	$ 196,346	$ -	$ -	$ -	$ -	$ 853,215,440
ADD: IN SERVICE- TASK 10/8		1,960,336	318,438	1,892,240	702,820	1,072,500	636,000	-	-					6,582,334
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			(187,322,829)											(187,322,829)
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		(134,326)	125,588	-	-	-	8,738	-	-	-	-	-	-
WEALTHY	20,444		(6,836)	6,577	-	-	-	60	199	-	-	-	-	-
MARKET	12,965,095		(1,837,412)	1,413,973	-	-	353,817	40,710	28,912	-	-	-	-	-
VANPORTFLIET / LEONARD HTS	1,239,326		409,523	(409,523)	-	-	-	-	-	-	-	-	-	-
REMEMBRANCE / 3 MILE	1,213,244		-	(197,856)	-	-	-	45,788	152,068	-	-	-	-	-
16th AVENUE	71,058													
HAYES- WEST	141,105		-	-	-	-	-	(141,105)	141,105	-	-	-	-	-
HAYES- EAST	215,841		-	-	-	-	-	-	-	-	-	-	-	-
O'BRIEN	546,532		20,457	(72,924)	-	-	-	52,467	-	-	-	-	-	-
SERVICEMAINS			(9,504,298)	2,085,350	(11,637,905)	3,025,340	6,605,525	1,416,388	1,098,664	399,072	261,129	5,366,075	884,660	-
ADJUSTED BY ZONEGATING		$ 243,068,044	$ 262,748,633	$ 53,589,982	$ 35,629,060	$ 27,533,582	$ 32,977,170	$ 7,673,360	$ 1,539,178	$ 399,072	$ 261,129	$ 5,366,075	$ 884,660	$ 671,669,946
ZONEGATING ADJUSTMENT		$ -	$ (449,920)	$ 6,439,666	$ 2,030,310	$ 4,883,652	$ 8,079,444	$ 1,937,688	$ 1,420,948	$ 399,072	$ 261,129	$ 5,366,075	$ 884,660	$ 31,252,724
PHYSICAL LOCATION		$ 243,068,044	$ 263,198,553	$ 47,150,316	$ 33,598,750	$ 22,649,930	$ 24,897,726	$ 5,735,672	$ 118,230	$ -	$ -	$ -	$ -	$ 640,417,222

ACCUMULATED DEPRECIATION

BY PHYSICAL LOCATION- TASK 11		$ 124,170,122	$ 208,772,827	$ 26,025,096	$ 23,730,618	$ 12,918,877	$ 11,621,497	$ 2,964,234	$ 111,317	$ -	$ -	$ -	$ -	$ 410,314,588
ADD: IN SERVICE- TASK 10		-	-	-	-	-	-	-	-					-
MARNE CONNECTOR AGREEMENT			(175,486)					(217,200)	(32,513)					(425,199)
SADDLEBACK SEWER					367,255	22,865								390,120
TASK 11/16/21- CSO ACC DEP			(96,215,631)											(96,215,631)
LIFT STATIONS / CHAMBERS:														
FULLER-BROOKVIEW	$ 942,285		(726,737)	-	-	-	726,737	-	-	-	-	-	-	-
FULTON- MIDDLEBORROW	37,983		(37,983)	-	-	-	37,983	-	-	-	-	-	-	-
WEALTHY ST EXT. CHAMBER	244,163		(71,462)	66,813	-	-	-	4,649	-	-	-	-	-	-
WEALTHY	20,444		(6,836)	6,577	-	-	-	60	199	-	-	-	-	-
MARKET	10,008,236		(1,418,367)	1,091,498	-	-	273,125	31,426	22,318	-	-	-	-	-
VANPORTFLIET / LEONARD HTS	586,069		193,661	(193,661)	-	-	-	-	-	-	-	-	-	-
REMEMBRANCE / 3 MILE	977,639		-	(159,433)	-	-	-	36,896	122,537	-	-	-	-	-
16th AVENUE	59,949													
HAYES- WEST	103,432		-	-	-	-	-	(103,432)	103,432	-	-	-	-	-
HAYES- EAST	140,064		-	-	-	-	-	-	-	-	-	-	-	-
O'BRIEN	391,317		14,647	(52,213)	-	-	-	37,566	-	-	-	-	-	-
SERVICEMAINS			(5,830,280)	1,124,915	(3,835,338)	1,487,798	2,781,472	533,385	469,919	284,552	197,461	2,117,147	668,969	-
ADJUSTED BY ZONEGATING		$ 124,170,122	$ 104,498,353	$ 27,909,592	$ 20,262,535	$ 14,429,540	$ 15,440,814	$ 3,287,584	$ 797,209	$ 284,552	$ 197,461	$ 2,117,147	$ 668,969	$ 314,063,878
ZONEGATING ADJUSTMENT		$ -	$ (983,068)	$ 3,358,269	$ 1,550,845	$ 2,162,468	$ 3,935,142	$ 777,286	$ 718,405	$ 284,552	$ 197,461	$ 2,117,147	$ 668,969	$ 14,787,476
PHYSICAL LOCATION		$ 124,170,122	$ 105,481,421	$ 24,551,323	$ 18,711,690	$ 12,267,072	$ 11,505,672	$ 2,510,298	$ 78,804	$ -	$ -	$ -	$ -	$ 299,276,402

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
CONTRIBUTIONS & AMORTIZED CONTRIBUTIONS- TASK NO. 21- PART 3
FISCAL YEAR ENDED JUNE 30, 2026

CONTRIBUTIONS BY OTHERS

			RETAIL							WHOLESALE				
COST CENTER	AMOUNT	INTEGRATED SYSTEM	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
2025 RATE STUDY (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
ADDITIONS:														
CONNECTION & FRONT FOOT FEES			30,055	35,846	137,622	-	45,920	15,732	-	-	-	-	-	265,175
FIXED ASSET CONTRIBUTIONS		-	71,404	624,596	937,485	-	216,538	-	-	-	-	-	-	1,850,024
		$ 50,267,759	$ 70,372,270	$ 29,637,381	$28,316,302	$ 19,140,078	$ 17,778,646	$ 5,350,939	$ -	$ -	$ -	$ -	$ -	$220,863,376
PLASTER CREEK INTERCEPTOR														
GRANT	$ 2,244,621		-	-	922,876	377,927	219,524	-	-	1,728	28,507	234,518	96,519	
INTERCEPTOR	1,314,819		-	-	-	-	-	-	-	-	185,863	-	629,706	
LIFT STATION	70,753		-	7,716	-	-	1,931	222	158	-	-	-	-	
ADJUSTED BY ZONEGATING		$ 50,267,759	$ 70,372,270	$ 29,645,097	$29,239,178	$ 19,518,005	$ 18,000,101	$ 5,351,161	$ 158	$ 1,728	$ 214,370	$ 234,518	$ 726,225	$220,863,376
LESS: ZONEGATING ADJUSTMENT		$ -	$ -	$ 7,716	$ 922,876	$ 377,927	$ 221,455	$ 222	$ 158	$ 1,728	$ 214,370	$ 234,518	$ 726,225	$ -
PHYSICAL LOCATION		50,267,759	70,372,270	29,637,381	28,316,302	19,140,078	17,778,646	5,350,939	-	-	-	-	-	220,863,376

AMORTIZED CONTRIBUTIONS

2025 RATE STUDY (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
CURRENT YEAR ADJUSTMENT		1,005,355	1,363,898	559,716	564,230	382,802	352,108	107,064	-	-	-	-	-	4,335,173
		$ 54,447,359	$ 58,233,520	$ 16,292,261	$17,341,532	$ 11,713,557	$ 9,717,823	$ 2,295,305	$ -	$ -	$ -	$ -	$ -	$170,041,357
PLASTER CREEK INTERCEPTOR														
GRANT	$ 1,840,589		-	-	756,758	309,900	180,010	-	-	1,417	23,375	192,305	79,145	
INTERCEPTOR	946,670		-	-	-	-	-	-	-	-	133,821	-	453,389	
LIFT STATION	70,753		-	7,716	-	-	1,931	222	158	-	-	-	-	
ADJUSTED BY ZONEGATING		$ 54,447,359	$ 58,233,520	$ 16,299,977	$18,098,290	$ 12,023,457	$ 9,899,764	$ 2,295,527	$ 158	$ 1,417	$ 157,196	$ 192,305	$ 532,534	$170,041,357
LESS: ZONEGATING ADJUSTMENT		$ -	$ -	$ 7,716	$ 756,758	$ 309,900	$ 181,941	$ 222	$ 158	$ 1,417	$ 157,196	$ 192,305	$ 532,534	$ -
PHYSICAL LOCATION		$ 54,447,359	$ 58,233,520	$ 16,292,261	$17,341,532	$ 11,713,557	$ 9,717,823	$ 2,295,305	$ -	$ -	$ -	$ -	$ -	$170,041,357

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
RECONCILIATION OF CONSTRUCTION COST & ACCUMULATED DEPRECIATION- PHYSICAL LOCATION & ZONEGATING
FISCAL YEAR ENDED JUNE 30, 2026

