



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION MEETING AGENDA

Wednesday, December 15, 2021

4:00 PM

**CALL TO ORDER:** Pursuant to due notice and call thereof, a Regular Meeting of the Grand Rapids Public Utilities Commission will be held on Wednesday, December 15, 2021 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street, Grand Rapids, Minnesota.

**CALL OF ROLL:**

**PUBLIC FORUM:**

**APPROVAL OF MINUTES:**

1. Consider a motion to approve the minutes of the November 3, 2021 special meeting, the November 17, 2021 regular meeting and the November 30, 2021 special meeting.

**VERIFIED CLAIMS:**

2. Consider a motion to approve the verified claims for November 2021 in the amount \$1,876,128.53 (Computer Check Register \$1,409,568.96 and Manual Check Register \$466,559.57).

**COMMISSION REPORTS:**

**CONSENT AGENDA:** Any item on the consent agenda shall be removed for consideration by the request of any one Commission member, Utility Staff, or the public and put on the regular agenda for discussion and consideration.

3. Consider a motion to approve the City Treasurer's Report and the Investment Activity Report for November 2021
4. 2022 City Calendar.
5. Consider a motion to ratify the procurement contract with Midwest Communications for radio ad spots in the amount of \$2,480.
6. Consider a motion to confirm filling the Wastewater Operations Director position with Jeff Frost. (additional attachment to follow).

**SETTING OF REGULAR AGENDA:** This is an opportunity to approve the regular agenda as presented, or add/delete an agenda item by a majority vote of the Commission members present.

**ADMINISTRATION:**

7. Review Administration Department Report.

- [8.](#) Consider a motion to update the GRPU Personal Policy Section 8.8.6, pertaining to the donation of PTO.

BUSINESS SERVICES DEPARTMENT:

- [9.](#) Review Business Services Monthly Report
- [10.](#) Consider a motion to approve the 2022 Electric, Water, and Wastewater rate schedules.
- [11.](#) Consider a motion to adopt the GRPU 2022 Operations and Capital Budget as presented.

ELECTRIC DEPARTMENT:

- [12.](#) Review Electric Department Report
- [13.](#) Consider a motion to approve the Electric Service Agreement with Minnesota Power for 2022 to 2029 and authorize the Commission President to sign the Agreement, along with Attachment D specific to Grand Rapids.

WATER AND WASTEWATER DEPARTMENT:

- [14.](#) Review Water-Wastewater Department Report
- [15.](#) Consider a motion to award the contract for 2022 Sludge Placement to JRadtke Trucking in the amount of \$64,240 and authorize the Commission President to sign the contract.

SAFETY REPORT:

- [16.](#) Review Safety Report.

ADJOURNMENT:

The next Regular Meeting of the Commission is scheduled for Wednesday, January 12, 2022 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The next Special meeting/Work Session is scheduled for Tuesday, January 25, 2022 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The GRPUC has adopted a Meeting Protocol Policy, which informs attendees of the GRPUC'S desire to conduct meetings in an orderly manner which welcomes all civil input from interested parties. If you are unaware of the policy, please contact our office at 218-326-7024 ext. 1 and we will provide you with a copy of the policy.



## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

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**AGENDA DATE:** December 15, 2021

**AGENDA ITEM:** Consider a motion to approve the minutes of the November 3, 2021 special meeting, the November 17, 2021 regular meeting and the November 30, 2021 special meeting.

**PREPARED BY:** Carrie Jo Kruger

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### **BACKGROUND:**

See attached minutes of the November 3, 2021 special meeting, the November 17, 2021 regular meeting and the November 30, 2021 special meeting.

### **RECOMMENDATION:**

Consider a motion to approve the minutes of the November 3, 2021 special meeting, the November 17, 2021 regular meeting and the November 30, 2021 special meeting.



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION SPECIAL MEETING MINUTES

Wednesday, November 03, 2021

9:00 AM

CALL TO ORDER: Pursuant to due notice and call thereof, a Special Meeting of the Grand Rapids Public Utilities Commission was held on Wednesday, November 3, 2021 at 9:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street, Grand Rapids, Minnesota.

1. Acknowledge the proper posting of the special meeting date, time, and purpose.

### CALL OF ROLL:

PRESENT: President Tom Stanley, Secretary Kathy Kooda, Commissioner Rick Blake, Commissioner Luke Francisco, Commissioner Rick Smith

Also present: Julie Kennedy

No public present.

### BUSINESS:

2. Wholesale power negotiations update.

Kennedy provided an update on the current wholesale power negotiations.

### ADJOURNMENT:

By call of the chair, the regular meeting was declared adjourned at 9:28 AM.

Respectfully submitted: Carrie Jo Kruger, Administrative/HR Assistant.



The next Regular Meeting of the Commission is scheduled for Wednesday, November 17, 2021 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The next Special Meeting/Work Session is scheduled for Tuesday, November 30, 2021 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.





# GRAND RAPIDS PUBLIC UTILITIES COMMISSION

## MEETING MINUTES

Wednesday, November 17, 2021

4:00 PM

**CALL TO ORDER:** Pursuant to due notice and call thereof, a Regular Meeting of the Grand Rapids Public Utilities Commission was held on Wednesday, November 17, 2021 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street, Grand Rapids, Minnesota.

**CALL OF ROLL:**

**PRESENT:** President Tom Stanley, Secretary Kathy Kooda, Commissioner Luke Francisco, Commissioner Rick Smith

**ABSENT with notice:** Commissioner Rick Blake

**PUBLIC FORUM:**

MP Presentation on Resale Energy Adjustments

TJ Otto (Strategic Accounts) and Laurel Udenberg (Manager of Energy Supply) presented information on Resale Energy Adjustments.

**APPROVAL OF MINUTES:**

1. Consider a motion to approve the minutes of the October 12, 2021 Regular meeting and the October 26, 2021 Special meeting.

Motion made by Secretary Kooda, Seconded by Commissioner Smith.

Voting Yea: President Stanley, Secretary Kooda, Commissioner Francisco, Commissioner Smith

**VERIFIED CLAIMS:**

2. Consider a motion to approve the verified claims for October 2021 in the amount \$2,181,865.34 (Computer Check Register \$1,726,047.21 and Manual Check Register \$455,818.13).

Motion made by Commissioner Francisco, Seconded by Secretary Kooda.

Voting Yea: President Stanley, Secretary Kooda, Commissioner Francisco, Commissioner Smith

**COMMISSION REPORTS:**

None

CONSENT AGENDA: Any item on the consent agenda shall be removed for consideration by the request of any one Commission member, Utility Staff, or the public and put on the regular agenda for discussion and consideration.

Motion made by Commissioner Smith, Seconded by Commissioner Francisco.

Voting Yea: President Stanley, Secretary Kooda, Commissioner Francisco, Commissioner Smith

3. Consider a motion to approve the City Treasurer's Report and the Investment Activity Report for October 2021
4. Consider a motion to authorize the sale and/or disposal of surplus property.
5. Consider a motion to ratify the procurement contract with Widseth for a Solar Plus Battery Storage study for \$5,000.00.
6. Consider a motion to ratify the procurement contract with Bell Lumber & Pole Company for eight 50 foot power poles for \$11,304.00.
7. Consider a motion to ratify the procurement contract with Ferguson Enterprises for one Water Specialties flow meter (SP-VF32D-08) for \$3,717.00.
8. Consider a motion to ratify the procurement contract with Mulcahy Enterprises for one Water Furnace heat pump (MG6639) for \$2,607.00
9. Consider a motion to ratify the procurement contract with WDIO for video production and a commercial spot not to exceed \$4,240.00.
10. Consider a motion to approve the new Wastewater Operations Director position description, declare a vacancy exists, and authorize the internal posting for the position.

SETTING OF REGULAR AGENDA: This is an opportunity to approve the regular agenda as presented, or add/delete an agenda item by a majority vote of the Commission members present.

Motion made by Commissioner Smith, Seconded by Secretary Kooda.

Voting Yea: President Stanley, Secretary Kooda, Commissioner Francisco, Commissioner Smith

#### ADMINISTRATION:

11. Review Administration Department Report.

General Manager Kennedy reviewed the November Administration Department Report with the Commission

12. Consider a motion to approve the updated Maintenance III position description, declare a vacancy exists, and authorize the internal posting and external advertising, if needed, for the position.

Motion made by Secretary Kooda, Seconded by Commissioner Smith.

Voting Yea: President Stanley, Secretary Kooda, Commissioner Francisco, Commissioner Smith

BUSINESS SERVICES DEPARTMENT:

13. Review Monthly Department Report.

Business Service Manager Lane reviewed the November Business Services Department Report with the Commission.

ELECTRIC DEPARTMENT:

14. Review Electric Department Report

Electric Department Manager Goodell reviewed the November Electric Department Report with the Commission.

WATER AND WASTEWATER DEPARTMENT:

15. Review Water-Wastewater Department Report

Water/Wastewater Department Manager Mattson reviewed the November Water and Wastewater Department Report with the Commission.

SAFETY REPORT:

16. Review Safety Report.

General Manager Kennedy reviewed the November Safety Report with the Commission.

ADJOURNMENT:

By call of the chair, the regular meeting was declared adjourned at 5:10 PM.

Respectfully submitted: Carrie Jo Kruger, Administrative/HR Assistant.



The next Special Meeting/Work Session is scheduled for Tuesday, November 30, 2021 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The next Regular Meeting of the Commission is scheduled for Wednesday, December 15, 2021 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

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# GRAND RAPIDS PUBLIC UTILITIES COMMISSION SPECIAL MEETING MINUTES

Item 1.

Tuesday, November 30, 2021  
8:00 AM

CALL TO ORDER: Pursuant to due notice and call thereof, a Special Meeting/Work Session of the Grand Rapids Public Utilities Commission was held on Tuesday, November 30, 2021 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street, Grand Rapids, Minnesota.

1. Acknowledge the proper posting of the special meeting date, time, and purpose.

## CALL OF ROLL:

PRESENT: President Tom Stanley, Secretary Kathy Kooda, Commissioner Rick Blake, Commissioner Luke Francisco

ABSENT: Commissioner Rick Smith, with notice

## BUSINESS:

2. Consider a motion to approve the verified claims for October & November 2021 in the amount \$168,934.12 (Computer Check Register \$168,934.12 and Manual Check Register \$0.00).

Motion made by Commissioner Blake, Seconded by Commissioner Francisco.

Voting Yea: President Stanley, Secretary Kooda, Commissioner Blake, Commissioner Francisco

3. Consider adopting Resolution No. 11-30-21-11 approving the issuance and sale of \$1,120,000 City of Grand Rapids General Obligation Utility Revenue Refunding Bonds, Series 2021D

Motion made by Commissioner Francisco, Seconded by Secretary Kooda.

Voting Yea: President Stanley, Secretary Kooda, Commissioner Blake, Commissioner Francisco

4. Review the preliminary 2022 operations and capital budgets.

## ADJOURNMENT:

By call of the chair, the regular meeting was declared adjourned at 9:45 AM.

Respectfully submitted: Carrie Jo Kruger, Administrative/HR Assistant.

The next Regular Meeting of the Commission is scheduled for Wednesday, December 15, 2021 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

There will be no Special Meeting/Work Session in December, 2021.



## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

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**AGENDA DATE:** December 15, 2021

**AGENDA ITEM:** Consider a motion to approve the verified claims for November 2021 in the amount \$1,876,128.53 (Computer Check Register \$1,409,568.96 and Manual Check Register \$466,559.57).

**PREPARED BY:** Jean Lane, Business Services Manager

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### **BACKGROUND:**

See attached check registers:

Computer check register \$1,409,568.96  
Manual check register \$466,559.57  
Total \$1,876,128.53

### **RECOMMENDATION:**

Consider a motion to approve the verified claims for November 2021 in the amount of \$1,876,128.53

Computer check register \$1,409,568.96  
Manual check register \$466,559.57



**November 2021 Check Register**

Item 2.

