

NORTHWEST OTTAWA WATER SYSTEM

Administrative Committee Minutes

August 18, 2021

A regular administrative committee meeting of the Northwest Ottawa Water System was called to order by Derek Gajdos at 9:28 a.m. Wednesday, August 18, 2021 in the Council Chambers at Grand Haven City Hall.

Present: Craig Bessinger (City of Ferrysburg), Pat Staskiewicz (Ottawa County), Gordon Gallagher (Spring Lake Township), and Derek Gajdos (City of Grand Haven), Christine Burns (Village of Spring Lake), Alando Chappell (Grand Haven Township)

Absent: Bill Cargo (Grand Haven Township)

Also present: Eric Law (City of Grand Haven), Amy Bessinger (City of Grand Haven)

A motion by Burns, supported by Gallagher to accept the minutes for the February 17, 2021. The motion was unanimously approved by voice vote.

Manager's Report, May, June, July '21 – By Law

Law provided the Managers report with the following highlights presented.

Record pumpage for the month of May started the quarter. A dry spring started in April and customer irrigation is attributed to the increase pumpage led to eclipsing the previous May record from 2016 by 29%. June and July both saw pumpage slow down as consistent precipitation and lower temperatures prevailed. July starts the new fiscal year and Law briefly covered the current July to the historical average whereas the current July is 6% or roughly 22 MG below the 5yr average. Fiscal year 2020-21 ended with total distribution pumpage up just over 11% over 2019-20 and roughly 14% higher than the 2.2BG projection.

Committee Discussion on Water Demand Trends:

Gallagher raised concerns over the May pumpage/demand and wanted to understand what should be done to encourage conservation while acknowledging the issue resides with outdoor irrigation. Block rate structuring was discussed by the group as possibly having merit in the effort to address peak hourly demand pumpage which Law defined as 4:30AM to 11:00AM. Law shared the recently reported census numbers to illustrate how the Nows communities are all growing and how this growth combined with erratic weather patterns can stress capacity when the area is in draught conditions and warned of falling into a false sense of security during times of unusual wet weather patterns. Shaving peak hourly demand was discussed amongst the committee. The committee opened discussion on the relevancy of using a strategic rate structure to offset peak hourly demand and comparisons to the Consumers Power AMI meter system were brought up. Law described his experience from the mid 90's with being a customer in the Denver area and Denver Waters' journey to block a rate structure. Law described Denver Waters approach as being targeted towards over consumption by emphasizing a marketing campaign for public awareness while shifting to block rate structure. Gallagher expressed the need to shave peak demands to avoid Nows system expansion expenses. Burns

along with Gajdos suggested that there should exist a multi layered approach of public education, awareness, with possible incentives. Staskiewicz pointed to the soon to be released reliability study and how this study can be used as a basis for the educational approach. Staskiewicz also pointed to the established practices of tiered pricing as outlined by AWWA and emphasized the importance of following that lead should the committee decide to take that approach. Staskiewicz did site examples in Holland and Chicago of those communities taking measures to curb peak demands and agreed that urgency to have direction on this topic is important. Burns addressed the nature of the individual community's involvement in outreach and how it should be done professionally and uniformly through all NOWS communities. Burns reiterated and it was agreed with by all committee members, the importance of getting the messaging correct and correctly sized for public consumption to have its greatest impact. The committee concluded that a draft of the NOWS conservation plan be available to discuss during the November 2021 committee meeting and that finalization of planning targets the ability to launch publicly March of 2022. Law finished the pumpage discussion covering end of year system allocation data.

Continuing with the Managers Report Law covered preliminary EOY financial data highlighting revenue generated estimated to come in 101.8% to plan while expenditures estimated to end the year at 88%. Money market plus replacement fund (cash) total is \$463,133. Chemical and power cost were mostly in-line with the with the 11% increase in pumpage for the year with power cost slightly higher. Law providing the committee information on a temporary 49% increase to chemical cost for liquid chlorine. This increase is specifically related to supply issues with caustic, a key component to creating liquid chlorine. Trending graphs were discussed with Law highlighting power consumption increases for the month of June. Law attributed the anomaly to max demand charges attributed to stop starting increase to vertical turbine pumps during an unusually wet June period. Moving on to water quality Law highlighted the continuing trends of outstanding quality seen at the source and how this has contributed to driving down chemical usage. TOC and system wide DBP sampling results continue to look acceptable with all communities remaining well within regulatory compliance levels. Law provided the committee with the current status of Harbor Island activity related to PFAS as well as a review of the city website posted document on PFAS sampling results of the finished water supply.

Projects:

Reliability Study – By Law

On schedule with draft copy due September 24th

Manpower Planning – By Law

Newly promoted Crew Leader Adam VanOeveren is currently training the newly hired Night Operator. VanOeveren is slated to come onto days in late October.

Agenda Item 1: Annual Water Rate Review – By Law

A delayed decision on rate change was requested by the committee at the August 2021 Committee meeting. Members wanted the final numbers of the 2011 raw water bond refunding to be finalized. The resulting refunding savings of approximately \$45K annually was considered significant however while factoring in all considerations presented by Law within the May 17, memorandum (NOWS Annual Rate Recommendation) the

committee elected to stay with Laws recommendation of no change to the wholesale rate for fiscal year 2021-22. A motion by Gallagher to keep the current wholesale rate structure for fiscal year 2021-22 was supported by Staskiewicz and was passed unanimously on rollcall vote.

Agenda Item 2: Water Loss Discussion – By Law

Law opened discussion by pointing out the absence of a formalized timeline for water loss data to be reviewed by the committee and requested the committee consider formalizing an annual review process to better understand water loss within each of the NOWS communities. Gajdos suggested the committee consider the February meetings annually as a possible date. Staskiewicz spoke to the process that Joe Wallace uses and has just recently finished 2020 data. All members acknowledged the frustration with recent loss and agreed to on further discussion to formalize a water accountability program for periodic committee review.

Other:

No other items.

Adjournment: 10:28 a.m. – Submitted by Eric Law