			RETAIL							WHOLESALE				
COST CENTER	AMOUNT	INTEGRATED SYSTEM	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
CONSTRUCTION COST- BY PHYSICAL LOCATION:														
BY PHYSICAL LOCATION- TASK 11		$ 241,107,708	$ 470,481,229	$ 45,357,461	$ 45,448,438	$ 22,665,632	$ 21,621,005	$ 6,408,679	$ 125,288	$ -	$ -	$ -	$ -	$ 853,215,440
IN SERVICE- TASK 10/8		1,960,336	318,438	1,892,240	702,820	1,072,500	636,000	-	-	-	-	-	-	6,582,334
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			(187,322,829)											(187,322,829)
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										-
MEADOWOOD 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.			11,994,851	10,351,847	6,039,654	454,089	24,632	76,023	-	-	-	-	-	28,941,096
TOTAL- PHYSICAL LOCATION COST		$ 243,068,044	$ 247,729,149	$ 47,150,316	$ 33,598,750	$ 22,649,930	$ 25,091,027	$ 5,735,672	$ 118,230	$ -	$ -	$ -	$ -	$ 625,141,119
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		(134,326)	125,588	-	-	-	8,738	-	-	-	-	-	-
WEALTHY	20,444		(6,836)	6,577	-	-	-	60	199	-	-	-	-	-
MARKET	12,965,095		(1,837,412)	1,413,973	-	-	353,817	40,710	28,912	-	-	-	-	-
VANPORTFLIET / LEONARD HTS	1,239,326		409,523	(409,523)	-	-	-	-	-	-	-	-	-	-
REMEMBRANCE / 3 MILE	1,213,244		-	(197,856)	-	-	-	45,788	152,068	-	-	-	-	-
16th AVENUE	71,058		-	-	-	-	-	-	-	-	-	-	-	-
HAYES- WEST	141,105		-	-	-	-	-	(141,105)	141,105	-	-	-	-	-
HAYES- EAST	215,841		-	-	-	-	-	-	-	-	-	-	-	-
O'BRIEN	546,532		20,457	(72,924)	-	-	-	52,467	-	-	-	-	-	-
SERVICEMAINS- ZONEGATED COST			2,102,951	5,573,831	2,030,310	4,883,652	6,721,350	1,931,030	1,098,664	399,072	261,129	5,366,075	884,660	31,252,724
TOTAL- ZONEGATED COST		$ -	$ (449,920)	$ 6,439,666	$ 2,030,310	$ 4,883,652	$ 8,079,444	$ 1,937,688	$ 1,420,948	$ 399,072	$ 261,129	$ 5,366,075	$ 884,660	$ 31,252,724
GRAND TOTAL- COST		$ 243,068,044	$ 247,279,229	$ 53,589,982	$ 35,629,060	$ 27,533,582	$ 33,170,471	$ 7,673,360	$ 1,539,178	$ 399,072	$ 261,129	$ 5,366,075	$ 884,660	$ 656,393,843

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
RECONCILIATION OF CONSTRUCTION COST & ACCUMULATED DEPRECIATION- PHYSICAL LOCATION & ZONEGATING
FISCAL YEAR ENDED JUNE 30, 2026

			RETAIL							WHOLESALE				
COST CENTER	AMOUNT	INTEGRATED SYSTEM	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
ACCUMULATED DEPRECIATION- BY PHYSICAL LOCATION:														
BY PHYSICAL LOCATION- TASK 11		$ 124,170,122	$ 210,186,176	$ 24,320,150	$ 23,730,618	$ 13,437,634	$ 11,471,518	$ 2,828,069	$ 170,301	$ -	$ -	$ -	$ -	$ 410,314,588
IN SERVICE- TASK 10		-	-	-	-	-	-	-	-	-	-	-	-	-
MARNE CONNECTOR AGREEMENT		-	(175,486)	-	-	-	-	(217,200)	(32,513)	-	-	-	-	(425,199)
SADDLEBACK SEWER					367,255	22,865								390,120
TASK 11/16/21- CSO ACC. DEPRECIATION			(96,215,631)											(96,215,631)
O'BRIEN			(391,317)	391,317										-
VANPORTFLIET			(586,069)	586,069										-
REMEMBRANCE / 3 MILE			(977,639)	977,639										-
16th AVENUE			(59,949)						59,949					-
HAYES- WEST			(103,432)					103,432						-
HAYES- EAST			(140,064)					140,064						-
KINGSBURY	$ 204,153		(204,153)	204,153										-
MEADOWOOD TRAILS	35,648		(35,648)			35,648								-
OAK HOLLOW	35,648		(35,648)				35,648							-
COLLINDALE	35,648		(35,648)	35,648										-
THORNAPPLE	173,475		(173,475)			173,475								-
6000 28TH ST	63,127		(63,127)			63,127								-
THORNHILLS	74,991		(74,991)			74,991								-
ROBINHOOD	118,933		(118,933)				118,933							-
CASCADE SPRINGS	58,930		(58,930)			58,930								-
SHOREHAVEN	48,401		(48,401)				48,401							-
EAGLECREST	131,271		(131,271)				131,271							-
GREENBRIER	29,092		(29,092)				29,092							-
LINCOLN SCHOOL	88,477		(88,477)				88,477							-
REEDS LAKE	449,615		(449,615)				449,615							-
KRAFT	48,401		(48,401)			48,401								-
ORCHARD VISTA	23,827		(23,827)			23,827								-
BIRD AVE-ALPINE ESTATES	391,462		(391,462)				391,462							-
EAST PARIS	237,217		(237,217)				237,217							-
SERVICE MAINS														-
LESS: SERVICE MAINS- TOTAL SUBS- PHY. LOC.			(15,834,862)	(5,974,050)	(8,195,189)	(828,111)	(140,457)	(271,706)	-	-	-	-	-	(31,244,375)
ADD: SERVICE MAINS- TOTAL ADDS- PHY. LOC.			7,406,970	4,500,277	2,809,006	153,441	24,632	34,970	-	-	-	-	-	14,929,296
		$ 124,170,122	$ 100,860,381	$ 25,041,203	$ 18,711,690	$ 13,264,228	$ 12,885,809	$ 2,617,629	$ 197,737	$ -	$ -	$ -	$ -	$ 297,748,799
ACCUMULATED DEPRECIATION- ZONEGATED														
LIFT STATIONS / CHAMBERS:														
FULLER-BROOKVIEW	$ 942,285		(726,737)	-	-	-	726,737	-	-	-	-	-	-	-
FULTON- MIDDLEBORROW	37,983		(37,983)	-	-	-	37,983	-	-	-	-	-	-	-
WEALTHY ST EXT. CHAMBER	244,163		(71,462)	66,813	-	-	-	4,649	-	-	-	-	-	-
WEALTHY	20,444		(6,836)	6,577	-	-	-	60	199	-	-	-	-	-
MARKET	10,008,236		(1,418,367)	1,091,498	-	-	273,125	31,426	22,318	-	-	-	-	-
VANPORTFLIET	586,069		193,661	(193,661)	-	-	-	-	-	-	-	-	-	-
REMEMBRANCE / 3 MILE	977,639		-	(159,433)	-	-	-	36,896	122,537	-	-	-	-	-
16th AVENUE	59,949		-	-	-	-	-	-	-	-	-	-	-	-
HAYES- WEST	103,432		-	-	-	-	-	(103,432)	103,432	-	-	-	-	-
HAYES- EAST	140,064		-	-	-	-	-	-	-	-	-	-	-	-
O'BRIEN	391,317		14,647	(52,213)	-	-	-	37,566	-	-	-	-	-	-
SERVICEMAINS-ZONEGATED ACC. DEPRECIATION			1,070,009	2,598,688	1,550,845	2,162,468	2,897,297	770,121	469,919	284,552	197,461	2,117,147	668,969	14,787,476
TOTAL- ZONEGATED ACC. DEPRECIATION		$ -	$ (983,068)	$ 3,358,269	$ 1,550,845	$ 2,162,468	$ 3,935,142	$ 777,286	$ 718,405	$ 284,552	$ 197,461	$ 2,117,147	$ 668,969	$ 14,787,476
GRAND TOTAL- ACC. DEPRECIATION		$ 124,170,122	$ 99,877,313	$ 28,399,472	$ 20,262,535	$ 15,426,696	$ 16,820,951	$ 3,394,915	$ 916,142	$ 284,552	$ 197,461	$ 2,117,147	$ 668,969	$ 312,536,275

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ADJUSTED OPERATING EXPENSE ZONEGATING ALLOCATION BY GOVERNMENTAL UNIT - TASK #22
FISCAL YEAR ENDED JUNE 30, 2026

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	$ 24,868,301	$ 24,868,301											
LIFT STATIONS:													
A. INTERCEPTOR	294,003		252,337	32,064	-	-	8,023	923	656	-	-	-	-
B. TRUNK	219,454		49,824	67,489	-	34,956	63,186	3,999	-	-	-	-	-
C. LOCAL COLLECTOR	689,731		121,748	68,992	2,117	126,261	286,794	40,386	35,070	776	-	7,587	-
SEWER LINES:													
A. INTERCEPTOR	378,034		215,029	53,738	98,845	10,422	-	-	-	-	-	-	-
B. TRUNK	902,600		337,500	218,980	196,198	77,452	49,535	22,005	930	-	-	-	-
C. LOCAL COLLECTOR	6,127,445		3,812,803	772,364	600,183	363,970	475,735	67,402	34,988	-	-	-	-
D. ZONEGATING			(156,845)	17,496	(44,168)	37,248	69,207	(7,232)	22,240	13,919	4,199	29,783	14,153
BULK METERING STATIONS	4,422		-	-	1,619	-	-	-	-	437	-	1,831	535
CUSTOMER ACCOUNTING *	4,078,374		3,106,538	325,536	280,592	113,012	221,374	19,168	12,154				
INDUSTRIAL PRETREATMENT	1,525,112	1,525,112											
SUBTOTAL OPERATING EXPENSE	39,087,477	26,393,413	7,738,935	1,556,659	1,135,386	763,321	1,173,854	146,651	106,038	15,132	4,199	39,201	14,688
ADMINISTRATIVE EXPENSE	3,852,412	2,562,018	809,395	151,106	110,212	74,096	113,947	14,236	10,293	1,469	408	3,805	1,426
TOTAL	$ 42,939,889	$ 28,955,432	$ 8,548,330	$ 1,707,765	$ 1,245,598	$ 837,417	$ 1,287,801	$ 160,887	$ 116,331	$ 16,601	$ 4,607	$ 43,006	$ 16,114