<b>Document Date</b>	<b>Check #</b>	<b>Vendor Name</b>	<b>Document Amount</b>	
11/4/2021		4490 Empower Retirement	1,005.46	11/30/2021
11/5/2021		4491 Public Employees Retirement Association	15,107.10	11/5/2021
11/5/2021		4492 Minnesota Dept. of Revenue	4,227.44	11/5/2021
11/5/2021		4493 Wells Fargo Bank	25,299.83	11/5/2021
11/5/2021		4494 Empower Retirement	8,019.87	11/5/2021
11/5/2021		4495 Invoice Cloud	2,659.65	11/30/2021
11/5/2021		4496 Further	1,359.59	11/30/2021
11/1/2021		4497 Northeast Service Cooperative	3,888.00	11/30/2021
11/1/2021		4498 Further	1,200.00	11/30/2021
11/19/2021		4499 Public Employees Retirement Association	15,488.15	11/19/2021
11/19/2021		4500 Minnesota Dept. of Revenue	4,385.29	11/19/2021
11/19/2021		4501 Wells Fargo Bank	26,063.67	11/19/2021
11/19/2021		4502 Empower Retirement	8,408.74	11/19/2021
11/19/2021		4503 Further	1,359.59	11/30/2021
11/22/2021		4504 Minnesota Department of Revenue	79,991.00	11/30/2021
11/29/2021		4505 Northeast Service Cooperative	54,310.50	11/30/2021
		4506 Used in December	0.00	
		4507 Used in December	0.00	
		4508 Used in December	0.00	
		4509 Used in December	<b>0.00</b>	
11/17/2021		4510 Further	50.00	11/30/2021
11/3/2021		78956 Grand Rapids Area Community Foundation	182.29	11/3/2021
		78957 Used in October	0.00	
11/5/2021		78958 NCPERS Group Life Ins	112.00	11/5/2021
11/5/2021		78959 First Net / AT & T Mobility	315.70	11/5/2021
11/5/2021		78960 Minnesota Energy Resources Corp.	7.08	11/5/2021
11/5/2021		78961 Minnesota Society of CPA	493.00	11/5/2021
11/5/2021		78962 United Parcel Service	21.18	11/5/2021
		78963 Used in October	0.00	
11/5/2021		78964 Verizon Wireless	761.35	11/5/2021
11/5/2021		78965 Larson, Reed & Wendy	14,246.25	11/5/2021
11/5/2021		78966 Deerwood Bank	97,816.43	11/5/2021
11/12/2021		78967 Bridge, Troy	176.00	11/12/2021
11/12/2021		78968 Devries-Flinck, Tony	139.99	11/12/2021
11/12/2021		78969 Langer, Stephen A	28.48	11/12/2021
11/12/2021		78970 Mattson, Steve	24.08	11/12/2021
11/12/2021		78971 Minnesota Energy Resources Corp.	104.33	11/12/2021
11/12/2021		78972 U.S. Post Office	150.00	11/12/2021
11/12/2021		78973 Wells Fargo Business Card - JK	562.43	11/12/2021
11/12/2021		78974 Wells Fargo Business Card -SM	50.40	11/12/2021
11/12/2021		78975 Wells Fargo Business Card- CF	686.80	11/12/2021
11/12/2021		78976 Widseth Smith Nolting & Assoc. Inc	5,000.00	11/12/2021
11/12/2021		78977 Xerox Corporation	65.84	11/12/2021
11/12/2021		78978 Postage By Phone System	5,000.00	11/30/2021
11/17/2021		78979 UNUM Life Insurance Co of America	2,720.20	11/17/2021

11/17/2021	78980 Radtke, James	5,759.52	11/17/	Item 2.
11/17/2021	78981 Customer Refunds- Lauryn Ridge & Madeline Sirion	110.68	11/30/2021	
11/19/2021	79042 Minnesota Council 65	1,673.30	11/19/2021	
11/29/2021	79043 Bocinsky, James	123.99	11/29/2021	
11/29/2021	79044 U S Bank Equipment Finance	315.73	11/29/2021	
11/29/2021	79045 United Parcel Service	87.26	11/29/2021	
11/29/2021	79046 Verizon Wireless	829.48	11/29/2021	
11/29/2021	79047 Xerox Corporation	76.36	11/29/2021	
	79048 Voided	0.00		
11/29/2021	79049 Wells Fargo Business Card	951.87	11/29/2021	
11/30/2021	79051 City of Grand Rapids	72,333.33	11/30/2021	
11/30/2021	79052 Customer Refunds- Alison Juntunen	65.00	11/30/2021	
11/30/2021	79053 Customer Refunds- Jeremy Applebee	124.54	11/30/2021	
11/30/2021	79054 Customer Refunds- Dale & Lesley Steinert	28.02	11/30/2021	
11/30/2021	79055 Customer Refunds- Debra Longmore	113.63	11/30/2021	
11/30/2021	79056 Customer Refunds- Green Again Lawn	111.65	11/30/2021	
11/30/2021	79057 Customer Refunds- Nicole Castle	66.45	11/30/2021	
11/30/2021	79058 Customer Refunds- Timothy Nelson	654.36	11/30/2021	
11/30/2021	79059 Customer Refunds- Alaina Moren	62.05	11/30/2021	
11/30/2021	79060 Customer Refunds- Tina Gruwell	56.42	11/30/2021	
11/30/2021	79061 Customer Refunds- Gerald Vance	125.01	11/30/2021	
11/30/2021	79062 Customer Refunds- Steve & Shelly Lewis	12.80	11/30/2021	
11/30/2021	79063 Customer Refunds- Rocky Perttu	579.18	11/30/2021	
11/30/2021	79064 Customer Refunds- Dakota Lefler & Emilie Scheldrup	58.66	11/30/2021	
11/30/2021	79065 Customer Refunds- Nathaniel Buckhorn	99.65	11/30/2021	
11/30/2021	79066 Customer Refunds- Susan Jewett	106.92	11/30/2021	
11/30/2021	79067 City of Grand Rapids	546.00	11/30/2021	

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466,559.57





## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

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**AGENDA DATE:** December 15, 2021

**AGENDA ITEM:** Consider a motion to approve the City Treasurer's Report and the Investment Activity Report for November 2021

**PREPARED BY:** Jean Lane, Business Services Manager

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### **BACKGROUND:**

Please see attached reports:

GRPUC Cash Receipts and Disbursements for the Month of November 2021 and Verification of City Treasurer's Balance  
GRPUC Investment Activity  
Graphics – November Historical Investment Balances and Monthly Investment Balances 2000-2021

### **RECOMMENDATION:**

Consider a motion to approve the City Treasurer's Report and the Investment Activity Report for November 2021.

**CITY OF GRAND RAPIDS  
PUBLIC UTILITIES COMMISSION**

Item 3.

**CASH RECEIPTS AND DISBURSEMENTS FOR THE MONTH OF NOVEMBER 2021**

TREASURER'S BALANCE OCTOBER 31, 2021		\$ 4,238,459.77
Deposits	2,212,095.99	
Redeposits-Checks	-	
Redeposits-ACH	-	
Bank Adjustments    11/2 Adj 10/13 Ck List Error	(95.00)	
		2,212,000.99
Less    Disbursements	(2,500,702.29)	
NSF Checks	-	
ACH Returns	(896.73)	
Bank Adjustments	-	
		(2,501,599.02)
TREASURER'S BALANCE NOVEMBER 30, 2021		\$ 3,948,861.74

VERIFICATION OF TREASURER'S BALANCE

WELLS FARGO BANK BALANCE NOVEMBER 30, 2021		\$ 4,130,783.46
Add:    Deposits in Transit		80,274.80
Less:    Outstanding Checks		(262,196.52)
TREASURER'S BALANCE NOVEMBER 30, 2021		\$ 3,948,861.74

<b>Electric Department</b>	<b>November 2021</b>
City	1,070,777
Rural	133,523
Load Management	22,348
Subtotal Electric Retail Sales	1,226,648
Windsense	
Security Lighting	5,186
Total Sales	1,231,835
Purchased Power Pass-thru	287,962
Total Electric	1,519,797

<b>Water Department</b>	
City	133,409
Rural	0
Public Authorities	3,100
Total Water	136,509

<b>Wastewater Collection Dept</b>	
City	129,299
Rural	366
Public Authorities	10,702
Total Wastewater Collection	140,367

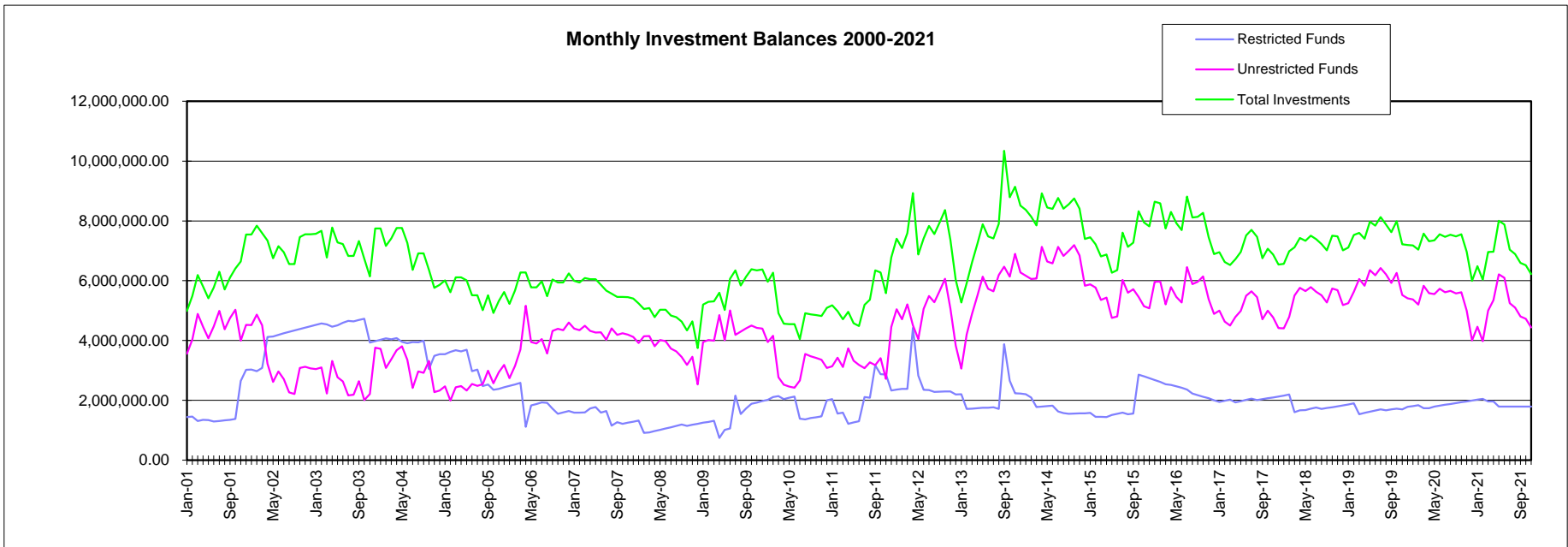
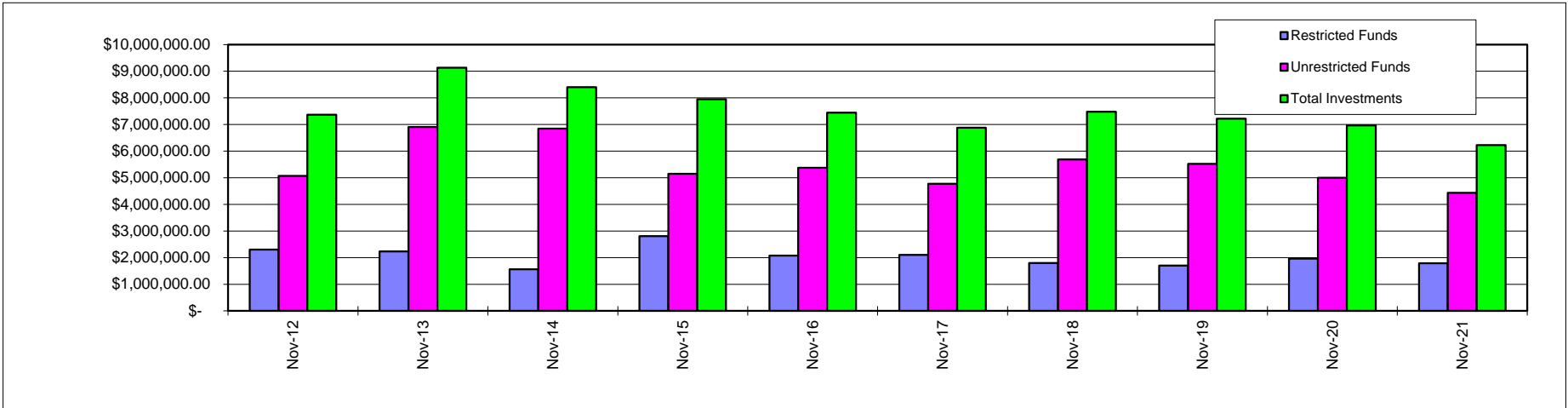
City Storm Water	69,362
Sales Tax	61,450
<b>Total Amount Billed</b>	<b>1,927,484</b>

**Grand Rapids Public Utilities Commission  
Investment Activity  
November 2021**

<b>Beginning Balance Cash and Investments</b>	\$ 6,513,991.68
<b>Redeemed:</b>	
None	-
	-
<b>Invested:</b>	
None	-
Change in checking account balance	(289,598.03)
<b>Total Cash and Investments</b>	<u>\$ 6,224,393.65</u>
<b>Less: Restricted and Designated Funds</b>	
<b>Restricted Funds:</b>	
Sanitary Sewer Collection/Treatment Infrastructure Fund:	
Wastewater Treatment Plant	\$ 1,530.25
Trunk Main	69,572.84
Customer Deposits	390,467.26
Customer Deposits - Antenna Fees	41,593.10
Electric Capital Replacement Fund	561,878.01
Water Capital Replacement Fund	569,001.09
Sewer Capital Replacement Fund	154,444.56
<b>Designated Funds:</b>	
Disaster Recovery Fund	<u>1,500,000.00</u>
<b>Total Restricted and Designated Funds</b>	<u>\$ 3,288,487.11</u>
<b>Net Cash and Investments</b>	<u><u>\$ 2,935,906.54</u></u>

Note:

	Nov-12	Nov-13	Nov-14	Nov-15	Nov-16	Nov-17	Nov-18	Nov-19	Nov-20	Nov-21
Restricted Funds	\$ 2,299,449.58	\$ 2,235,747.98	\$ 1,563,467.97	\$ 2,801,772.48	\$ 2,070,828.06	\$ 2,098,673.28	\$ 1,800,520.71	\$ 1,700,671.28	\$ 1,966,084.42	\$ 1,788,487.11
Unrestricted Funds	\$ 5,068,721.74	\$ 6,901,426.98	\$ 6,842,583.77	\$ 5,147,879.10	\$ 5,377,046.97	\$ 4,776,812.46	\$ 5,683,249.32	\$ 5,519,311.34	\$ 5,001,332.86	\$ 4,435,906.54
Total Investments	\$ 7,368,171.32	\$ 9,137,174.96	\$ 8,406,051.74	\$ 7,949,651.58	\$ 7,447,875.03	\$ 6,875,485.74	\$ 7,483,770.03	\$ 7,219,982.62	\$ 6,967,417.28	\$ 6,224,393.65
Minimum cash reserve				\$ 4,542,427.00	\$ 4,828,355.00	\$ 4,707,627.00	\$ 4,719,921.00	\$ 4,887,919.00	\$ 4,901,155.00	\$ 4,610,534.00





## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** December 15, 2021

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Midwest Communications for radio ad spots in the amount of \$2,480.