** 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:	952.67												
A. INTERCEPTOR		100.000%		56.881%	14.215%	26.147%	2.757%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
MILES	48.61			27.65	6.91	12.71	1.34	-	-	-	-	-	-	-
B. TRUNK LINES		100.000%		37.392%	24.261%	21.737%	8.581%	5.488%	2.438%	0.103%	0.000%	0.000%	0.000%	0.000%
MILES	116.07			43.40	28.16	25.23	9.96	6.37	2.83	0.12	-	-	-	-
C. LOCAL COLLECTOR		100.000%		62.225%	12.605%	9.795%	5.940%	7.764%	1.100%	0.571%	0.000%	0.000%	0.000%	0.000%
MILES	787.99			490.32	99.33	77.18	46.81	61.18	8.67	4.50	-	-	-	-
D. ZONEGATING													
MILES				(20.17)	2.25	(5.68)	4.79	8.90	(0.93)	2.86	1.79	0.54	3.83	1.82
BULK METERING STATIONS	(5)			-	-	(2)	-	-	-	-	(1)	-	(1)	(1)
CUSTOMER ACCTG (1)		100.000%		76.171%	7.982%	6.880%	2.771%	5.428%	0.470%	0.298%				
NO. OF METERS	75,811.00			57,746.00	6,051.00	5,216.00	2,101.00	4,115.00	356.00	226.00				
INDUSTRIAL PRETREATMENT		100.000%	100.00%										
ADMINISTRATIVE EXPENSE (2)		100.000%	66.504%	21.010%	3.922%	2.861%	1.923%	2.958%	0.370%	0.267%	0.038%	0.011%	0.099%	0.037%

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

	RETAIL BILLINGS	PERCENTAGE OF TOTAL	ALLOCATION *
CITY OF GRAND RAPIDS	$ 43,632,409	69.6960%	$ 497,727
CITY OF WALKER	5,927,371	9.4680%	67,615
CITY OF KENTWOOD	5,511,856	8.8043%	62,875
CASCADE TOWNSHIP	3,416,723	5.4577%	38,976
GRAND RAPIDS TOWNSHIP	3,260,472	5.2081%	37,193
TALLMADGE TOWNSHIP	591,495	0.9448%	6,747
WRIGHT TOWNSHIP	263,618	0.4211%	3,007
	$ 62,603,944	100.0000%	$ 714,140

** 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, 2026

			RETAIL							WHOLESALE				
COST CENTER	DEPRECIATION EXPENSE	INTEGRATED SYSTEM	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
BY PHYSICAL LOCATION- TASK 11		$ 7,846,906	$ 9,091,625	$ 893,988	$ 792,269	$ 434,802	$ 441,501	$ 128,174	$ 2,506	$ -	$ -	$ -	$ -	$ 19,631,771
ADD: IN SERVICE- TASK 10/8		119,379	6,369	69,286	14,056	28,117	16,033	-	-					253,240
MARNE CONNECTOR AGREEMENT			(2,525)					(10,307)	(1,563)					(14,395)
SADDLEBACK SEWER					22,313	1,429								23,742
LESS: TASK 11/16/21- CSO DEP. EXP.			(3,777,059)											(3,777,059)
LIFT STATIONS / CHAMBERS:														
FULLER-BROOKVIEW (GR)	$ 18,488		(14,259)	-	-	-	14,259	-	-	-	-	-	-	-
FULTON- MIDDLEBORO (GR)	-		-	-	-	-	-	-	-	-	-	-	-	-
WEALTHY ST EXT. CHAMBER	8,261		(2,418)	2,261	-	-	-	157	-	-	-	-	-	-
WEALTHY	-		-	-	-	-	-	-	-	-	-	-	-	-
MARKET	360,046		(51,027)	39,267	-	-	9,826	1,131	803	-	-	-	-	-
VANPORTFLIET	34,991		11,562	(11,562)	-	-	-	-	-	-	-	-	-	-
REMEMBRANCE / 3 MILE	9,679		-	(1,578)	-	-	-	365	1,213	-	-	-	-	-
O'BRIEN	12,023		450	(1,604)	-	-	-	1,154	-	-	-	-	-	-
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	3,015		(3,015)	-	-	-	-	3,015	-	-	-	-	-	-
BIRD AVE-ALPINE ESTATES	23,258		(23,258)				23,258							
EAST PARIS	10,783		(10,783)				10,783							
SERVICEMAINS			(146,135)	28,528	(235,620)	56,588	121,522	27,783	21,832	3,431	4,717	101,373	15,981	-
ADJUSTED BY ZONEGATING		7,966,285	5,076,695	1,018,586	593,018	520,936	637,182	151,472	27,623	3,431	4,717	101,373	15,981	16,117,299
LESS CONTRIBUTIONS AMORTIZED														
TASK NO. 21		(1,005,355)	(1,363,898)	(559,716)	(551,636)	(382,802)	(352,108)	(107,064)	-	-	-	-	(12,594)	(4,335,173)
TOTAL		$ 6,960,930	$ 3,712,797	$ 458,870	$ 41,382	$ 138,134	$ 285,074	$ 44,408	$ 27,623	$ 3,431	$ 4,717	$ 101,373	$ 3,387	$ 11,782,126

CITY OF GRAND RAPIDS, MICHIGAN
SEWAGE DISPOSAL SYSTEM FUND
ACCUMULATE REVENUE REQUIREMENTS BY CUSTOMER COMMUNITIES- TASK NO. 25
FISCAL YEAR ENDED JUNE 30, 2026

		RETAIL							WHOLESALE				
COST CENTER	INTEGRATED SYSTEM	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
OPERATION & MAINTENANCE EXPENSE- TASK NO. 22	$ 28,955,432	$ 8,548,330	$ 1,707,765	$ 1,245,598	$ 837,417	$ 1,287,801	$ 160,887	$ 116,331	$ 16,601	$ 4,607	$ 43,006	$ 16,114	$ 42,939,889
DEPRECIATION EXPENSE TASK NO. 24	6,960,930	3,712,797	458,870	41,382	138,134	285,074	44,408	27,623	3,431	4,717	101,373	3,387	11,782,126
RETURN ON SYSTEM INVESTMENT TASK NO. 21	5,451,042	6,185,056	689,985	206,279	378,750	617,267	116,616	68,206	10,797	659	297,960	1,109	14,023,726
REVENUE CREDITS- TASK NO. 23		(497,727)	(67,615)	(62,875)	(38,976)	(37,193)	(6,747)	(3,007)					(714,140)
CSO DEBT SERVICE REQUIREMENTS		6,038,913											6,038,913
ALLOCATE:													
INTEGRATED REVENUES		(3,968,586)	(669,082)	(844,034)	(448,530)	(308,800)	(56,430)	(23,240)	(215,076)	(44,682)	(215,098)	-	(6,793,558)
INTEGRATED EXPENSES (A)	(41,367,404)	23,966,923	4,040,687	5,097,256	2,708,741	1,864,891	340,789	140,347	1,298,877	269,845	1,299,008	340,040	-
LESS: CIRCUIT BREAKER (B)		-	(120,065)	(45,679)	(78,149)	(300,032)	(2,848)	(51,587)					(598,360)
	$ -	$ 43,985,705	$ 6,040,545	$ 5,637,927	$ 3,497,387	$ 3,409,008	$ 596,675	$ 274,673	$ 1,114,630	$ 235,146	$ 1,526,249	$ 360,650	$ 66,678,595

(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	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 340,040	$ 340,040
NEW METHOD- PLANT FLOW / LAND	23,966,923	4,040,687	5,097,256	2,708,741	1,864,891	340,789	140,347	1,298,877	269,845	1,299,008	-	41,027,364
	$ 23,966,923	$ 4,040,687	$ 5,097,256	$ 2,708,741	$ 1,864,891	$ 340,789	$ 140,347	$ 1,298,877	$ 269,845	$ 1,299,008	$ 340,040	$ 41,367,404

(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.

	YEAR ENDED 6/30/26	PRO FORMA * 6/30/27
REVENUES:		
RETAIL/WHOLESALE SEWAGE SERVICE	$ 65,981,607	$ 64,380,363
CONNECTION FEES/FRONT FOOT FEES	500,885	500,000
SEWAGE SURCHARGES	4,002,819	3,561,995
RENEWABLE NATURAL GAS SALES	2,345,783	2,468,625
OTHER OPERATING REVENUES	1,219,010	932,000
INTEREST ON INVESTMENTS	2,563,722	2,144,875
MISCELLANEOUS	36,187	35,000
TOTAL REVENUES	$ 76,650,013	$ 74,022,857
OPERATING EXPENSES:		
OPERATIONS & MAINTENANCE	$ 41,513,286	$ 45,758,608
DEPRECIATION	19,631,770	19,631,770
TOTAL EXPENSES	$ 61,145,056	$ 65,390,378
ADDITIONS: DEPRECIATION	19,631,770	19,631,770
NET EARNINGS OF THE SYSTEM	$ 35,136,727	$ 28,264,249
DEBT SERVICE		
SERIES 2025 BONDS	$ -	$ 4,304,552
SERIES 2021 BONDS	7,721,837	7,546,639
SERIES 2020 BONDS	1,542,950	1,541,700
SERIES 2018 BONDS	2,763,250	2,763,250
SERIES 2016 BONDS	3,879,500	-
SERIES 2010A BONDS (after BAB subsidy)	1,282,637	1,283,223
SERIES 2010 BONDS	5,839,750	-
SENIOR LIEN	23,029,924	17,439,364
JUNIOR LIEN	543,530	870,975
TOTAL	$ 23,573,453	$ 18,310,340
COVERAGE RATIO - SENIOR DEBT	1.53	1.62
COVERAGE RATIO - ALL DEBT	1.49	1.54