**PREPARED BY:** Julie Kennedy, General Manager

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### **BACKGROUND:**

This purchase is part of our general public utility external communications plan. Procurement Policy G.030 was followed and quotes are on file. GRPU commercials will be aired on two Midwest radio stations for three months. The commercial content includes general GRPU information and the Wipes Clog Pipes campaign.

### **RECOMMENDATION:**

Consider a motion to ratify the procurement contract with Midwest Communications for radio ad spots in the amount of \$2,480.

## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and Midwest Communications, Inc. located at 807 West 27<sup>th</sup> Street, Hibbing, MN 55746 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

### Recitals

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A. GRPUC has solicited and received quotations from contractors for two - :30 second commercial each day, Monday through Friday on 99.9 Radio USA and 93.9 WTBX. (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

### Contract

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1. **Term.** The effective date of this Contract is October 1, 2021. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work. This Contract will terminate upon the first of the following to occur:

- 1.1 January 10, 2022.
- 1.2 All of Contractor’s obligations have been satisfactorily fulfilled.
- 1.3 GRPUC may cancel this Contract at any time, with or without cause, upon ten (10) days’ written notice to the Contractor.
- 1.4 GRPUC may terminate this Contract immediately in the event of a breach by Contractor.
- 1.5 The Parties may terminate this Contract at any time by mutual written agreement.

Upon receipt of any notice of termination Contractor shall immediately stop performance to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any confidential information or work product information or make such other disposition thereof as GRPUC may direct in writing.



## 2. Contractor's Duties

### 2.1 The Contractor shall:

On 99.9 Radio USA – one :30 second commercial each day, Monday through Friday, sponsoring a rotating primetime weather report that will air between the hours of 6 a.m. – 9:30 a.m. from October 7 through December 31, 2021; and

On 93.9 WTBX – one :30 second commercial each day, Monday through Friday, sponsoring a rotating primetime weather report that will air between the hours of 6 a.m. – 9:30 a.m. from October 7 through December 31, 2021

(The services (if any) to be provided by Contractor to GRPUC are referred to as the “**Services.**” The goods (if any) to be provided by Contractor to GRPUC are referred to as the “**Goods.**”). Contractor’s precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described in **Exhibit B.**

2.2 GRPUC may make changes to the general scope of Goods and Services by written or oral notice to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. GRPUC and Contractor may agree to additional Services or Goods by written amendment to this Contract.

2.3 Contractor agrees that all Goods and Services shall be provided, and all of Contractor’s obligations performed, in accordance with all applicable laws and other legal requirements without extra charge or expense. Contractor will be responsible for a violation of any such legal requirements and will indemnify, defend, and hold harmless GRPUC from and against any expense or cost incurred by reason of any such violation by Contractor.

2.4 Contractor warrants and represents that the Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor’s profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of legal requirements.

2.5 Contractor shall be responsible for all its employees, agents, subcontractors, and invitees and their health and safety. Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods are professionally competent and properly qualified and will remove any person GRPUC deems incompetent, careless, or otherwise objectionable.

2.6 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.

### 3. Consideration and Payment

3.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

3.1.1 Compensation. The Contractor will be paid Two Thousand Four Hundred Eighty Dollars and no cents (\$2,480.00) in accordance with **Exhibit C**.

3.1.2 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Two Thousand Four Hundred Eighty Dollars and no cents. (\$2,480.00).

3.2 Payment.

3.2.1 Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice that complies with **Exhibit C**. GRPUC may pay the Contractor in advance in its sole discretion. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.

3.2.2 Retainage. No more than ninety percent (90%) of the amount due under this Contract may be paid until Contractor has performed all of its obligations under this Contract to GRPUC's satisfaction.

### 4. Authorized Representative

GRPUC's Authorized Representative is Julie Kennedy at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744 and the following telephone number: 218.326.7024 or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Jim Heitzman at the following business address: 807 West 37<sup>th</sup> Street, Hibbing, MN 55746, and the following telephone number: 218.722.4321, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

5. **Indemnification.** Contractor will indemnify, defend, and hold harmless GRPUC, its agents, and employees, in relation to any expenses, damages, claims or causes of action, including reasonable attorney's fees, to the extent caused by any negligent or wrongful act, error or omission, breach of contract, or infringement of any intellectual property right by Contractor, any third party that Contractor has a business relationship with, or any of Contractor's agents or employees.

6. **Subcontracting.** Contractor may not subcontract all or any portion of this Contract without GRPUC's prior written consent, which GRPUC may grant or withhold in its sole discretion. If an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, Contractor will ensure that the subcontractor is no longer used for this Contract. The provisions of the Contract shall apply with equal force and effect to all approved subcontractors and no subcontract will terminate the primary responsibility of Contractor hereunder. Contractor will pay all subcontractors in accordance with applicable law and the agreement between Contractor and the subcontractor.



7. **Ownership.** Contractor agrees that all legal right, title, and interest to intellectual property, data, documents, photographs, drawings, analyses, graphs, reports, physical property or other subject matter (“**GRPUC Property**”) prepared, delivered, procured, or produced in relation to Contractor’s obligations under this Contract shall vest in GRPUC. Contractor will perform all acts necessary to ensure that all GRPUC Property is the sole property of GRPUC, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the GRPUC Property.

8. **GRPUC Audits.** The Contractor’s books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by GRPUC for six (6) years from the expiration or termination of this Contract. After reasonable notice, Contractor shall make such books, records, documents, and accounting procedures and practices available to GRPUC for its examination and audit.

9. **Miscellaneous.**

9.1 General. No provision of this Contract may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by all the Parties. No waiver by a Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any Party which are not expressly set forth in this Contract. The validity, interpretation, construction and performance of this Contract shall be governed by the internal laws of Minnesota. If any provision of this Contract shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Contract shall not be affected thereby. This Contract shall be binding on, and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Contractor may not assign Contractor’s rights or obligations hereunder without the prior written consent of GRPUC. This Contract may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Contract in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Contract. In the event a Party institutes any legal proceeding against another Party regarding this Contract, the prevailing Party is entitled to receive the costs incurred by such Party, including reasonable attorneys’ fees. In performing its obligations under this Contract, Contractor and its employees and agents shall act in the capacity of independent contractors and not as an employee, partner, joint venturer, or agent of GRPUC. When Contractor’s employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy. The Parties must comply with the Minnesota Government Data Practices Act in relation to this Contract. Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal, state, or local government or agency or political subdivision thereof. Neither Party will publicize anything in relation to this Contract without the other Party’s prior written consent. Contractor shall not use or disclose any confidential information it receives from GRPUC except as is necessary to perform under this Contract. The obligations of Contractor hereunder shall survive the expiration or earlier termination of this Contract. Each of the Parties shall take such further actions as may be reasonably required to carry out the provisions of this Contract.

9.2 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date of mailing if mailed. Any Party may change such Party's address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address:  
500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: Julie Kennedy  
Email: jakennedy@grpuc.org

Contractor: Midwest  
Communications  
Address: 807 West 37<sup>th</sup> Street  
Hibbing, MN 55746  
Attn: Jim Heitzman  
Email:  
jim.heitzman@mwcadvertising.com

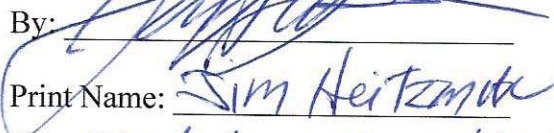
**10. Exhibits**

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Insurance Requirements
- Exhibit B: Specifications, Duties, and Scope of Work
- Exhibit C: Price and Payment Schedule

**IN WITNESS WHEREOF**, the parties hereto by their duly authorized representatives have executed this Contract effective as of the effective date set forth above.

**Midwest Communications**

By:   
Print Name: Jim Heitzman  
Title: Marketing Consultant

**Grand Rapids Public Utilities Commission**

By: Julie Kennedy 12/9/2021  
Print Name: Julie A. Kennedy  
Title: General Manager



### **Exhibit A: Insurance Requirements**

- 1 **Notice to Contractor and Insurer.** Contractor shall not commence work under the Contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance throughout the term of this Contract. GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request. The Contractor's insurance companies waive the right to assert the immunity of GRPUC as a defense to any claims made under said insurance.
  
- 2 **Additional Insurance Conditions.** The following apply to the Contractor and Contractor's subcontractor: Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC. Contractor agrees to notify GRPUC within five (5) business days of receipt of any insurance cancellation notice. Contractor is responsible for payment of Contract-related insurance premiums and deductibles. Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability. Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best. An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.
  
- 3 **Coverages.** Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:
  - 3.1 **Commercial General Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence
    - \$1,500,000 – annual aggregate
    - \$1,500,000 – annual aggregate – applying to Products/Completed Operations
  
  - 3.2 **Commercial Automobile Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
    - \$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

The following coverages should be included: Owned, Hired, and Non-owned Automobile.

- 3.3 **Workers' Compensation Insurance.** Contractor shall obtain and maintain for the duration of the Contract, statutory workers' compensation insurance and employer's liability insurance as required under the laws of the State of Minnesota.
- 3.4 **Professional Liability, Errors, and Omissions.** This policy will provide coverage for all claims the Contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the Contract. Insurance minimum limits are as follows:

\$2,000,000 - per claim or event  
\$2,000,000 - annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of GRPUC.

**Exhibit B: Specifications, Duties, and Scope of Work**

On 99.9 Radio USA:

One :30 second commercial each day, Monday through Friday, sponsoring a rotating primetime weather report that will air between the hours of 6am-9:30 am. from October 7th through December 31st.

For 93.9 WTBX:

One :30 second commercial each day, Monday through Friday, sponsoring a rotating primetime weather report that will air between the hours of 6am-9:30 am. from October 7th through December 31st.

**Exhibit C: Price and Payment Schedule**

On 99.9 Radio USA:

One :30 second commercial each day, Monday through Friday. The investment is \$20 per day, from October 7th through December 31st.

Total of 26 weekdays @\$20 each = \$1,240.

For 93.9 WTBX:

One :30 second commercial each day, Monday through Friday. The investment is \$20 per day, from October 7th through December 31st.

Total of 26 weekdays @\$20 each = \$1,240.

The total investment for both Radio USA and WTBX would be \$2,480.

Payment 30 days after receipt of an uncontested invoice and acceptance of goods and service by Grand Rapids Public Utilities.



# CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)  
12/09/2021

Item 5.

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Aon Risk Services Central, Inc. Green Bay WI Office 10700 Research Drive Suite 450 Milwaukee WI 53226 USA	<b>CONTACT NAME:</b> PHONE (A/C. No. Ext): (920) 437-7123      FAX (A/C. No.): (920) 431-6345		
	<b>E-MAIL ADDRESS:</b>		
<b>INSURED</b> Midwest Communications, Inc. 904 Grand Ave. Wausau WI 54403-6420 USA	<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
	<b>INSURER A:</b> ACUIITY, A Mutual Insurance Company		14184
	<b>INSURER B:</b>		
	<b>INSURER C:</b>		
	<b>INSURER D:</b>		
	<b>INSURER E:</b>		
<b>INSURER F:</b>			

Holder Identifier :

**COVERAGES**      **CERTIFICATE NUMBER: 570090575345**      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. **Limits shown are as requested**

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			K82726 Package	01/01/2021	01/01/2022	EACH OCCURRENCE	\$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$300,000
							MED EXP (Any one person)	\$10,000
							PERSONAL & ADV INJURY	\$1,000,000
							GENERAL AGGREGATE	\$3,000,000
							PRODUCTS - COMP/OP AGG	\$3,000,000
A	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			K82726 Package	01/01/2021	01/01/2022	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
							BODILY INJURY ( Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
A	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION			K82726 Package	01/01/2021	01/01/2022	EACH OCCURRENCE	\$10,000,000
							AGGREGATE	\$10,000,000
A	<input checked="" type="checkbox"/> <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			K82726 Package	01/01/2021	01/01/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER	
							E.L. EACH ACCIDENT	\$100,000
							E.L. DISEASE-EA EMPLOYEE	\$100,000
							E.L. DISEASE-POLICY LIMIT	\$500,000

Certificate No : 570090575345

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**  
GRAND RAPIDS PUBLIC UTILITIES COMMISSION IS INCLUDED AS ADDITIONAL INSURED ON A PRIMARY AND NON-CONTRIBUTORY BASIS IN ACCORDANCE WITH THE POLICY PROVISIONS OF THE GENERAL LIABILITY POLICY.

**CERTIFICATE HOLDER****CANCELLATION**

GRAND RAPIDS PUBLIC UTILITIES COMMISSION 500 SE 4TH ST GRAND RAPIDS MN 55744 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	<b>AUTHORIZED REPRESENTATIVE</b>  <i>Aon Risk Services Central, Inc.</i>



## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

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**AGENDA DATE:** December 15, 2021

**AGENDA ITEM:** Consider a motion to confirm filling the Wastewater Operations Director position with the preferred applicant, Mr. Jeff Frost.

**PREPARED BY:** Julie Kennedy, General Manager

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### **BACKGROUND:**

This internal posting was part of our organizational restructuring process.

### **RECOMMENDATION:**

Consider a motion to confirm filling the Wastewater Operations Director position with the preferred applicant, Mr. Jeff Frost.





GRAND RAPIDS  
PUBLIC UTILITIES

*Service is Our Nature*

Item 7.

500 SE Fourth Street • Grand Rapids, Minnesota 55744

## ADMINISTRATION DEPARTMENT MONTHLY REPORT December 2021 Commission Meeting

### **Safety**

There were no OSHA recordable accidents in the Administration Department last month.

### **Staffing**

- Maintenance III position – currently in the hiring process
- Jeff Frost, selected for Wastewater Operations Director (consent agenda)
- Chris Flannigan, HR/Administrative Assistant, retiring December 23, 2021

### **Community Involvement**

- Employee leadership volunteering efforts at Second Harvest
- APPA Public Power Forward Summit Conference presentation on Solar plus Storage Project
- GRPU Rotary presentation on Solar plus Storage Project

### **Projects Performed Last Month**

- Budget discussions and review
- NEMMPA Board meeting (see attached minutes)
- Internal and external communications plan development

### **Projects Scheduled for This Month**

- Annual employee reviews
- Maintenance III hiring
- Benefits re-enrollment for all employees
- Leadership Training for managers

# NEMMPA

## Northeastern Minnesota Municipal Power Agency Board Meeting

Minutes of the Northeastern Minnesota Municipal Power Agency (NEMMPA) Board Meeting held on November 17, 2021 at 11:00 a.m. via MS Teams.

### 1. Call Meeting to Order

The meeting was called to order by President French at 11:02 a.m.

Attendees:

President Greg French, Virginia  
 Secretary Julie Kennedy, Grand Rapids  
 Board Member Dave Cluff, Aitkin  
 Board Member Harold Langowski, Ely  
 Alternate Member Representative Susan Thronson, Keewatin  
 Alternate Representative Charliene Jones  
 Member Representative Sam Lautiger, Gilbert  
 Member Representative Craig Wainio, Mountain Iron  
 Member Representative Matt Pantzke, Randall  
 Member Representative Ryan Pervenanze, Buhl  
 Alternate Member Representative Mayor Dave Fischer, Pierz  
 Consultant Dave Berg, DBE Consulting  
 Consultant Jeff Anderson, Costin Group Consulting

Members Absent:

Vice President Scott Magnuson, Brainerd  
 Board Representative Luke Peterson, Hibbing  
 Alternate Board Representative Blake Prince, Two Harbors  
 Member Representative Jeff Jacobson, Biwabik

### 2. Approve Agenda

Motion by H. Langowski, supported by D. Cluff, to approve the agendas written. MCU

### 3. Approve the Minutes from the September 15 Regular Board Meeting

Motion by H. Langowski, supported by D. Cluff, to approve the minutes from the October 20, 2021 Annual Member Meeting. MCU

### 4. 2022 Dues Update

President French reported 2022 dues invoices will be emailed to members in the next month for January payment. Also, attached is the NEMMPA financial sheet that was handed out at the October 20, 2021 annual member meeting.

**5. Legislative Update**

J. Anderson provided the attached legislative report.

**6. Open Discussion**

No additional discussion.

**7. MP Wholesale Power Supply Negotiations Update – Dave Berg  
(only those members currently negotiating with MP were present)**

D. Berg reported that all communities have now received their 2022-2029 ESA contracts to be brought to their respective boards before the end of the year.

**8. Adjourn**

Motion by D. Cluff, supported by H. Langowski, to adjourn the meeting at 11:26 a.m. MCU

*The November NEMMPA Board member meeting is scheduled for 11 am on Wednesday, December 15, 2021 via MS Teams.*

Date Approved: \_\_\_\_\_

\_\_\_\_\_  
Greg French, President

\_\_\_\_\_  
Julie Kennedy, Secretary

6:55 AM

10/20/21

Accrual Basis

**Northeastern MN Municipal Power Agency**  
**Profit & Loss**  
**All Transactions**

Item 7.

	<u>Oct 11, 21</u>
Ordinary Income/Expense	
Income	
Membership Dues	64,000.00
Total Income	<u>64,000.00</u>
Gross Profit	64,000.00
Expense	
Bank Service Charges	106.48
Consulting & Legal	51,781.44
Office Supplies	438.89
Total Expense	<u>52,326.81</u>
Net Ordinary Income	<u>11,673.19</u>
Net Income	<u><u>11,673.19</u></u>

Good morning:

I want to begin today at the federal level...

### **The Bipartisan Infrastructure Deal:**

- Makes the largest federal investment in public transit ever
- Makes the largest federal investment in passenger rail since the creation of Amtrak
- Makes the single largest dedicated bridge investment since the construction of the interstate highway system
- Makes the largest investment in clean drinking water and wastewater infrastructure in American history, delivering clean water to millions of families
- Ensures every American has access to reliable high-speed internet
- Helps us tackle the climate crisis by making the largest investment in clean energy transmission and EV infrastructure in history; electrifying thousands of school and transit buses across the country; and creating a new Grid Deployment Authority to build a clean, 21<sup>st</sup> century electric grid

### EV Infrastructure

U.S. market share of plug-in electric vehicle (EV) sales is only one-third the size of the Chinese EV market. The President believes that must change. The bill invests \$7.5 billion to build out a national network of EV chargers. This is the first-ever national investment in EV charging infrastructure in the United States and is a critical element in the Biden-Harris Administration's plan to accelerate the adoption of EVs to address the climate crisis and support domestic manufacturing jobs. The bill will provide funding for deployment of EV chargers along highway corridors to facilitate long-distance travel and within communities to provide convenient charging where people live, work, and shop. Federal funding will have a particular focus on rural, disadvantaged, and hard-to-reach communities.

### Clean Drinking Water

Currently, up to 10 million American households and 400,000 schools and child care centers lack safe drinking water. The deal's \$55 billion investment represents the largest investment in clean drinking water in American history, including dedicated funding to replace lead service lines and the dangerous chemical PFAS (per- and polyfluoroalkyl). It will replace all of the nation's lead pipes and service lines. From rural towns to struggling cities, the deal invests in water infrastructure across America, including in Tribal Nations and disadvantaged communities that need it most.

## High-Speed Internet

Broadband internet is necessary for Americans to do their jobs, to participate equally in school learning, health care, and to stay connected. Yet, by one definition, more than 30 million Americans live in areas where there is no broadband infrastructure that provides minimally acceptable speeds – a particular problem in rural communities throughout the country. The deal’s \$65 billion investment ensures every American has access to reliable high-speed internet with an historic investment in broadband infrastructure deployment, just as the federal government made a historic effort to provide electricity to every American nearly one hundred years ago.

The bill will also help lower prices for internet service by requiring funding recipients to offer a low-cost affordable plan, by creating price transparency and helping families comparison shop, and by boosting competition in areas where existing providers aren’t providing adequate service. It will also help close the digital divide by passing the Digital Equity Act, ending digital redlining, and creating a permanent program to help more low-income households access the internet.

## Power Infrastructure

As the recent Texas power outages demonstrated, our aging electric grid needs urgent modernization. A Department of Energy study found that power outages cost the U.S. economy up to \$70 billion annually. The deal’s \$73 billion investment is the single largest investment in clean energy transmission in American history. It upgrades our power infrastructure, including by building thousands of miles of new, resilient transmission lines to facilitate the expansion of renewable energy. It creates a new Grid Deployment Authority, invests in research and development for advanced transmission and electricity distribution technologies, and promotes smart grid technologies that deliver flexibility and resilience. It invests in demonstration projects and research hubs for next generation technologies like advanced nuclear reactors, carbon capture, and clean hydrogen.



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** December 15, 2021

**AGENDA ITEM:** Consider a motion to update the GRPU Personal Policy Section 8.8.6, pertaining to the donation of PTO.

**PREPARED BY:** Julie Kennedy, General Manager

---

### **BACKGROUND:**

Staff has requested the ability to support their co-workers by donating PTO to them in their time of need due to medical emergencies. The current policy is very restrictive and requires an employee exhaust all of their personal PTO benefits prior to being eligible for donations. The proposed revision to the policy allows for an employee to accept donations after they've exhausted their own leave to eighty (80) hours. The revisions have been discussed with legal counsel and staff has also researched the tax implications of the employee shared leave program.

Attached are the clean version of the proposed policy along with a redlined version showing the changes from the existing policy.

Management staff recommends approval of the proposed policy changes.

### **RECOMMENDATION:**

Consider a motion to update the GRPU Personal Policy Section 8.8.6, pertaining to the donation of PTO.

***Excerpt from the GRPU Personnel Policies, last revised November 18, 2015***

**8.8.6 DONATIONS OF PTO**

Employee donations of unused, accumulated PTO to co-workers are authorized under the following conditions and in accordance with the following procedure:

1. Employees having “regular” status with the Commission shall be eligible for PTO donations of up to a maximum of ninety (90) days to cover lost time caused by debilitating illness/physical disability, terminal illness, severe non-industrial injury that exceeds two weeks in duration.
2. The employee has exhausted their own paid leave benefit accruals down to eighty (80) hours of PTO.
3. PTO donations up to eighty (80) hours per donating employee each calendar year may be authorized.
4. The donating employee and recipient employee’s payroll records shall be adjusted to reflect a transfer of accrued hours, and donated PTO hours shall be converted to the same number of EIB leave hours on the recipient’s payroll record.
5. The donated hours shall be utilized at the recipient’s rate of pay.
6. Requests for transfer of PTO donations shall be submitted via the Co-Worker Donation of Accrued Vacation Hours Form to the General Manager for approval and processing.

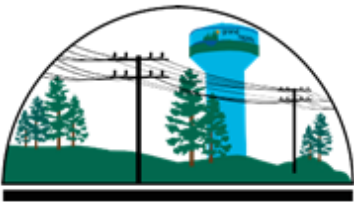


***Excerpt from the GRPU Personnel Policies, last revised November 18, 2015***

**8.8.6 DONATIONS OF PTO**

Employee donations of unused, accumulated PTO to co-workers are authorized under the following conditions and in accordance with the following procedure:

1. Employees having “regular” status with the Commission shall be eligible for PTO donations of up to a maximum of ninety (90) days to cover lost time caused by debilitating illness/physical disability, terminal illness, severe non-industrial injury that exceeds ~~three~~two weeks in duration.
2. The employee has exhausted ~~all~~their own paid leave benefit accruals down to eighty (80) hours of PTO.
3. PTO donations ~~of one (1), two (2) or three (3) days~~ up to eighty (80) hours per donating employee each calendar year may be authorized.
4. The donating employee and recipient employee’s payroll records shall be adjusted to reflect a transfer of accrued hours, and donated PTO hours shall be converted to the same number of EIB leave hours on the recipient’s payroll record.
5. The donated hours shall be utilized at the recipient’s rate of pay.
6. Requests for transfer of PTO donations shall be submitted via the Co-Worker Donation of Accrued Vacation Hours Form to the ~~Personnel Director~~ General Manager for approval and processing.



GRAND RAPIDS  
PUBLIC UTILITIES

*Service is Our Nature*

500 SE Fourth Street • Grand Rapids, Minnesota 55744

## **BUSINESS SERVICES DEPARTMENT MONTHLY REPORT December 2021 Commission Meeting**

### **Safety**

There were no OSHA recordable accidents in November

### **Revenue Report Last Month**

The attached table shows the monthly revenue report for last month.