* *SEWAGE SERVICE ADJUSTED FOR RATE REVISIONS OF -3.09% AND 2.67% EFFECTIVE 1/1/26 AND 1/1/27, RESPECTIVELY; OTHER REVENUES AND OPERATIONS & MAINTENANCE EXPENSE PER 2026 FISCAL PLAN, ADJUSTED FOR CARRYFORWARDS & KNOWN COST ADJUSTMENTS.*

SUMMARY

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

INITIAL SYSTEM REVENUE REQUIREMENTS		$ 67,276,955
REVENUES FROM CURRENT RATES		
REU CHARGE	$ 260,639	
MONTHLY METER CHARGE	19,164,544	
MONTHLY BILLING CHARGE	4,255,742	
COMMODITY CHARGE	41,265,735	(64,946,660)
INITIAL REQUIRED REVENUE INCREASE (DECREASE)		$ 2,330,295
INITIAL PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		3.59%
INITIAL SYSTEM REVENUE REQUIREMENTS FROM ABOVE		$ 67,276,955
LESS: AMOUNT OF CIRCUIT BREAKER RELIEF TO REDUCE RR's TO RETAIL SYSTEM REVENUE REQUIREMENTS		(598,360) $ 66,678,595
ACTUAL REQUIRED AMOUNT OF REVENUE INCREASE (DECREASE)		$ 1,731,935
ACTUAL PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES		2.67%

SEWER RATE STUDY
SEWAGE DISPOSAL SYSTEM FUND
TASK NO. 26

	METER SIZE	EQUIV. FACTOR	CITY OF GR METERS *	CITY OF GR EQUIV.	CITY OF WALKER METERS *	CITY OF WALKER EQUIV.	CITY OF KENTWOOD METERS *	CITY OF KENTWOOD EQUIV.	CASCADE TWP METERS *	CASCADE TWP EQUIV.	GR TWP METERS *	GR TWP EQUIV.	TALLMADGE TWP METERS *	TALLMADGE TWP EQUIV	WRIGHT TWP USERS*	WRIGHT TWP REU
A	3/4" or less	1.0000	53,490	53,490	5,336	5,336	4,100	4,100	1,578	1,578	3,657	3,657	308	308	-	-
B	1"	1.7778	2,311	4,108	411	731	529	940	261	464	295	524	31	55	-	-
C	1 1/4"	2.7778	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D	1 1/2"	4.0000	1,080	4,320	196	784	357	1,428	186	744	121	484	16	64	-	-
E	2"	7.1111	633	4,501	88	626	186	1,323	64	455	27	192	-	-	-	-
F	3"	16.0000	130	2,080	8	128	27	432	10	160	8	128	-	-	-	-
G	4"	28.4444	69	1,963	6	171	13	370	2	57	2	57	-	-	-	-
H	6" and over	64.0000	33	2,112	6	384	4	256	-	-	5	320	1	64	-	-
Other-	*Wright Twp*		*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	226	378.000
			57,746	72,574	6,051	8,160	5,216	8,849	2,101	3,458	4,115	5,362	356	491	226	378.000
	TOTAL														75,811	

Source: City of Grand Rapids, Michigan, Water/Sewer Customer Accounts/Meters Report, dated November 1, 2026
Source: City of Grand Rapids, Michigan, Wright Township REU Accounts Report, dated November 1, 2026

CITY OF GRAND RAPIDS, MICHIGAN

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

SYSTEM REVENUE REQUIREMENTS							$ 43,985,705
REVENUES FROM CURRENT RATES							
MONTHLY METER CHARGE							
72,574	meter equivalents	**x**	$ 13.79	**x**	12 =	$ 12,009,546	
MONTHLY BILLING CHARGE							
57,746	meters	**x**	$ 4.06	**x**	12 =	2,813,385	
COMMODITY CHARGE							
6,571,581	units (100 CF)	**x**	$ 4.29		=	28,192,082	(43,015,013)
REQUIRED REVENUE INCREASE (DECREASE)							$ 970,692
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES							2.26%

CITY OF GRAND RAPIDS, MICHIGAN

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

COMMODITY CHARGE:

$$\frac{\text{INTEGRATED SYSTEM COST}}{\text{BILLED UNITS}} = \frac{\$30{,}005{,}836}{6{,}571{,}581} = \$\ 4.57\ /100\ \text{CF}\ *$$

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS		$ 43,985,705
NEW COMMODITY CHARGE 6,571,581 x $ 4.57	$ 30,032,125	
NEW MONTHLY BILLING CHARGE 57,746 x $ 4.48 x 12	3,104,425	(33,136,550)
		$ 10,849,155

$$\text{MONTHLY METER CHARGE} = \frac{\$10{,}849{,}155}{72{,}574 \times 12} = \$\ 12.46\ \text{MONTHLY}$$

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE METER	BILLING	TOTAL	PRESENT
3/4" or less	1.0000	$ 12.46	$ 4.48	$ 16.94	$ 17.85
1"	1.7778	22.15	4.48	26.63	28.58
1 1/4"	2.7778	34.61	4.48	39.09	42.37
1 1/2"	4.0000	49.84	4.48	54.32	59.22
2"	7.1111	88.60	4.48	93.08	102.12
3"	16.0000	199.36	4.48	203.84	224.70
4"	28.4444	354.42	4.48	358.90	396.31
6" and over	64.0000	797.44	4.48	801.92	886.62

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2027

CITY OF WALKER, MICHIGAN

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

SYSTEM REVENUE REQUIREMENTS *							$ 6,040,545
REVENUES FROM CURRENT RATES							
MONTHLY METER CHARGE							
8,160	meter equivalents	**x**	$ 29.79	**x**	12 =	$ 2,917,037	
MONTHLY BILLING CHARGE							
6,051	meters	**x**	$ 4.06	**x**	12 =	294,805	
COMMODITY CHARGE							
861,008	units (100 CF)	**x**	$ 3.03		=	2,608,854	(5,820,696)
REQUIRED REVENUE INCREASE (DECREASE)							$ 219,849
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES							3.78%

* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF $ 120,065

CITY OF WALKER, MICHIGAN

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

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT — $ 3.14 /100 CF *
$ 3.03 x 103.78%

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS **		$ 6,040,545
NEW COMMODITY CHARGE 861,008 x $ 3.14	$ 2,703,565	
NEW MONTHLY BILLING CHARGE 6,051 x $ 4.48 x 12	325,302	(3,028,867)
		$ 3,011,678

MONTHLY METER CHARGE = $\frac{\$3,011,678}{8,160 \times 12}$ = $ 30.76 MONTHLY

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE METER	BILLING	TOTAL	PRESENT
3/4" or less	1.0000	$ 30.76	$ 4.48	$ 35.24	$ 33.85
1"	1.7778	54.69	4.48	59.17	57.02
1 1/4"	2.7778	85.45	4.48	89.93	86.81
1 1/2"	4.0000	123.04	4.48	127.52	123.22
2"	7.1111	218.74	4.48	223.22	215.90
3"	16.0000	492.16	4.48	496.64	480.70
4"	28.4444	874.95	4.48	879.43	851.42
6" and over	64.0000	1,968.64	4.48	1,973.12	1,910.62

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2027

** REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF $ 120,065

CITY OF KENTWOOD, MICHIGAN

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

SYSTEM REVENUE REQUIREMENTS *							$	5,637,927
REVENUES FROM CURRENT RATES								
MONTHLY METER CHARGE								
8,849 meter equivalents	**x**	$	5.98	**x**	12 =	$ 635,004		
MONTHLY BILLING CHARGE								
5,216 meters	**x**	$	4.06	**x**	12 =	254,124		
COMMODITY CHARGE								
1,296,129 units (100 CF)	**x**	$	3.51		=	4,549,413		(5,438,541)
REQUIRED REVENUE INCREASE (DECREASE)							$	199,386
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES								3.67%
* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF							$	45,679

CITY OF KENTWOOD, MICHIGAN

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

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT — $ 3.64 /100 CF *
$ 3.51 x 103.67%

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS **		$ 5,637,927
NEW COMMODITY CHARGE 1,296,129 x $ 3.64	$ 4,717,910	
NEW MONTHLY BILLING CHARGE 5,216 x $ 4.48 x 12	280,412	(4,998,322)
		$ 639,605

MONTHLY METER CHARGE = $\frac{\$639,605}{8,849 \times 12}$ = $ 6.02 MONTHLY

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE METER	BILLING	TOTAL	PRESENT
3/4" or less	1.0000	$ 6.02	$ 4.48	$ 10.50	$ 10.04
1"	1.7778	10.70	4.48	15.18	14.69
1 1/4"	2.7778	16.72	4.48	21.20	20.67
1 1/2"	4.0000	24.08	4.48	28.56	27.98
2"	7.1111	42.81	4.48	47.29	46.58
3"	16.0000	96.32	4.48	100.80	99.74
4"	28.4444	171.24	4.48	175.72	174.16
6" and over	64.0000	385.28	4.48	389.76	386.78

*NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2027

** REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF $ 45,679

CASCADE TOWNSHIP

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

SYSTEM REVENUE REQUIREMENTS *							$	3,497,387
REVENUES FROM CURRENT RATES								
MONTHLY METER CHARGE								
3,458 meter equivalents	**x**	$ 37.58	**x**	12 =	$	1,559,420		
MONTHLY BILLING CHARGE								
2,101 meters	**x**	$ 4.06	**x**	12 =		102,361		
COMMODITY CHARGE								
493,515 units (100 CF)	**x**	$ 3.46		=		1,707,562		(3,369,343)
REQUIRED REVENUE INCREASE (DECREASE)							$	128,044
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES								3.80%
* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF							$	78,149