### **Effective Wholesale Electric Rate Last Month**

The attached graph shows the effective wholesale electric rate for last month the highest rate in the past five years.

### **Projects Performed Last Month**

- Continue training new customer service and accounting personnel.
- Cybersecurity awareness training (Knowbe4).
- Documentation of Cogsdale and GP Dynamics software application processes.
- Continued to review and improve instructions for customer service tasks.
- Began 2022 operations and capital budgeting process.
- Met with outsourced IT support and discussed internal communication platforms.

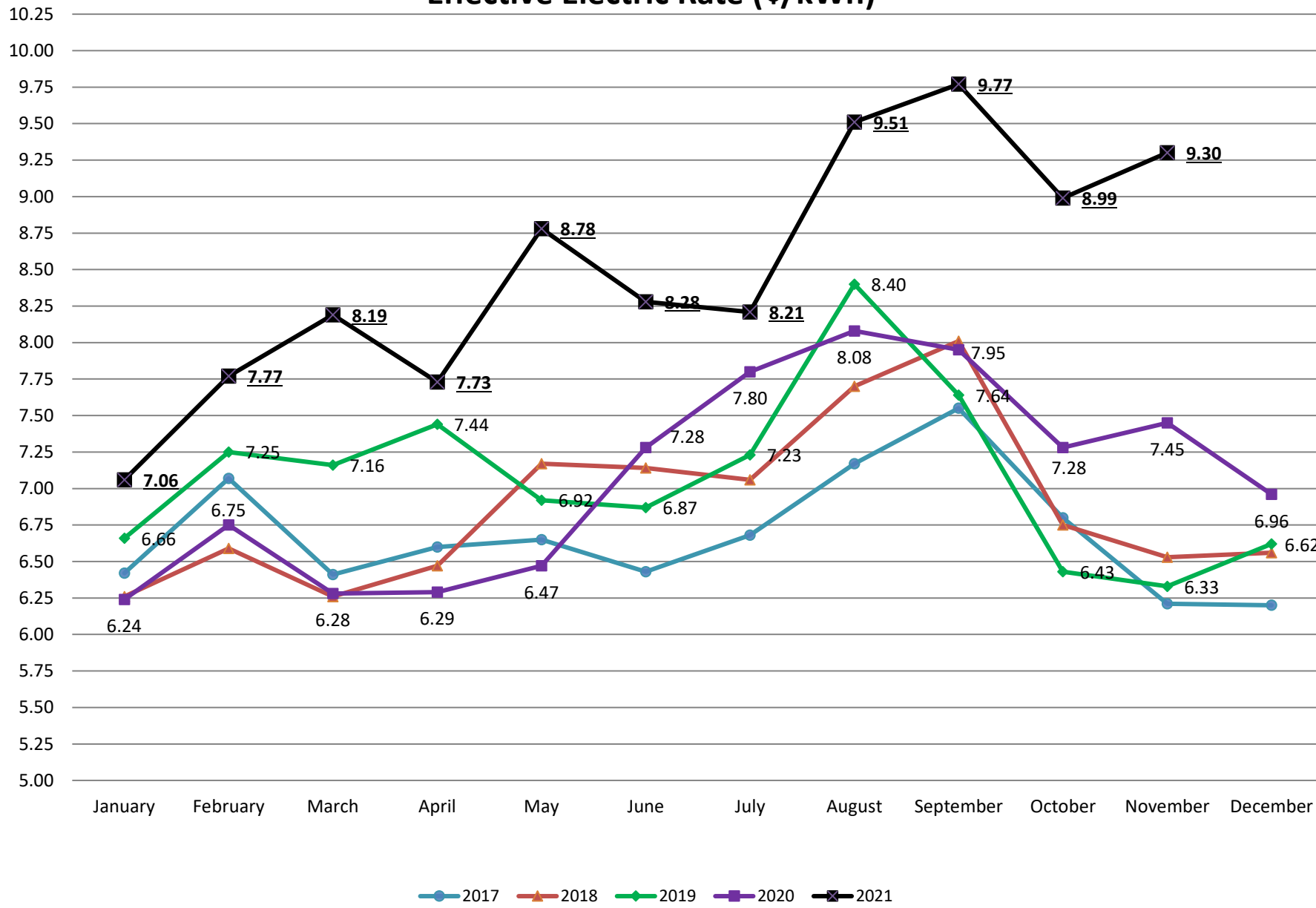
### **Projects Scheduled for This Month**

- Continue training new customer service team members.
- Finalize scheduling training for 2018 GP Dynamics/Cogsdale upgrade.
- Finalize implementation of Commercial Purchasing Card process.
- CSR team members met with KOOTACA team members to learn about programs for GRPU customers.
- Finalize the 2022 operations and capital budget.
- Start phased implementation of JourneyX software for time keeping.

## Monthly Revenue Report

	2018 YTD November	2019 YTD November	2020 YTD November	2021 YTD November	2021 YTD Nov Budget	% of Budget
<b>Electric Department</b>						
City Residential	3,385,713	3,381,682	3,699,106	3,829,277	3,524,477	108.65%
Rural Residential	916,611	919,937	975,734	1,012,733	951,372	106.45%
City Commercial	2,346,727	2,376,385	2,359,209	2,391,998	2,486,699	96.19%
Rural Commercial	302,375	309,114	310,130	356,505	313,392	113.76%
City Demand & Energy	4,668,314	4,782,880	4,525,445	4,768,459	4,952,072	96.29%
Rural Demand & Energy	205,190	215,811	195,762	207,686	211,433	98.23%
City Industrial	1,221,760	1,181,146	1,174,822	1,294,209	1,226,960	105.48%
City Commercial- EVC Sales				1,019		
City Load Management	180,344	180,189	168,023	150,813	180,074	83.75%
Rural Load Management	122,284	114,518	104,732	94,045	121,882	77.16%
Total Electric Retail Sales	13,349,318	13,461,662	13,512,961	14,106,745	13,968,361	100.99%
Windsense Program	0	0	0	0	0	
Security Lighting	50,927	51,536	55,203	56,350	54,419	103.55%
Total Sales	13,400,246	13,513,198	13,568,165	14,163,095	14,022,781	101.00%
Purchased Power Pass-thru	564,793	502,481	254,731	1,962,112	582,555	
Total Electric	13,965,038	14,015,679	13,822,896	16,125,207	14,605,336	110.41%
% Change from previous year		0.36%	-1.38%	16.66%		
Electric rate increase - average					0	
Total Power Expense	10,218,382	10,357,005	10,056,760	12,259,082	10,700,169	114.57%
Gross Margin		26%	27%	24%		
<b>Water Department</b>						
City Residential	520,789	566,988	572,384	608,477	568,643	107.01%
City Commercial / Industrial	627,575	657,301	623,073	715,743	622,463	114.99%
City Multi-Family	196,720	224,758	227,904	228,180	217,872	104.73%
Rural Residential	0	0	0	0	0	
Rural Commercial	0	0	0	0	0	
Public Authorities	28,634	31,889	32,368	35,438	29,350	120.74%
Total Water	1,373,718	1,480,937	1,455,728	1,587,838	1,438,327	110.39%
% Change from previous year		7.80%	-1.70%	9.08%		
Water rate increase - average						
<b>Wastewater Collection Department</b>						
City Residential	606,176	668,126	672,214	703,878	676,000	104.12%
City Commercial	715,694	741,509	687,587	712,350	717,361	99.30%
City Multi-Family	0	0	0	0	0	0.00%
Rural Residential	666	764	740	702	770	91.12%
Rural Commercial	2,863	3,557	3,541	3,432	3,520	97.49%
Public Authorities	128,231	131,391	124,599	124,847	124,500	100.28%
Septage Haulers	93,070	93,851	148,024	153,823	102,810	149.62%
Total Wastewater Collection	1,546,700	1,639,198	1,636,706	1,682,403	1,624,961	103.53%
% Change from previous year		5.98%	-0.15%	2.79%		
Wastewater Collect rate increase - average					0	

### Effective Electric Rate (¢/kWh)



**Grand Rapids Public Utilities**  
**Electric Service Billing Summary 2021 -Municipal rate**

Unofficial billings

Item 9.