CASCADE TOWNSHIP

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

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT — $ 3.59 /100 CF *
$ 3.46 x 103.80%

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS **		$ 3,497,387
NEW COMMODITY CHARGE 493,515 x $ 3.59	$ 1,771,719	
NEW MONTHLY BILLING CHARGE 2,101 x $ 4.48 x 12	112,950	(1,884,669)
		$ 1,612,718

$$\text{MONTHLY METER CHARGE} = \frac{\$1{,}612{,}718}{3{,}458 \times 12} = \$\ 38.86 \text{ MONTHLY}$$

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE METER	BILLING	TOTAL	PRESENT
3/4" or less	1.0000	$ 38.86	$ 4.48	$ 43.34	$ 41.64
1"	1.7778	69.09	4.48	73.57	70.87
1 1/4"	2.7778	107.95	4.48	112.43	108.45
1 1/2"	4.0000	155.44	4.48	159.92	154.38
2"	7.1111	276.34	4.48	280.82	271.30
3"	16.0000	621.76	4.48	626.24	605.34
4"	28.4444	1,105.35	4.48	1,109.83	1,073.00
6" and over	64.0000	2,487.04	4.48	2,491.52	2,409.18

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2027

** REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF $ 78,149

GRAND RAPIDS TOWNSHIP

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

SYSTEM REVENUE REQUIREMENTS *						$	3,409,008
REVENUES FROM CURRENT RATES							
MONTHLY METER CHARGE							
5,362 meter equivalents	**x**	$ 29.68	**x**	12 =	$ 1,909,730		
MONTHLY BILLING CHARGE							
4,115 meters	**x**	$ 4.06	**x**	12 =	200,483		
COMMODITY CHARGE							
403,634 units (100 CF)	**x**	$ 2.86		=	1,154,393		(3,264,606)
REQUIRED REVENUE INCREASE (DECREASE)						$	144,402
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES							4.42%

* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF $ 300,032

GRAND RAPIDS TOWNSHIP

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

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT	$ 2.99 /100 CF *
$ 2.86 x 104.42%	

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS **		$ 3,409,008
NEW COMMODITY CHARGE		
403,634 x $ 2.99	$ 1,206,866	
NEW MONTHLY BILLING CHARGE		
4,115 x $ 4.48 x 12	221,222	(1,428,088)
		$ 1,980,920

$$\text{MONTHLY METER CHARGE} = \frac{\$1{,}980{,}920}{5{,}362 \times 12} = \$\ 30.79 \text{ MONTHLY}$$

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE METER	BILLING	TOTAL	PRESENT
3/4" or less	1.0000	$ 30.79	$ 4.48	$ 35.27	$ 33.74
1"	1.7778	54.74	4.48	59.22	56.83
1 1/4"	2.7778	85.53	4.48	90.01	86.51
1 1/2"	4.0000	123.16	4.48	127.64	122.78
2"	7.1111	218.95	4.48	223.43	215.12
3"	16.0000	492.64	4.48	497.12	478.94
4"	28.4444	875.80	4.48	880.28	848.29
6" and over	64.0000	1,970.56	4.48	1,975.04	1,903.58

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2027

** REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF $ 300,032

TALLMADGE TOWNSHIP

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

SYSTEM REVENUE REQUIREMENTS *							$ 596,675
REVENUES FROM CURRENT RATES							
MONTHLY METER CHARGE							
491 meter equivalents	x	$ 22.71	x	12 =	$	133,807	
MONTHLY BILLING CHARGE							
356 meters	x	$ 4.06	x	12 =		17,344	
COMMODITY CHARGE							
51,404 units (100 CF)	x	$ 8.26		=		424,597	(575,748)
REQUIRED REVENUE INCREASE (DECREASE)							$ 20,927
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES							3.63%
* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF							$ 2,848

TALLMADGE TOWNSHIP

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

COMMODITY CHARGE:

PRESENT CHARGE x RATE ADJUSTMENT — $ 8.56 /100 CF *
$ 8.26 x 103.63%

MONTHLY SERVICE CHARGE:

SYSTEM REVENUE REQUIREMENTS **		$ 596,675
NEW COMMODITY CHARGE 51,404 x $ 8.56	$ 440,018	
NEW MONTHLY BILLING CHARGE 356 x $ 4.48 x 12	19,139	(459,157)
		$ 137,518

MONTHLY METER CHARGE = $\frac{\$137,518}{491 \times 12}$ = $ 23.34 MONTHLY

METER SIZE	EQUIVALENT	MONTHLY SERVICE CHARGE METER	BILLING	TOTAL	PRESENT
3/4" or less	1.0000	$ 23.34	$ 4.48	$ 27.82	$ 26.77
1"	1.7778	41.49	4.48	45.97	44.43
1 1/4"	2.7778	64.83	4.48	69.31	67.14
1 1/2"	4.0000	93.36	4.48	97.84	94.90
2"	7.1111	165.97	4.48	170.45	165.55
3"	16.0000	373.44	4.48	377.92	367.42
4"	28.4444	663.89	4.48	668.37	650.03
6" and over	64.0000	1,493.76	4.48	1,498.24	1,457.50

* NEW RATES EFFECTIVE, ON A PRO-RATA BASIS, JANUARY 1, 2027

** REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF $ 2,848

WRIGHT TOWNSHIP

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

SYSTEM REVENUE REQUIREMENTS *							$	274,673
REVENUES FROM CURRENT RATES								
REU CHARGE								
378.000	meter equivalents	**x**	$ 57.46	**x**	12 =	$ 260,639		
MONTHLY METER CHARGE								
378.000	meter equivalents	**x**	$ -	**x**	12 =	-		
MONTHLY BILLING CHARGE								
226	meters	**x**	$ -	**x**	12 =	-		
COMMODITY CHARGE								
24,999	units (100 CF)	**x**	$ -		=	-		(260,639)
REQUIRED REVENUE INCREASE (DECREASE)							$	14,034
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES								5.38%
* REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF							$	51,587

WRIGHT TOWNSHIP

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

MONTHLY REU CHARGE:

SYSTEM REVENUE REQUIREMENTS ** / TOTAL REU'S x 12 MONTHS	=	$274,673 / 378.000 x 12	=	$ 60.55	MONTHLY REU CHARGE *

EXAMPLES OF APPROXIMATE MONTHLY CHARGE BY NUMBER OF REU:

NUMBER OF REU	*AMOUNT*	*NUMBER OF REU*	*AMOUNT*	*NUMBER OF REU*	*AMOUNT*
1.0000	$ 60.55	7.5000	$ 454.13	19.0000	$ 1,150.45
1.5000	90.83	8.0000	484.40	20.0000	1,211.00
2.0000	121.10	8.5000	514.68	25.0000	1,513.75
2.5000	151.38	9.0000	544.95	30.0000	1,816.50
3.0000	181.65	9.5000	575.23	35.0000	2,119.25
3.5000	211.93	10.0000	605.50	40.0000	2,422.00
4.0000	242.20	11.0000	666.05	50.0000	3,027.50
4.4000	266.42	12.0000	726.60	60.0000	3,633.00
4.5000	272.48	13.0000	787.15	70.0000	4,238.50
5.0000	302.75	14.0000	847.70	80.0000	4,844.00
5.5000	333.03	15.0000	908.25	90.0000	5,449.50
6.0000	363.30	16.0000	968.80	100.0000	6,055.00
6.5000	393.58	17.0000	1,029.35	150.0000	9,082.50
7.0000	423.85	18.0000	1,089.90	200.0000	12,110.00

*NEW RATES EFFECTIVE ON JANUARY 1, 2027
**REFLECTS RELIEF FROM CIRCUIT BREAKER, IN THE AMOUNT OF $ 51,587

CITY OF EAST GRAND RAPIDS, MICHIGAN

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

INTEGRATED SYSTEM REVENUE REQUIREMENTS				$ 1,083,801
COMMODITY CHARGE				
360.716	units (MG)	**x**	$ 2,862.00	1,032,369
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)				$ 51,432
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS				$ 30,829
MONTHLY SERVICE CHARGE				
$2,264		**x**	12 MONTHS	27,168
REQUIRED SERVICE REVENUE INCREASE (DECREASE)				$ 3,661
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES				5.20%

CITY OF EAST GRAND RAPIDS, MICHIGAN

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

SYSTEM REVENUE REQUIREMENTS	$ 1,114,630
NEW COMMODITY CHARGE *	
360.716 x $ 3,005.00 =	(1,083,952)
	$ 30,678

MONTHLY SERVICE CHARGE * = $ 30,678 / 12 = $2,557

* NEW RATES EFFECTIVE ON JANUARY 1, 2027

CALEDONIA TOWNSHIP

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

INTEGRATED SYSTEM REVENUE REQUIREMENTS				$ 225,163
COMMODITY CHARGE				
33.740	units (MG)	**x**	$ 6,555.00	221,166
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)				$ 3,997
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS				$ 9,983
MONTHLY SERVICE CHARGE				
$747		**x**	12 MONTHS	8,964
REQUIRED SERVICE REVENUE INCREASE (DECREASE)				$ 1,019
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES				2.18%

CALEDONIA TOWNSHIP

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

SYSTEM REVENUE REQUIREMENTS	$ 235,146
NEW COMMODITY CHARGE *	
33.740 x $ 6,673.00 =	(225,147)
	$ 9,999

MONTHLY SERVICE CHARGE * = $ 9,999 / 12 = $833

* NEW RATES EFFECTIVE ON JANUARY 1, 2027

ADA TOWNSHIP

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

INTEGRATED SYSTEM REVENUE REQUIREMENTS				$ 1,083,910
COMMODITY CHARGE				
271.153	units (MG)	**x**	$ 3,825.00	1,037,160
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)				$ 46,750
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS				$ 442,339
MONTHLY SERVICE CHARGE				
$42,940		**x**	12 MONTHS	515,280
REQUIRED SERVICE REVENUE INCREASE (DECREASE)				$ (72,941)
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES				-1.69%

ADA TOWNSHIP

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

SYSTEM REVENUE REQUIREMENTS	$ 1,526,249
NEW COMMODITY CHARGE *	
271.153 x $ 3,997.00 =	(1,083,799)
	$ 442,450

MONTHLY SERVICE CHARGE * = $ 442,450 / 12 = $36,871

* NEW RATES EFFECTIVE ON JANUARY 1, 2027

GAINES TOWNSHIP

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

INTEGRATED SYSTEM REVENUE REQUIREMENTS				$ 340,040
COMMODITY CHARGE				
121.764	units (MG)	**x**	$ 2,777.00	338,139
REQUIRED COMMODITY REVENUE INCREASE (DECREASE)				$ 1,901
NON-INTEGRATED SYSTEM REVENUE REQUIREMENTS				$ 20,610
MONTHLY SERVICE CHARGE				
$1,819		**x**	12 MONTHS	21,828
REQUIRED SERVICE REVENUE INCREASE (DECREASE)				$ (1,218)
PERCENTAGE INCREASE (DECREASE) OVER EXISTING RATES				0.19%

GAINES TOWNSHIP

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

SYSTEM REVENUE REQUIREMENTS	$ 360,650
NEW COMMODITY CHARGE *	
121.764 x $ 2,793.00 =	(340,087)
	$ 20,563

MONTHLY SERVICE CHARGE * = $ 20,563 / 12 = $1,714

* NEW RATES EFFECTIVE ON JANUARY 1, 2027

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	2026 Rate	2027 Rate	% Change
Domestic	Property is domicile for single or multiple family use, such as homes, apartments, duplexes, condominium, etc.	$ 138.00	$ 157.00	13.77%
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).	$ 167.00	$ 165.00	-1.20%

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, 2025 through June 30, 2026. Calculations of the rates are on file in the City Engineer's Office.

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	2026	$4,200	-14.29%
	2027	$3,600	
60 feet	2026	$5,000	-16.00%
	2027	$4,200	
66 feet	2026	$5,400	-14.81%
	2027	$4,600	
80 feet	2026	$6,500	-15.38%
	2027	$5,500	
100 feet	2026	$7,900	-15.19%
	2027	$6,700	

MEMORANDUM
CITY OF GRAND RAPIDS

Date: November 3, 2026

To: Tai Verbrugge
Utility Financial Officer

From: Jared Grabinski
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

			Wastewater Surcharges					
Description	*Rate Study Year 2026*	*Volume*	***BOD***	***TSS***	***Phos***	***NH3***	*Industrial*	*Other*
Operation & Maintenance (See Part 2)	$ 42,767,763	$ 7,519,575	$ 6,638,141	$ 7,906,566	$ 1,746,618	$ 885,276	$ 1,525,112	$ 16,546,475
Depreciation (See Part 3)	11,782,126	2,119,534	1,871,028	2,228,542	492,277	249,549	-	4,821,196
Return on System Investment (See Part 3)	14,023,726	1,659,787	1,465,186	1,745,151	385,498	195,420	-	8,572,684
Total	$ 68,573,615	$ 11,298,896	$ 9,974,355	$ 11,880,259	$ 2,624,393	$ 1,330,245	$ 1,525,112	$ 29,940,355
Recommended Surcharge Rate - 2027			**$ 0.477**	**$ 0.644**	**$ 5.244**	**$ 0.633**		
Actual Surcharge Rate - 2026			**$ 0.439**	**$ 0.576**	**$ 4.743**	**$ 0.554**		
Change in Surcharge Rate - Amount- 2026 to 2027			**$ 0.038**	**$ 0.068**	**$ 0.501**	**$ 0.079**		
Change in Surcharge Rate - Percent- 2026 to 2027			**8.66%**	**11.81%**	**10.56%**	**14.26%**		
*Loadings - lb/day (Per K.Anderson) **			**57,343**	**50,509**	**1,371**	**5,757**		
Loadings - lb/year			20,930,317	18,435,663	500,415	2,101,427		

**** 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-	*Calendar Year-*				***Wastewater Surcharges***					
Wastewater Treatment Plant	***2026 Allocation (1)***	*2027 Allocation (2)*	*Allocation Basis*	*Line No. Ref.*	*Volume*	***BOD***	***TSS***	***Phos***	***NH3***	*Industrial*	*Other*
Pre-Treatment	$ 2,473,755	$ 2,514,337	*WWTP*	(1)	$ 2,514,337	$ -	$ -	$ -	$ -	$ -	$ -
Primary Treatment	4,177,814	4,246,350	*WWTP*	(2)	-	1,273,905	2,547,810	-	424,635	-	-
Secondary Treatment	5,586,218	5,677,859	*WWTP*	(3)	1,419,464	2,271,144	851,679	851,679	283,893	-	-
Disinfection/Dechlorination	1,951,822	1,983,841	*WWTP*	(4)	1,983,841	-	-	-	-	-	-
Phosphorus Removal	1,413,199	1,436,382	*WWTP*	(5)	718,191	-	-	718,191	-	-	-
Residue Handling/Disposal	8,694,769	8,837,406	*WWTP*	(6)	883,741	3,093,092	4,507,077	176,748	176,748	-	-
	$ 24,297,577	$ 24,696,175			$ 7,519,574	$ 6,638,141	$ 7,906,566	$ 1,746,618	$ 885,276	$ -	$ -
Lift Stations											
Interceptor		294,003	*Collection*	(11)	-	-	-	-	-	-	294,003
Trunk		219,454	*Collection*	(11)	-	-	-	-	-	-	219,454
Local Collector		689,731	*Collection*	(11)	-	-	-	-	-	-	689,731
Sewer Lines											
Interceptor		378,034	*Collection*	(11)	-	-	-	-	-	-	378,034
Trunk		902,600	*Collection*	(11)	-	-	-	-	-	-	902,600
Local Collector		6,127,445	*Collection*	(11)	0	-	-	-	-	-	6,127,445
Bulk Meter Stations		4,422	*Collection*	(7)	-	-	-	-	-	-	4,422
Customer Accounting		4,078,374	*Admin*	(8)	0	-	-	-	-	-	4,078,374
Industrial Pretreatment		1,525,112	*Industry*	(9)	-	-	-	-	-	1,525,112	-
Subtotal		$ 38,915,351			$ 7,519,575	$ 6,638,141	$ 7,906,566	$ 1,746,618	$ 885,276	$1,525,112	$ 12,694,063
Admin		3,852,412	*Admin*	(10)	(0)	-	-	-	-	-	3,852,412
Total		$ 42,767,763			$ 7,519,575	$ 6,638,141	$ 7,906,566	$ 1,746,618	$ 885,276	$1,525,112	$ 16,546,475
WWTP Allocation Factors		**100.000%**			**30.449%**	**26.879%**	**32.015%**	**7.072%**	**3.585%**	**0.000%**	**0.000%**

(1) Total Base Year Allocation. Per K.Anderson 11/03/2026

(2) Primary Allocation of Current Year for Calendar 2027, based on 2026 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

			Wastewater Surcharges					
Description	*Amount*	*Volume*	***BOD***	***TSS***	***Phos***	***NH3***	*Industrial*	*Other*
Integrated System (1)	$ 6,960,930	$ 2,119,534	$ 1,871,028	$ 2,228,542	$ 492,277	$ 249,549	$ -	$ -
Other	4,821,196	-	-	-	-	-	-	4,821,196
Total	$ 11,782,126	$ 2,119,534	$ 1,871,028	$ 2,228,542	$ 492,277	$ 249,549	$ -	$ 4,821,196

Return on System Investment- Task 21

			Wastewater Surcharges					
Description	*Amount*	*Volume*	***BOD***	***TSS***	***Phos***	***NH3***	*Industrial*	*Other*
Integrated System (1)	$ 5,451,042	$ 1,659,787	$ 1,465,186	$ 1,745,151	$ 385,498	$ 195,420	$ -	$ -
Other	8,572,684	-	-	-	-	-	-	8,572,684
Total	$ 14,023,726	$ 1,659,787	$ 1,465,186	$ 1,745,151	$ 385,498	$ 195,420	$ -	$ 8,572,684
(1) Allocated on WWTP Allocation Factors *		**30.4490%**	**26.8790%**	**32.0150%**	**7.0720%**	**3.5850%**		

**** 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 BOD %	TSS %	Phos %	NH3 %	Industrial %	Other %
(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 2026 RS adjustments.

MEMORANDUM
CITY OF GRAND RAPIDS

Date: November 3, 2026

To: Tai Verbrugge
Utility Financial Officer

From: Jared Grabinski
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 differentiates 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 27

	Permit Fee:	**$**	**1,000.00**	
	Discharge Authorization Fee	**$**	**680.00**	
IPP Costs:				
	Labor:	**$**	**88.64**	per hour
	Vehicle:	**$**	**7.83**	per hour
	Sampler:	**$**	**75.00**	per day
IPP Accounting:				
	Composite Labor:		**1.5**	hours per sample
	Grab Sample Labor:		**1.0**	hours per sample
Laboratory Costs:	**metals**			
	1 metal	**$**	**14.00**	ea.
	2 metals	**$**	**19.50**	total
	3 metals	**$**	**25.00**	total
	4 metals	**$**	**30.50**	total
	5 metals	**$**	**36.00**	total
	6 metals	**$**	**41.50**	total
	7 metals	**$**	**47.00**	total
	8 metals	**$**	**52.50**	total
	9 metals	**$**	**58.00**	total
	10 metals	**$**	**63.50**	total
	11 metals	**$**	**69.00**	total
	12 metals	**$**	**74.50**	total
	13 metals	**$**	**80.00**	total
	14 metals	**$**	**85.50**	total
	TSS	**$**	**12.50**	ea.
	BOD	**$**	**25.00**	ea.
	BOD 7	**$**	**25.00**	ea.
	COD	**$**	**17.50**	ea.
	Total Phosphorus	**$**	**12.50**	ea.
	pH	**$**	**7.00**	ea.
	EPA 624.1	**$**	**50.00**	ea.
	EPA 625.1	**$**	**110.00**	ea.
	BTEX/MTBE	**$**	**50.00**	ea.
	Sulfide	**$**	**25.00**	ea.
	Oil & Grease	**$**	**25.00**	ea.
	Total cyanide	**$**	**25.00**	ea.
	Hexavalent chromium	**$**	**30.00**	ea.
	Fecal coliform	**$**	**20.00**	ea.
	Ammonia nitrogen	**$**	**17.50**	ea.
	Mercury (EPA 245.1 or 245.2)	**$**	**22.00**	ea.
	Pesticides	**$**	**68.00**	ea.
	PCBs	**$**	**68.00**	ea.
	Phenols, Total	**$**	**27.00**	ea.