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	
<b>Billing Units</b>													
Demand (kW) (15 minute)	25,636	26,356	23,096	20,772	23,324	31,612	30,680	31,868	23,328	20,976	23,744		281,392
Coincident Peak (60 Minute) prior month	24,253	23,581	23,739	22,516	19,668	22,060	27,914	30,278	29,493	21,511	19,391		264,404
Energy (kWh)	14,643,440	14,049,560	12,777,080	11,519,360	11,660,800	13,964,280	14,577,280	14,363,280	11,954,200	12,060,640	12,846,960		144,416,880
Excess Reactive Kvar													
Billing month (days)	31	28	31	30	31	30	31	31	30	31	30		334
Load Factor (%)	76.8%	79.3%	74.4%	77.0%	67.2%	61.4%	63.9%	60.6%	71.2%	77.3%	75.1%		4.2%
<b>Demand Charge</b>													
Service Charge	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00
Generation Capacity Charge	\$19.10	\$19.10	\$19.10	\$19.10	\$19.10	\$19.10	\$19.10	\$19.10	\$19.10	\$19.10	\$19.10	\$19.10	\$19.10
Excess Reactive Demand chg	0.155	0.155	0.155	0.155	0.155	0.155	0.155	0.155	0.155	0.155	0.155	0.155	0.155
Generation Cap Charge less than 115 kV	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Energy Charge</b>													
All kWh (\$/kWh)	\$0.02075	\$0.02075	\$0.02075	\$0.02075	\$0.02075	\$0.02075	\$0.02075	\$0.02075	\$0.02075	\$0.02075	\$0.02075	\$0.02075	\$0.02075
<b>Adjustment Charges</b>													
Monthly Energy Adj (\$/kWh)													
Monthly Energy Tru Up (Prior Month)													
Resale Energy Adjustment	\$0.004072	\$0.006561	\$0.010299	\$0.004846	\$0.014646	\$0.006079	\$0.021098	\$0.013569	\$0.015724	\$0.020917	\$0.025221	\$0.000000	
<b>MISO Charges (\$/kW)</b>													
Sch 1 - Sched system control & dispatch	\$0.029	\$0.231	\$ 0.231	\$0.231	\$0.231	\$0.231	\$0.231	\$0.231	\$0.231	\$0.231	\$0.231	\$0.231	\$0.000
Sch 7 - HVDC firm transmission charge	\$0.655	\$0.642	\$ 0.554	\$0.654	\$0.689	\$0.706	\$0.626	\$0.621	\$0.636	\$0.686	\$0.701	\$0.000	\$0.000
Sch 8 - HVDC non-firm transm charge	\$0.000	\$0.000	\$ 0.031	\$0.000	\$0.000	\$0.068	\$0.000	\$0.051	\$0.004	\$0.000	\$0.000	\$0.000	\$0.000
Sch 9 - AC zonal transmission charge	\$3.905	\$4.555	\$ 4.555	\$4.555	\$4.555	\$4.555	\$4.555	\$4.555	\$4.555	\$4.555	\$4.555	\$4.555	\$0.000
Sch 10 - AC administrative charge	\$0.172	\$0.153	\$ 0.124	\$0.174	\$0.164	\$0.163	\$0.138	\$0.111	\$0.136	\$0.146	\$0.173	\$0.000	\$0.000
Sch 35 - HVDC administrative charge	\$0.021	\$0.018	\$ 0.014	\$0.021	\$0.023	\$0.019	\$0.016	\$0.011	\$0.014	\$0.018	\$0.021	\$0.000	\$0.000
Sch 26 - Network upgrade / transm planning	\$0.807	\$0.980	\$ 0.980	\$0.980	\$0.980	\$0.980	\$0.980	\$0.980	\$0.980	\$0.980	\$0.980	\$0.980	\$0.000
Sch 26A - Multi-value project cost recovery	\$1.221	\$1.251	\$ 1.139	\$1.266	\$1.170	\$1.245	\$1.156	\$1.397	\$1.187	\$1.189	\$1.379	\$0.000	\$0.000
Sch 45 - NERC ALERT	\$0.437	\$0.456	\$ 0.397	\$0.457	\$0.454	\$0.483	\$0.439	\$0.447	\$0.441	\$0.425	\$0.466	\$0.000	\$0.000
<b>Sub total</b>	<b>\$7.247</b>	<b>\$8.286</b>	<b>\$8.025</b>	<b>\$8.338</b>	<b>\$8.266</b>	<b>\$8.450</b>	<b>\$8.141</b>	<b>\$8.404</b>	<b>\$8.184</b>	<b>\$8.230</b>	<b>\$8.506</b>	<b>\$0.000</b>	
<b>Ancillary - reactive supply, voltage control sch 2</b>													
Ancillary - reactive supply, voltage control sch 2	0.1620	0.1810	\$ 0.181	0.1810	0.1810	0.1810	0.1810	0.1810	0.1810	0.2500	0.2500	0.0000	
Regulation & Frequency schedule 3	0.00	0	0	0	0	0	0	0	0	0	0	0	0
Operating reserve Schedule 5	0.00	0	0	0	0	0	0	0	0	0	0	0	0
Operating Reserve Schedule 6	0.00	0	0	0	0	0	0	0	0	0	0	0	0
<b>Sub total</b>	<b>\$0.162</b>	<b>\$0.181</b>	<b>\$0.181</b>	<b>\$0.181</b>	<b>\$0.181</b>	<b>\$0.181</b>	<b>\$0.181</b>	<b>\$0.181</b>	<b>\$0.181</b>	<b>\$0.250</b>	<b>\$0.250</b>	<b>\$0.000</b>	
<b>Electric Service Billing</b>													
Service Charge	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$1,175.00	\$0.00
Excess Reactive Demand Chg	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Demand charge	\$489,647.60	\$503,399.60	\$441,133.60	\$396,745.20	\$445,488.40	\$603,789.20	\$585,988.00	\$608,678.80	\$445,564.80	\$400,641.60	\$453,510.40	\$0.00	\$5,374,587.20
													\$0.00
<b>Total Demand Cost</b>	<b>\$490,822.60</b>	<b>\$504,574.60</b>	<b>\$442,308.60</b>	<b>\$397,920.20</b>	<b>\$446,663.40</b>	<b>\$604,964.20</b>	<b>\$587,163.00</b>	<b>\$609,853.80</b>	<b>\$446,739.80</b>	<b>\$401,816.60</b>	<b>\$454,685.40</b>	<b>\$1,175.00</b>	<b>\$5,374,587.20</b>
<b>Energy Cost</b>													
Energy Cost	\$303,851.38	\$291,528.37	\$265,124.41	\$239,026.72	\$241,961.60	\$289,758.81	\$302,478.56	\$298,038.06	\$248,049.65	\$250,258.28	\$266,574.42	\$0.00	\$2,996,650.26
													\$0.00
<b>Total Energy Cost</b>	<b>\$303,851.38</b>	<b>\$291,528.37</b>	<b>\$265,124.41</b>	<b>\$239,026.72</b>	<b>\$241,961.60</b>	<b>\$289,758.81</b>	<b>\$302,478.56</b>	<b>\$298,038.06</b>	<b>\$248,049.65</b>	<b>\$250,258.28</b>	<b>\$266,574.42</b>	<b>\$0.00</b>	<b>\$2,996,650.26</b>
<b>MISO Charges</b>													
Zonal Schedules 7-8-9	\$703.34	\$5,447.21	\$5,483.71	\$5,201.20	\$4,543.31	\$5,095.86	\$6,448.13	\$6,994.22	\$6,812.88	\$4,969.04	\$4,479.32	\$0.00	\$56,178.22
DC Schedule 7	\$15,885.72	\$15,139.00	\$13,151.41	\$14,725.46	\$13,551.25	\$15,574.36	\$17,474.16	\$18,802.64	\$18,757.55	\$14,756.55	\$13,593.09	\$0.00	\$171,411.19
DC Schedule 8	\$0.00	\$0.00	\$735.91	\$0.00	\$0.00	\$1,500.08	\$0.00	\$1,544.18	\$117.97	\$0.00	\$0.00	\$0.00	\$3,898.14
Scheduling, Control, dispatch schedule 1	\$94,707.97	\$107,411.46	\$108,131.15	\$102,560.38	\$89,587.74	\$100,483.30	\$127,148.27	\$137,916.29	\$134,340.62	\$97,982.61	\$88,326.01	\$0.00	\$1,188,595.80
Administrative schedule 10	\$4,171.52	\$3,607.89	\$2,943.64	\$3,917.78	\$3,225.55	\$3,595.78	\$3,852.13	\$3,360.86	\$4,011.05	\$3,140.61	\$3,354.64	\$0.00	\$39,181.45
DC Administrative Schedule 35	\$509.31	\$424.46	\$332.35	\$472.84	\$452.36	\$419.14	\$446.62	\$333.06	\$412.90	\$387.20	\$407.21	\$0.00	\$4,597.45
Transmission Schedule 26	\$19,572.17	\$23,109.38	\$23,264.22	\$22,065.68	\$19,274.64	\$21,618.80	\$27,355.72	\$29,672.44	\$28,903.14	\$21,080.78	\$19,003.18	\$0.00	\$254,920.15
MVP- Schedule 26A	\$29,612.91	\$29,499.83	\$27,038.72	\$28,505.26	\$23,011.56	\$27,464.70	\$32,268.58	\$42,298.37	\$35,008.19	\$25,576.58	\$26,740.19	\$0.00	\$327,024.89
NERC ALERT - Sch 45	\$10,598.56	\$10,752.94	\$9,424.38	\$10,289.81	\$8,929.27	\$10,654.98	\$12,254.25	\$13,534.25	\$13,006.41	\$9,142.18	\$9,036.21	\$0.00	\$117,623.24
<b>Total MISO Cost</b>	<b>\$175,761.50</b>	<b>\$195,392.17</b>	<b>\$190,505.49</b>	<b>\$187,738.41</b>	<b>\$162,575.68</b>	<b>\$186,407.00</b>	<b>\$227,247.86</b>	<b>\$254,456.31</b>	<b>\$241,370.71</b>	<b>\$177,035.55</b>	<b>\$164,939.85</b>	<b>\$0.00</b>	<b>\$2,163,430.53</b>
<b>Ancillary Charges</b>													
reactive supply, volt control sch 2	\$3,928.99	\$4,268.16	\$4,296.76	\$4,075.40	\$3,559.91	\$3,992.86	\$5,052.43	\$5,480.32	\$5,338.23	\$5,377.75	\$4,847.75	\$0.00	\$50,218.56
Regulation & Frequency schedule 3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Operating reserve Schedule 5	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Operating Reserve Schedule 6	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Ancillary Cost</b>	<b>\$3,928.99</b>	<b>\$4,268.16</b>	<b>\$4,296.76</b>	<b>\$4,075.40</b>	<b>\$3,559.91</b>	<b>\$3,992.86</b>	<b>\$5,052.43</b>	<b>\$5,480.32</b>	<b>\$5,338.23</b>	<b>\$5,377.75</b>	<b>\$4,847.75</b>	<b>\$0.00</b>	<b>\$50,218.56</b>
<b>Monthly Energy Tru-Up Cost</b>													
Monthly Energy Adj (Budget)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Monthly Energy Adj Tru-Up Prior month	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$219,070.77	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$219,070.77
Resale Energy Adjustment	\$59,064.69	\$96,075.61	\$144,696.42	\$61,917.73	\$168,712.55	\$70,886.00	\$294,618.38	\$197,799.11	\$225,848.21	\$250,046.00	\$304,181.40	\$0.00	\$1,873,846.10
													\$0.00
<b>Total Monthly Energy Tru-Up Cost</b>	<b>\$59,064.69</b>	<b>\$96,075.61</b>	<b>\$144,696.42</b>	<b>\$61,917.73</b>	<b>\$168,712.55</b>	<b>\$70,886.00</b>	<b>\$75,547.61</b>	<b>\$197,799.11</b>	<b>\$225,848.21</b>	<b>\$250,046.00</b>	<b>\$304,181.40</b>	<b>\$0.00</b>	<b>\$1,654,775.33</b>
<b>Subtotal Electric Billing</b>													
Subtotal Electric Billing	\$1,033,429.16	\$1,091,838.91	\$1,046,931.68	\$890,678.46	\$1,023,473.14	\$1,156,008.87	\$1,197,489.46	\$1,365,627.60	\$1,167,346.60	\$1,084,534.18	\$1,195,228.82	\$1,175.00	\$12
	\$1,033,429.16	\$1,091,838.91	\$1,046,931.68	\$890,678.46	\$1,023,473.14	\$1,156,008.87	\$1,197,489.46	\$1,365,627.60	\$1,167,346.60	\$1,084,534.18	\$1,195,228.82	\$1,175.00	\$12
<b>Effective ELECT Rate (¢/kWh)</b>	<b>7.06</b>	<b>7.77</b>	<b>8.19</b>	<b>7.73</b>	<b>8.78</b>	<b>8.28</b>	<b>8.21</b>	<b>9.51</b>	<b>9.77</b>	<b>8.99</b>	<b>9.30</b>	<b>#DIV/0!</b>	<b>8.48</b>

	January	February	March	April	May	June	July	August	September	October	November	December	
<u>2017</u>	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Total
<b>Billing Units</b>													
Demand (kW) (15 minute)	29,024	26,296	25,092	22,680	21,796	24,072	28,864	27,880	25,552	22,496	24,816	27,952	306,520
Coincident Peak (60 Minute) prior month	27,297	28,099	25,377	24,728	21,282	19,704	21,948	26,232	27,386	25,203	21,332	23,174	291,763
Energy (kWh)	16,128,980	13,698,800	14,661,080	12,579,120	12,332,320	12,691,160	14,230,240	13,495,160	12,488,000	12,602,640	13,996,160	16,072,480	164,976,040
<b>Subtotal Monthly Electric Billing</b>	<b>\$1,058,994.84</b>	<b>\$968,046.45</b>	<b>\$939,499.78</b>	<b>\$857,021.91</b>	<b>\$819,654.10</b>	<b>\$815,694.09</b>	<b>\$968,327.50</b>	<b>\$967,659.02</b>	<b>\$990,570.79</b>	<b>\$856,934.73</b>	<b>\$868,626.70</b>	<b>\$996,109.80</b>	<b>\$11,107,139.71</b>
Allocation of MP contract extension lump sum payment \$1,440,125 (3.42xkW)	(\$23,725.16)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$23,725.16)
Coincident Peak Corrections (Sept 2016, Oct 2016, Jan 2017, Feb 2017)	\$0.00	\$0.00	\$0.00	(\$27,219.58)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$27,219.58)
2016 non-fuel energy true-up	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$17,264.89)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$17,264.89)
FERC ROE Adjustment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$47,348.89)	\$0.00	\$0.00	\$0.00	(\$47,348.89)
<b>Total Electric billing</b>	<b>\$1,035,269.68</b>	<b>\$968,046.45</b>	<b>\$939,499.78</b>	<b>\$829,802.33</b>	<b>\$819,654.10</b>	<b>\$815,694.09</b>	<b>\$951,062.61</b>	<b>\$967,659.02</b>	<b>\$943,221.90</b>	<b>\$856,934.73</b>	<b>\$868,626.70</b>	<b>\$996,109.80</b>	<b>\$10,991,581.19</b>
<b>Effective Electric Rate (¢/kWh)-2017</b>	<b>6.42</b>	<b>7.07</b>	<b>6.41</b>	<b>6.60</b>	<b>6.65</b>	<b>6.43</b>	<b>6.68</b>	<b>7.17</b>	<b>7.55</b>	<b>6.80</b>	<b>6.21</b>	<b>6.20</b>	<b>6.66</b>
<u>2018</u>	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Total
<b>Billing Units</b>													
Demand (kW) (15 minute)	28,000	26,324	23,284	23,040	28,464	26,732	27,988	29,960	24,428	21,484	24,260	25,248	309,212
Coincident Peak (60 Minute) prior month	27,362	26,325	25,465	20,956	22,708	24,906	26,545	27,011	29,583	22,146	19,646	22,417	295,070
Energy (kWh)	16,104,840	14,088,000	13,698,400	12,598,560	12,377,840	12,671,200	14,388,280	14,053,240	12,089,880	12,669,920	13,683,680	14,494,720	162,918,560
<b>Subtotal Monthly Electric Billing</b>	<b>\$1,008,276.39</b>	<b>\$929,069.32</b>	<b>\$857,969.31</b>	<b>\$815,103.88</b>	<b>\$887,512.86</b>	<b>\$905,085.72</b>	<b>\$1,015,563.63</b>	<b>\$1,082,068.24</b>	<b>\$968,467.12</b>	<b>\$855,712.32</b>	<b>\$893,553.43</b>	<b>\$950,411.28</b>	<b>\$11,168,793.50</b>
<b>Total Electric billing</b>	<b>\$1,008,276.39</b>	<b>\$929,069.32</b>	<b>\$857,969.31</b>	<b>\$815,103.88</b>	<b>\$887,512.86</b>	<b>\$905,085.72</b>	<b>\$1,015,563.63</b>	<b>\$1,082,068.24</b>	<b>\$968,467.12</b>	<b>\$855,712.32</b>	<b>\$893,553.43</b>	<b>\$950,411.28</b>	<b>\$11,168,793.50</b>
<b>Effective Electric Rate (¢/kWh)-2018</b>	<b>6.26</b>	<b>6.59</b>	<b>6.26</b>	<b>6.47</b>	<b>7.17</b>	<b>7.14</b>	<b>7.06</b>	<b>7.70</b>	<b>8.01</b>	<b>6.75</b>	<b>6.53</b>	<b>6.56</b>	<b>6.86</b>
<u>2019</u>	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total
<b>Billing Units</b>													
Demand (kW) (15 minute)	28,452	26,204	24,420	21,872	21,656	24,392	29,488	27,460	23,224	21,744	24,352	26,296	299,560
Coincident Peak (60 Minute) prior month	23,154	27,522	24,462	24,218	21,047	16,833	20,816	27,001	26,166	20,057	20,208	24,268	275,752
Energy (kWh)	15,812,960	13,941,120	13,717,120	11,958,440	11,673,240	11,762,160	14,229,320	13,165,240	11,707,120	12,512,280	13,385,120	14,791,920	158,656,040
<b>Subtotal Monthly Electric Billing</b>	<b>\$1,053,751.23</b>	<b>\$1,010,360.57</b>	<b>\$981,822.62</b>	<b>\$889,235.62</b>	<b>\$808,349.83</b>	<b>\$807,740.69</b>	<b>\$1,029,100.82</b>	<b>\$1,105,540.11</b>	<b>\$894,440.27</b>	<b>\$804,293.15</b>	<b>\$846,922.55</b>	<b>\$979,651.63</b>	<b>\$11,211,209.09</b>
<b>Total Electric billing</b>	<b>\$1,053,751.23</b>	<b>\$1,010,360.57</b>	<b>\$981,822.62</b>	<b>\$889,235.62</b>	<b>\$808,349.83</b>	<b>\$807,740.69</b>	<b>\$1,029,100.82</b>	<b>\$1,105,540.11</b>	<b>\$894,440.27</b>	<b>\$804,293.15</b>	<b>\$846,922.55</b>	<b>\$979,651.63</b>	<b>\$11,211,209.09</b>
<b>Effective Electric Rate (¢/kWh)-2019</b>	<b>6.66</b>	<b>7.25</b>	<b>7.16</b>	<b>7.44</b>	<b>6.92</b>	<b>6.87</b>	<b>7.23</b>	<b>8.40</b>	<b>7.64</b>	<b>6.43</b>	<b>6.33</b>	<b>6.62</b>	<b>7.07</b>
<u>2020</u>	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
<b>Billing Units</b>													
Demand (kW) (15 minute)	25,820	26,084	22,276	20,208	21,304	28,076	30,004	27,396	22,248	22,120	23,148	24,920	293,604
Coincident Peak (60 Minute) prior month	21,256	25,165	24,794	20,160	19,622	16,126	25,732	26,890	23,642	21,458	20,745	22,348	267,938
Energy (kWh)	14,953,360	13,748,200	13,045,600	11,386,520	10,930,160	12,166,160	14,493,320	13,814,240	11,815,720	12,889,520	12,731,240	14,505,080	156,479,120
<b>Subtotal Monthly Electric Billing</b>	<b>\$932,922.78</b>	<b>\$927,593.49</b>	<b>\$818,790.19</b>	<b>\$715,990.86</b>	<b>\$707,281.69</b>	<b>\$886,022.04</b>	<b>\$1,130,010.36</b>	<b>\$1,116,334.81</b>	<b>\$939,205.78</b>	<b>\$938,660.49</b>	<b>\$948,252.06</b>	<b>\$1,009,194.27</b>	<b>\$11,070,258.82</b>
<b>Total Electric billing</b>	<b>\$932,922.78</b>	<b>\$927,593.49</b>	<b>\$818,790.19</b>	<b>\$715,990.86</b>	<b>\$707,281.69</b>	<b>\$886,022.04</b>	<b>\$1,130,010.36</b>	<b>\$1,116,334.81</b>	<b>\$939,205.78</b>	<b>\$938,660.49</b>	<b>\$948,252.06</b>	<b>\$1,009,194.27</b>	<b>\$11,070,258.82</b>
<b>Effective Electric Rate (¢/kWh)-2020</b>	<b>6.24</b>	<b>6.75</b>	<b>6.28</b>	<b>6.29</b>	<b>6.47</b>	<b>7.28</b>	<b>7.80</b>	<b>8.08</b>	<b>7.95</b>	<b>7.28</b>	<b>7.45</b>	<b>6.96</b>	<b>7.07</b>
<u>2021</u>	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Total
<b>Billing Units</b>													
Demand (kW) (15 minute)	25,636	26,356	23,096	20,772	23,324	31,612	30,680	31,868	23,328	20,976	23,744	0	281,392
Coincident Peak (60 Minute) prior month	24,253	23,581	23,739	22,516	19,668	22,060	27,914	30,278	29,493	21,511	19,391	0	264,404
Energy (kWh)	14,643,440	14,049,560	12,777,080	11,519,360	11,660,800	13,964,280	14,577,280	14,363,280	11,954,200	12,060,640	12,846,960	0	144,416,880
<b>Subtotal Monthly Electric Billing</b>	<b>\$1,033,429.16</b>	<b>\$1,091,838.91</b>	<b>\$1,046,931.68</b>	<b>\$890,678.46</b>	<b>\$1,023,473.14</b>	<b>\$1,156,008.87</b>	<b>\$1,197,489.46</b>	<b>\$1,365,627.60</b>	<b>\$1,167,346.60</b>	<b>\$1,084,534.18</b>	<b>\$1,195,228.82</b>	<b>\$1,175.00</b>	<b>\$12,253,761.88</b>
<b>Total Electric billing</b>	<b>\$1,033,429.16</b>	<b>\$1,091,838.91</b>	<b>\$1,046,931.68</b>	<b>\$890,678.46</b>	<b>\$1,023,473.14</b>	<b>\$1,156,008.87</b>	<b>\$1,197,489.46</b>	<b>\$1,365,627.60</b>	<b>\$1,167,346.60</b>	<b>\$1,084,534.18</b>	<b>\$1,195,228.82</b>	<b>\$1,175.00</b>	<b>\$12,253,761.88</b>
<b>Effective Electric Rate (¢/kWh)-2020</b>	<b>7.06</b>	<b>7.77</b>	<b>8.19</b>	<b>7.73</b>	<b>8.78</b>	<b>8.28</b>	<b>8.21</b>	<b>9.51</b>	<b>9.77</b>	<b>8.99</b>	<b>9.30</b>	<b>#DIV/0!</b>	<b>8.48</b>



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** December 15, 2021

**AGENDA ITEM:** Consider a motion to approve the 2022 Electric, Water, and Wastewater rate schedules.

**PREPARED BY:** Julie Kennedy, General Manager

### **BACKGROUND:**

The Commission previously approved the Electric Cost of Service and Rate Design Study finalized December 10, 2019. The study included a proposed electric rate schedule increase for five years starting in 2020. Best practices for a rate strategy are to (1) review the revenue requirements in the rate study during annual budget preparation, (2) discuss any deviations between the Rate Design Study and the proposed annual electric revenue budget; and (3) approve or change the proposed electric rates as part of final budget adoption. The 2022 proposed electric rates do not deviate from those projected for 2022 in the Rate Design Study and have an average increase of 1.9% over 2021 rates.

Additionally, as a result of the proposed ESA with MP for wholesale power having a significantly different cost structure, staff recommends working with a consultant to update the Electric Cost of Service and Rate Design Study in 2022. A future Request for Commission action is intended in Q1 of 2022.

The 2021 budget included a water and wastewater cost of service rate study. Unfortunately, COVID delayed the AMI node install schedule which in turn delayed the rate study. The study is scheduled to get started in Q1 of 2022. The revenue requirements in the 2022 budget include the attached proposed water and wastewater rates beginning in February. The proposed rates add approximately \$30,000 to each utility and add approximately 2% to customer bills. An example of customer bill impacts is attached.

Staff recommends adoption of the attached rate schedules for electric services in April 2022 and water and wastewater services in February 2022.

### **RECOMMENDATION:**

Consider a motion to approve the 2022 Electric, Water and Wastewater rate schedules.



## 2022 CITY ELECTRIC SERVICE RATE SCHEDULE

Adopted: 12/15/2021  
 Effective/Billed After: 04/01/2022

	Customer Charge (per month)	Energy Charge	Minimum Bill
RESIDENTIAL	\$ 10.25	First 500 kWh/mo @ \$0.0888/kWh Over 500 kWh/mo @ \$0.1144/kWh	Customer Charge
COMMERCIAL	\$ 19.25	All kWh/mo @ \$0.1058/kWh	Customer Charge
DEMAND AND ENERGY	\$ 27.00	All kWh/mo @ \$0.0513/kWh Demand: All kW @ \$17.41/kW	Customer Charge
ENTERTAINMENT LIGHTING RATE SEASONAL EVENING	\$ 12.75	All kWh @ \$0.1032/kWh	Customer Charge
STREET LIGHTING	\$ 12.00	All kWh @ \$0.1030/kWh	
INDUSTRIAL	\$ 27.00	All kWh/mo @ \$0.0513/kWh Demand: All kW @ \$17.41/kW	Customer Charge

### PURCHASED POWER ADJUSTMENT (PPA) CLAUSE

There shall be added to from the monthly electric service billing, a Purchased Power Adjustment or PPA calculated on a per kilowatt-hour basis. The PPA is a combination of two charges. The first are costs associated with operation of the Midwest Independent Transmission System Operator (MISO). MISO’s objective is to maximize the efficient use of the transmission system and energy under fluctuating power demands. The second component is fuel and purchased energy, which is based on the fluctuating cost of fuel used in generating stations and power purchased from other energy providers when needed. PPA does not apply to Security Lighting and Non-Metered Load Management Services.

Revised:  
 Adopted 12/15/2021      Effective 04/01/2022  
 Last Revised:  
 Adopted 12/18/2019      Effective 05/01/2021  
 Adopted 12/18/2019      Effective 09/01/2020





## 2022 CITY ELECTRIC INTERIM ANNEXATION AREAS SERVICE RATE SCHEDULE

Adopted: 12/15/2021  
Effective/Billed After: 04/01/2022

	Customer Charge (per month)	Energy Charge	Minimum Bill
RESIDENTIAL	\$ 10.25	First 500 kWh/mo @ \$0.1043/kWh Over 500 kWh/mo @ \$0.1299/kWh	Customer Charge
COMMERCIAL	\$ 19.25	All kWh/mo @ \$0.1213/kWh	Customer Charge

### **PURCHASED POWER ADJUSTMENT (PPA) CLAUSE**

There shall be added to from the monthly electric service billing, a Purchased Power Adjustment or PPA calculated on a per kilowatt-hour basis. The PPA is a combination of two charges. The first are costs associated with operation of the Midwest Independent Transmission System Operator (MISO). MISO’s objective is to maximize the efficient use of the transmission system and energy under fluctuating power demands. The second component is fuel and purchased energy, which is based on the fluctuating cost of fuel used in generating stations and power purchased from other energy providers when needed. PPA does not apply to Security Lighting and Non-Metered Load Management Services.

Revised:  
Adopted 12/15/2021 Effective 04/01/2022  
Last Revised:  
Adopted 12/18/2019 Effective 05/01/2021  
Adopted 12/18/2019 Effective 09/01/2020



## 2022 RURAL ELECTRIC SERVICE RATE SCHEDULE

Adopted: 12/15/2021  
 Effective/ Billed After: 04/01/2022

	Customer Charge (per month)	Energy Charge	Minimum Bill
RESIDENTIAL	\$ 11.25	First 500 kWh/mo @ \$0.0924/kWh Over 500 kWh/mo @ \$0.1180/kWh	Customer Charge
COMMERCIAL	\$ 20.25	All kWh/mo @ \$0.1097/kWh	Customer Charge
DEMAND AND ENERGY	\$ 27.00	All kWh/mo @ \$0.0550/kWh Demand: All kW @ \$17.41/kW	Customer Charge

### PURCHASED POWER ADJUSTMENT (PPA) CLAUSE

There shall be added to from the monthly electric service billing, a Purchased Power Adjustment or PPA calculated on a per kilowatt-hour basis. The PPA is a combination of two charges. The first are costs associated with operation of the Midwest Independent Transmission System Operator (MISO). MISO's objective is to maximize the efficient use of the transmission system and energy under fluctuating power demands. The second component is fuel and purchased energy, which is based on the fluctuating cost of fuel used in generating stations and power purchased from other energy providers when needed. PPA does not apply to Security Lighting and Non-Metered Load Management Services.

Revised:  
 Adopted 12/15/2021 Effective 04/01/2022  
 Last Revised:  
 Adopted 12/18/2019 Effective 05/01/2021  
 Adopted 12/18/2019 Effective 09/01/2020



## 2022 ELECTRIC VEHICLE SERVICE RATE SCHEDULE

Adopted: 12/15/2021  
 Effective/Billed After: 04/01/2022

	Customer Charge (per month)	Energy Charge	Minimum Bill
RESIDENTIAL (Existing Customer)	\$ 4.20		
RESIDENTIAL (New Standalone Customer)	\$ 27.00		
On Peak Energy	existing or standalone charge	All kWh/mo @ \$0.1515/kWh	Customer Charge
Off Peak Energy	existing or standalone charge	All kWh/mo @ \$0.0422/kWh	Customer Charge

**On Peak** Hours: 8:00 a.m. to 10:00 p.m. Monday - Friday

### PURCHASED POWER ADJUSTMENT (PPA) CLAUSE

There shall be added to from the monthly electric service billing, a Purchased Power Adjustment or PPA calculated on a per kilowatt-hour basis. The PPA is a combination of two charges. The first are costs associated with operation of the Midwest Independent Transmission System Operator (MISO). MISO’s objective is to maximize the efficient use of the transmission system and energy under fluctuating power demands. The second component is fuel and purchased energy, which is based on the fluctuating cost of fuel used in generating stations and power purchased from other energy providers when needed. PPA does not apply to Security Lighting and Non-Metered Load Management Services.