PFAS by EPA Draft method 1633 (sample, duplicate and blank are separate samples)	**$**	**325.00**	ea.
EPA 1666 Volatile organics in pharmaceuticals	**$**	**50.00**	ea.
EPA 524.2 Purgeable Organics	**$**	**50.00**	ea.
Methyl Blue Active substances (MBAS)	**$**	**70.00**	ea.
Color	**$**	**17.50**	ea.
GC-MS Fingerprint	**$**	**134.00**	ea.

Explanation of Costs:

Labor: Labor is the hourly pay rate of an Industrial Pretreatment Program Inspector (classification 23A @ "G" step = $44.3183 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 1**

Company: **Typical Metal Finisher 4 day sampling**
Facility Address:
City, State, Zip

Permit Fee:	**$**	**1,000.00**
Analytical Fee:	**$**	**1,403.82**
Amount Due:	**$**	**2,403.82**

Composite Samples: **4**

IPP Requirements:	man hours =	**6.0**	x	$	88.64	=	**$**	**531.84**	
	sampler days =	**4.0**	x	$	75.00	=	**$**	**300.00**	
	vehicle hours =	**6.0**	x	$	7.83	=	**$**	**46.98**	
						Total IPP Composite Costs:			**$ 878.82**
Laboratory Analysis:	Metals (categorical)	**6**		$	41.50	=	**$**	**41.50**	
(each composite)	Metals (local limits)	**5**		$	36.00	=	**$**	**36.00**	
	TSS		x	$	12.50	=	**$**	**-**	
	BOD		x	$	25.00	=	**$**	**-**	
	Total phosphorus		x	$	12.50	=	**$**	**-**	
	Ammonia nitrogen		x	$	17.50	=	**$**	**-**	
	EPA 625.1		x	$	110.00	=	**$**	**-**	
	Sulfide		x	$	25.00	=	**$**	**-**	
	other		x			=	**$**	**-**	
						total per composite:		**$**	**77.50**
						Total Laboratory Composite Costs:			**$ 202.00**
						Total Composite Sample Costs:			**$ 1,080.82**

Grab Samples: **4**

IPP Requirements:	man hours =	**0.0**	x	$	88.64	=	**$**	**-**	
	vehicle hours =	**0.0**	x	$	7.83	=	**$**	**-**	
									$ -
						Total IPP Grab Costs:			
Laboratory Analysis:	Metals			$	-	=	**$**	**-**	
	pH	**1**	x	$	7.00	=	**$**	**7.00**	
	EPA 624.1	**1**	x	$	50.00	=	**$**	**50.00**	
	EPA 625.1		x	$	110.00	=	**$**	**-**	
	BTEX/MTBE		x	$	50.00	=	**$**	**-**	
	Sulfide		x	$	25.00	=	**$**	**-**	
	Oil & grease	**1**	x	$	25.00	=	**$**	**25.00**	
	Total cyanide	**1**	x	$	25.00	=	**$**	**25.00**	
	Hexavalent Chromium	**1**	x	$	30.00	=	**$**	**30.00**	
	other		x			=	**$**	**-**	
						total per grab:		**$**	**137.00**
						Total Laboratory Grab Costs:			**$ 323.00**
						Total Grab Sample Costs:			**$ 323.00**
						Total Analytical Permit Costs:			**$ 1,403.82**

Permit No: Example 2

Company: Typical Metal Finisher 1 day sampling
Facility Address:
City, State, Zip

Permit Fee:	**$**	**1,000.00**
Analytical Fee:	**$**	**425.71**
Amount Due:	**$**	**1,425.71**

Composite Samples: 1

IPP Requirements:	man hours =	**1.5**	x	$	88.64	=	**$**	**132.96**		
	sampler days =	**1.0**	x	$	75.00	=	**$**	**75.00**		
	vehicle hours =	**1.5**	x	$	7.83	=	**$**	**11.75**		
						Total IPP Composite Costs:			**$**	**219.71**
Laboratory Analysis:	Metals	**11**		$	69.00	=	**$**	**69.00**		
(each composite)	TSS		x	$	12.50	=	**$**	**-**		
	BOD		x	$	25.00	=	**$**	**-**		
	Total phosphorus		x	$	12.50	=	**$**	**-**		
	Ammonia nitrogen		x	$	17.50	=	**$**	**-**		
	EPA 625.1		x	$	110.00	=	**$**	**-**		
	Sulfide		x	$	25.00	=	**$**	**-**		
	other		x			=	**$**	**-**		
						total per composite:		**$ 69.00**		
						Total Laboratory Composite Costs:			**$**	**69.00**
						Total Composite Sample Costs:				**$ 288.71**

Grab Samples: 1

IPP Requirements:	man hours =	**0.0**	x	$	88.64	=	**$**	**-**		
	vehicle hours =	**0.0**	x	$	7.83	=	**$**	**-**		
						Total IPP Grab Costs:			**$**	**-**
Laboratory Analysis:	Metals			$	-	=	**$**	**-**		
(each grab)	pH	**1**	x	$	7.00	=	**$**	**7.00**		
	EPA 624.1	**1**	x	$	50.00	=	**$**	**50.00**		
	EPA 625.1		x	$	110.00	=	**$**	**-**		
	BTEX/MTBE		x	$	50.00	=	**$**	**-**		
	Sulfide		x	$	25.00	=	**$**	**-**		
	Oil & grease	**1**	x	$	25.00	=	**$**	**25.00**		
	Total cyanide	**1**	x	$	25.00	=	**$**	**25.00**		
	Hexavalent Chromium	**1**	x	$	30.00	=	**$**	**30.00**		
	other		x			=	**$**	**-**		
						total per grab:		**$ 137.00**		
						Total Laboratory Grab Costs:			**$**	**137.00**
						Total Grab Sample Costs:				**$ 137.00**
						Total Analytical Permit Costs:				**$ 425.71**

Permit No: Example 3

Company: Pharmaceutical Manufacturing
Facility Address:
City, State, Zip

Permit Fee:	**$**	**1,000.00**
Analytical Fee:	**$**	**475.71**
Amount Due:	**$**	**1,475.71**

Composite Samples:		**1**							
IPP Requirements:	man hours =	**1.5**	x	$	88.64	=	**$ 132.96**		
	sampler days =	**1.0**	x	$	75.00	=	**$ 75.00**		
	vehicle hours =	**1.5**	x	$	7.83	=	**$ 11.75**		
				Total IPP Composite Costs:				**$ 219.71**	
Laboratory Analysis:	metals	**11**	x	$	69.00	=	**$ 69.00**		
(each composite)	TSS		x	$	12.50	=	**$ -**		
	BOD		x	$	25.00	=	**$ -**		
	Total Phosphorus		x	$	12.50	=	**$ -**		
	pH		x	$	7.00	=	**$ -**		
	EPA 625		x	$	110.00	=	**$ -**		
	sulfide		x	$	25.00	=	**$ -**		
	oil & grease		x	$	25.00	=	**$ -**		
	hex chrome		x	$	30.00	=	**$ -**		
	fecal coliform		x	$	20.00	=	**$ -**		
	Ammonia nitrogen		x	$	17.50	=	**$ -**		
			total per composite:				**$ 69.00**		
			Total Laboratory Composite Costs:					**$ 69.00**	
							Total Composite Sample Costs:		**$ 288.71**
Grab Samples:		**1**							
IPP Requirements:	man hours =	**0.0**	x	$	88.64	=	**$ -**		
	vehicle hours =	**0.0**	x	$	7.83	=	**$ -**		
					Total IPP Grab Costs:			**$ -**	
Laboratory Analysis:	metals		x	$	14.00	=	**$ -**		
(each grab)	TSS		x	$	12.50	=	**$ -**		
	BOD		x	$	25.00	=	**$ -**		
	Total Phosphorus		x	$	12.50	=	**$ -**		
	pH	**1**	x	$	7.00	=	**$ 7.00**		
	EPA 624.1	**1**	x	$	50.00	=	**$ 50.00**		
	EPA 625.1		x	$	110.00	=	**$ -**		
	BTEX/MTBE		x	$	50.00	=	**$ -**		
	sulfide		x	$	25.00	=	**$ -**		
	oil & grease	**1**	x	$	25.00	=	**$ 25.00**		
	total cyanide	**1**	x	$	25.00	=	**$ 25.00**		
	hex chrome	**1**	x	$	30.00	=	**$ 30.00**		
	EPA 524.2		x	$	50.00	=	**$ -**		
	EPA 1666	**1**	x	$	50.00	=	**$ 50.00**		
				total per grab:			**$ 187.00**		
				Total Laboratory Grab Costs:				**$ 187.00**	
							Total Grab Sample Costs:		**$ 187.00**
							Total Analytical Permit Costs:		**$475.71**

Permit No: Example 4

Company: Soap and Detergent Manufacturing
Facility Address:
City, State, Zip

Permit Fee:	**$**	**1,000.00**
Analytical Fee:	**$**	**468.21**
Amount Due:	**$**	**1,468.21**

Composite Samples: 1

IPP Requirements:	man hours =	**1.5**	x	$ 88.64	=	**$ 132.96**			
	sampler days =	**1.0**	x	$ 75.00	=	**$ 75.00**			
	vehicle hours =	**1.5**	x	$ 7.83	=	**$ 11.75**			
				Total IPP Composite Costs:			**$ 219.71**		
Laboratory Analysis:	metals	**11**	x	$ 69.00	=	**$ 69.00**			
(each composite)	TSS		x	$ 12.50	=	**$ -**			
	BOD7	**1**	x	$ 25.00	=	**$ 25.00**			
	Total phosphorus		x	$ 12.50	=	**$ -**			
	ammonia nitrogen		x	$ 17.50	=	**$ -**			
	BOD		x	$ 25.00	=	**$ -**			
	sulfide		x	$ 25.00	=	**$ -**			
	oil & grease		x	$ 25.00	=	**$ -**			
	hex chrome		x	$ 30.00	=	**$ -**			
	fecal coliform		x	$ 20.00	=	**$ -**			
	COD	**1**	x	$ 17.50	=	**$ 17.50**			
				total per composite:		**$ 111.50**			
				Total Laboratory Composite Costs:			**$ 111.50**		
				Total Composite Sample Costs:					**$ 331.21**

Grab Samples: 1

IPP Requirements:	man hours =	**0.0**	x	$ 88.64	=	**$ -**			
	vehicle hours =	**0.0**	x	$ 7.83	=	**$ -**			
				Total IPP Grab Costs:			**$ -**		
Laboratory Analysis:	metals		x	$ 69.00	=	**$ -**			
(each grab)	TSS		x	$ 12.50	=	**$ -**			
	BOD		x	$ 25.00	=	**$ -**			
	Total Phosphorus		x	$ 12.50	=	**$ -**			
	pH	**1**	x	$ 7.00	=	**$ 7.00**			
	EPA 624.1	**1**	x	$ 50.00	=	**$ 50.00**			
	EPA 625.1		x	$ 110.00	=	**$ -**			
	BTEX/MTBE		x	$ 50.00	=	**$ -**			
	sulfide		x	$ 25.00	=	**$ -**			
	oil & grease	**1**	x	$ 25.00	=	**$ 25.00**			
	total cyanide	**1**	x	$ 25.00	=	**$ 25.00**			
	hex chrome	**1**	x	$ 30.00	=	**$ 30.00**			
	fecal coliform		x	$ 20.00	=	**$ -**			
	COD		x	$ 17.50	=	**$ -**			
				total per grab:		**$ 137.00**			
				Total Laboratory Grab Costs:			**$ 137.00**		
				Total Grab Sample Costs:					**$ 137.00**
				Total Analytical Permit Costs:					**$468.21**

Permit No:	**Example 5**										
Company:	**Surcharge**										
Facility Address:											
City, State, Zip											
Permit Fee:	**$**	**1,000.00**									
Analytical Fee:	**$**	**1,252.94**									
Amount Due:	**$**	**2,252.94**									
Composite Samples:	**12**										
IPP Requirements:	man hours =		x	$	88.64	=	**$**	**-**			
	sampler days =		x	$	75.00	=	**$**	**-**			
	vehicle hours =	**18.0**	x	$	7.83	=	**$**	**140.94**			
						Total IPP Composite Costs:			**$**	**140.94**	
Laboratory Analysis:	Metals	**11**		$	69.00	=	**$**	**69.00**			
(each composite)	TSS	**1**	x	$	12.50	=	**$**	**12.50**			
	BOD	**1**	x	$	25.00	=	**$**	**25.00**			
	Total phosphorus	**1**	x	$	12.50	=	**$**	**12.50**			
	Ammonia nitrogen	**1**	x	$	17.50	=	**$**	**17.50**			
	EPA 625.1		x	$	110.00	=	**$**	**-**			
	Sulfide		x	$	25.00	=	**$**	**-**			
	other		x			=	**$**	**-**			
						total per composite:	**$**	**136.50**			
						Total Laboratory Composite Costs:			**$**	**879.00**	
								Total Composite Sample Costs:			**$** **1,019.94**
Grab Samples:	**4**										
IPP Requirements:	man hours =	**0.0**	x	$	88.64	=	**$**	**-**			
	vehicle hours =	**0.0**	x	$	7.83	=	**$**	**-**			
						Total IPP Grab Costs:			**$**	**-**	
Laboratory Analysis:	Metals			$	-	=	**$**	**-**			
(each grab)	pH	**1**	x	$	7.00	=	**$**	**7.00**			
	EPA 624.1	**1**	x	$	50.00	=	**$**	**50.00**			
	EPA 625.1		x	$	110.00	=	**$**	**-**			
	BTEX/MTBE		x	$	50.00	=	**$**	**-**			
	Sulfide		x	$	25.00	=	**$**	**-**			
	Oil & grease	**1**	x	$	25.00	=	**$**	**25.00**			
	Total cyanide	**1**	x	$	25.00	=	**$**	**25.00**			
	Hexavalent Chromium	**1**	x	$	30.00	=	**$**	**30.00**			
	other		x			=	**$**	**-**			
						total per grab:	**$**	**137.00**			
						Total Laboratory Grab Costs:			**$**	**233.00**	
								Total Grab Sample Costs:			**$** **233.00**
								Total Analytical Permit Costs:			**$** **1,252.94**

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: August 25, 2026

TO: Tai Verbrugge,
Utility Financial Officer

FROM: Lindsay Sagorski Munsell, PE
Assistant Water System Manager

SUBJECT: **2026 SEWER RATE STUDY- TASK #32 - SANITARY SEWER OVERSIZING RATES**

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

Pipe Size	2025 Rate	2026 Rate	2027 Rate	2026 to 2027 % Change
8"-10"	$11.07/ft	$12.33/ft	$16.03/ft	30.01%
8”-12”	$20.45/ft	$25.59/ft	$31.07/ft	21.41%
8”-15”	$38.46/ft	$49.61/ft	$59.42/ft	19.77%
10”-12”	$9.38/ft	$13.26/ft	$15.04/ft	13.42%
10”-15”	$27.39/ft	$37.28/ft	$43.39/ft	16.39%
12”-15”	$18.01/ft	$24.02/ft	$28.35/ft	18.03%

These rates have been determined in accordance with the Sewer Disposal System Rules and Regulations, and are approved for use from January 1, 2027, through December 31, 2027.

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
Chad Reul

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, 2026:

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:

Description	AMOUNT	PERCENT
Individual Circuit Breaker (ICB)	$ 85,480	12.50%
City & Customer Community Circuit Breaker (CCCCB)	598,360	87.50%
Total	$ 683,840	100.00%

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:

Description	AMOUNT	PERCENT
City & Customer Community Circuit Breaker Amount- Above	$ 598,360	100.00%
Less: Amount Applied in Current Rate Study	(598,360)	-100.00%
Total CCCCB Revenue Credit- Next Year's Rate Study	$ -	0.00%

MEMORANDUM
CITY OF GRAND RAPIDS

DATE: October 28, 2026

TO: Tai Verbrugge
Utility Financial Officer

FROM: Jared Grabinski
Assistant Environmental Services Manager

SUBJECT: 2026 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 $80.45 / 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	75,811		Total retail customers [2]
Grand Rapids Retail Customers	57,746		Total retail customers in Grand Rapids [2]
Annual Cost	**$1.98**	**/yr/cust.**	Annual cost for claims in Grand Rapids

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

Flow Estimate

DWF	48,850	gal/year	Average generation rate
WWF	24,450	gal/year	Average generation rate
Total	73,300	gal/year	Average per house

Unit Conveyance & Treatment Costs

Annual average FD flows	0.073300	MG/yr	Average per house
Conveyance	$575	/MG	Unit conveyance cost [3]
Treatment	$1,661	/MG	Unit treatment cost [3]
Conveyance & Treatment	$2,236	/MG	
Annual Cost	**$163.90**	**/yr/cust.**	Annual cost for a connected FD

3. Actual MDNRE penalties for SSO's

Penalties for SSO

Grand Rapids Customers	57,746		
Penalties	$25,000		Per occurrence
Potential SSOs	0	/year	Avg annual occurances (last 3 years)
Annual cost	0	$/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	25,598	FDD	FDDs needed to correct backup problems
Total Cost	$45,769,224		Annualized Conveyance and Storage Costs
Grand Rapids Customers	57,746		Customers in Grand Rapids
Cost Per single Family Home	**$792.60**	$/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	1.5		Citywide engineering investigation
Staffing	2.0		Total staffing
Rate	$200,000	/year	Average loaded staffing rate [4]
Total	$400,000	/year	
Customers	57,746		In Grand Rapids
	$6.93	**$/yr/cust.**	

Annual Cost Summary

1. Avoided Claims	$1.98		
2. Avoided Treatment	$163.90		
3. Actual MDNRE Penalties for SSOs	$0.00		
4. Avoided Future Projects	$792.60		
5. Administration	$6.93		
TOTAL	**$965.41**	**$/yr/cust.**	
	$80.45	**/month/cust.**	Monthly fee for not disconnecting

Notes:

[1] Sinking fund annual budget

[2] Customer numbers per 2026 Rate Study, Task 26

[3] Value for sewer maintenance and WRRF costs from 2026 rate study.

[4] Estimated staff rate with benefits

[5] Total cost per FDD amortized over 20 years with 2.5% interest rate