Revised:  
 Adopted 12/15/2021 Effective 04/01/2022  
 Last Revised:  
 Adopted 12/18/2019 Effective 05/01/2021  
 Adopted 12/18/2019 Effective 09/01/2020



## 2022 LOAD MANAGEMENT ELECTRIC SERVICE RATE SCHEDULE

Adopted: 12/15/2021  
Effective: 04/01/2022  
Billed After: 04/01/2022

	Customer Charge (per month)	Energy Charge
CONTROLLED WATER HEATING	\$ (5.00)	Monthly Credit
CONTROLLED WATER HEATING - Seasonal	\$ (2.50)	Monthly Credit
LOAD MANAGEMENT HEATING/COOLING CONTINUOUS CONTROL Dual Fuel - On or Off Cooling	\$ 8.25	All kWh/mo @ \$0.0648/kWh Minimum bill - Customer Charge
LOAD MANAGEMENT STORAGE HEAT	\$ 8.25	All kWh/mo @ \$0.0545/kWh Minimum bill - Customer Charge
LOAD MANAGEMENT COOLING CYCLE CONTROL & GS HEAT PUMPS - METERED	\$ 8.25	All kWh @ Customer's normal electric rate class
For bills sent June through September	\$ (9.83)	Monthly Credit
For bills sent October through May		All kWh @ @ \$0.0648/kWh
LOAD MANAGEMENT COOLING CYCLE CONTROL UNIT CONTROLLED - NOT METERED	\$ 8.25	All kWh @ Customer's normal electric rate class
Monthly Credit 0-3 Ton Air Conditioning Unit	\$ (9.83)	Monthly Credit
Monthly Credit 4-6 Ton Air Conditioning Unit	\$ (19.73)	Monthly Credit

### **PURCHASED POWER ADJUSTMENT (PPA) CLAUSE**

There shall be added to from the monthly electric service billing, a Purchased Power Adjustment or PPA calculated on a per kilowatt-hour basis. The PPA is a combination of two charges. The first are costs associated with operation of the Midwest Independent Transmission System Operator (MISO). MISO's objective is to maximize the efficient use of the transmission system and energy under fluctuating power demands. The second component is fuel and purchased energy, which is based on the fluctuating cost of fuel used in generating stations and power purchased from other energy providers when needed. PPA does not apply to Security Lighting and Non-Metered Load Management Services. does not apply to Security Lighting and Non-Metered Load Management Services.

Revised:

Adopted 12/15/2021 Effective 04/01/2022

Last Revised:

Adopted 12/18/2019 Effective 05/01/2021

Adopted 12/18/2019 Effective 09/01/2020

**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
SECURITY LIGHTING RATE SCHEDULE  
Adopted 12/15/2021 Effective/Billed after 04/01/2022**

**RATES:**

High Pressure Sodium Vapor Lamps:

Rate per Lamp  
Per Month

8,500 Lumens 100 Watt – Existing Pole	\$9.13
8,500 Lumens 100 Watt – Separate Pole	\$11.82
23,000 Lumens 250 Watt – Existing Pole	\$13.08
23,000 Lumens 250 Watt – Separate Pole	\$15.77

LED Lamps:

4815 Lumens 48 Watt LED LAMPS – Existing Pole	\$5.28
4815 Lumens 48 Watt LED LAMPS – Separate Pole	\$8.18
4200 Lumens 40 Watt LED LAMPS – Existing Pole	\$4.83
4200 Lumens 40 Watt LED LAMPS – Separate Pole	\$9.14
6600 Lumens 70 Watt LED LAMPS – Existing Pole	\$5.64
6600 Lumens 70 Watt LED LAMPS – Separate Pole	\$9.96

**LIGHT FIXTURES**

All new and replacement fixtures will be either 40 or 70 watt LED lamps. All other fixture types shall be changed to 40 or 70 watt LED lamps with customer charges adjusted at that time.

Mercury Vapor Lamps: Will not be installed or replaced. All 7,000 lumen 175 watt mercury vapor lamps will be changed out to a 40 watt LED fixture and billed at the applicable rate plus any applicable adjustments.

**SERVICE AREA:** Applicable to all service areas at the GRPUC.

**APPLICATION:** To all classes of customers for outdoor lighting purposes and to other persons and Governmental subdivisions other than the City of Grand Rapids for the purpose of lighting streets, alleys, roads, driveways and parking lots. Service under the rate codes is not available on a seasonal or temporary basis.

**ADJUSTMENTS:** Plus the applicable proportionate part of any taxes and assessments imposed by any governmental authority which are assessed on the basis of meters or customers, or the price of or revenues from electric energy or service sold, or the volume of energy generated, transmitted or purchased for sale or sold.

Revised:

Adopted 12/15/2021 Effective 04/01/2022

Last Revised:

Adopted 02/17/2021 Effective 02/17/2021

Adopted 12/18/2019 Effective 09/01/2020

## GRAND RAPIDS PUBLIC UTILITIES COMMISSION

## CITY WATER SERVICE RATE SCHEDULE

Adopted: 12-15-2021

Effective/Billed After: 02-01-2022

Applicable within the corporate limits of the City of Grand Rapids:

**Customer Charges**

Charges calculated are per month

<u>Meter Size</u>	<u>Rate</u>
5/8"-3/4"	\$8.67
1"	\$12.08
1 ¼"	\$13.87
1 ½"	\$15.54
2"	\$25.12
3"	\$95.13
4"	\$121.01
6"	\$181.58

**Commodity Charges**

Charges calculated are per 1000 gallons per month

City Residential

First 4,000 Gallons	\$3.79
Next 4,000 Gallons	\$4.78
Next 22,000 Gallons	\$5.99
All Gallons Over 30,000	\$9.57

City Commercial

First 40,000 Gallons	\$3.33
Next 360,000 Gallons	\$4.11
All Gallons Over 400,000	\$5.25

City Industrial

First 400,000 Gallons	\$3.33
All Gallons Over 400,000	\$4.11

Revised:

Adopted 12/15/2021 Effective 02/01/2022

Last Revised:

Adopted 12/19/2018 Effective 01/01/2019

**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
CITY MULTI-FAMILY UNIT RESIDENTIAL WATER RATES**

Adopted: 12-15-2021  
Effective/Billed After: 02-01-2022

Applicable within the corporate limits of the City of Grand Rapids:

Number of Units	Unit Charge	Customer Charge	Total Customer Charge	Tier 1	Tier 2	Tier 3	Tier 4
				(first 4,000 gal)	(next 4,000 gal)	(next 22,000 gal)	(over 30,000 gal)
				3.79 /1,000 gal.	4.78 /1,000 gal.	5.99 /1,000 gal.	9.57 /1,000 gal.
2	\$5.20	\$3.47	\$13.87	- 8	9 16	17 60	> 61
3	\$5.20	\$3.47	\$19.07	- 12	13 24	25 90	> 91
4	\$5.20	\$3.47	\$24.27	- 16	17 32	33 120	> 121
5	\$5.20	\$3.47	\$29.47	- 20	21 40	41 150	> 151
6	\$5.20	\$3.47	\$34.67	- 24	25 48	49 180	> 181
7	\$5.20	\$3.47	\$39.87	- 28	29 56	57 210	> 211
8	\$5.20	\$3.47	\$45.07	- 32	33 64	65 240	> 241
9	\$5.20	\$3.47	\$50.27	- 36	37 72	73 270	> 271
10	\$5.20	\$3.47	\$55.47	- 40	41 80	81 300	> 301
12	\$5.20	\$3.47	\$65.87	- 48	49 96	97 360	> 361
16	\$5.20	\$3.47	\$86.67	- 64	65 128	129 480	> 481
18	\$5.20	\$3.47	\$97.07	- 72	73 144	145 540	> 541
20	\$5.20	\$3.47	\$107.47	- 80	81 160	161 600	> 601
22	\$5.20	\$3.47	\$117.87	- 88	89 176	177 660	> 661
23	\$5.20	\$3.47	\$123.07	- 92	93 184	185 690	> 691
24	\$5.20	\$3.47	\$128.27	- 96	97 192	193 720	> 721
27	\$5.20	\$3.47	\$143.87	- 108	109 216	217 810	> 811
29	\$5.20	\$3.47	\$154.27	- 116	117 232	233 870	> 871
32	\$5.20	\$3.47	\$169.87	- 128	129 256	257 960	> 961
35	\$5.20	\$3.47	\$185.47	- 140	141 280	281 1,050	> 1,051
37	\$5.20	\$3.47	\$195.87	- 148	149 296	297 1,110	> 1,111
40	\$5.20	\$3.47	\$211.47	- 160	161 320	321 1,200	> 1,201
41	\$5.20	\$3.47	\$216.67	- 164	165 328	329 1,230	> 1,231
42	\$5.20	\$3.47	\$221.87	- 168	169 336	337 1,260	> 1,261
50	\$5.20	\$3.47	\$263.47	- 200	201 400	401 1,500	> 1,501
54	\$5.20	\$3.47	\$284.27	- 216	217 432	433 1,620	> 1,621
60	\$5.20	\$3.47	\$315.47	- 240	241 480	481 1,800	> 1,801
61	\$5.20	\$3.47	\$320.67	- 244	245 488	489 1,830	> 1,831

**Example: A 20 unit apartment building using 180,00 gallons would calculate their water charge as follows:**

	Tier Rate	Tier Gallons (/1000)	Cumulative Gallons (/1000)	Charges
Customer Charge (see above table)				\$107.47
First 80,000 gallons	\$3.79	80	80	\$303.20
Next 80,000 gallons	\$4.78	80	160	\$382.40
Next 20,000 gallons	\$5.99	20	180	\$119.80
				<u>\$912.87</u>

Revised:  
Adopted 12-15-2021 Effective 02-01-2022  
Last Revised:  
Adopted 09-12-2018 Effective 10-01-2018



**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
500 SE 4<sup>TH</sup> ST  
GRAND RAPIDS, MN 55744  
218-326-7024**

**City of LaPrairie**

**Wholesale Water Service\***

**Service Charge\*:**

**Meter Size:**

4" Meter	\$121.38
6" Meter	\$182.07

**Commodity Charge\*:**

(Charge per 1,000 gallons)

First 400,000 Gallons	\$2.98
All Gallons over 400,000	\$3.71

\*Charges are calculated on a per month basis.

**Wastewater Treatment Service\***

**Service Charge\*:** \$11.73

**Collection/Treatment\*:** \$2.65  
(Charge per 1,000 gallons)

\*Charges are calculated on a per month basis.

**Adjustments:** Plus the applicable proportionate part of any taxes and assessments imposed by any governmental authority which are assessed on the basis of meters, services or customers or the price of or revenues from wastewater gallons or services sold, or the volume of wastewater collected, treated or discharged.

**Payment:** Bills for service are due and payable at the office of the Grand Rapids Public Utilities Commission as per the due date specified on the bill.

Revised:

Adopted 12/15/2021 Effective/Billed After: 04/01/2022

Last Revised:

Adopted 12/19/2018 Effective 01/01/2019

## CITY WASTEWATER COLLECTION & TREATMENT SERVICE RATE SCHEDULE

Adopted: 12-15-2021  
Effective/Billed After: 02-01-2022

Applicable within the corporate limits of the City of Grand Rapids:

### Customer Charges

Charges calculated are per month

	<u>Rate</u>
All meter sizes	\$11.02

### Commodity Charges

Charges calculated are per 1000 gallons per month

#### Residential

All Gallons	\$4.44
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#### Commercial

All Gallons	\$4.90
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Revised:  
Adopted 12/15/2021 Effective 02/01/2022  
Last Revised:  
Adopted 09/12/2018 Effective 10/01/2018

## RURAL WASTEWATER COLLECTION & TREATMENT SERVICE RATE SCHEDULE

Adopted: 12-15-2021

Effective/Billed After: 02-01-2022

Applicable outside the corporate limits of the City of Grand Rapids:

### Customer Charges

Charges calculated are per month

	<u>Rate</u>
All meter sizes	\$12.04

### Commodity Charges

Charges calculated are per 1000 gallons per month

#### Residential

All Gallons	\$4.90
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#### Commercial

All Gallons	\$5.36
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Revised:

Adopted 12/15/2021 Effective 02/01/2022

Last Revised:

Adopted 09/12/2018 Effective 10/01/2018

**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
500 SE 4<sup>TH</sup> ST  
GRAND RAPIDS, MN 55744  
218-326-7024**

**City of Cohasset**

**Wastewater Treatment Service\***

**Service Charge\*:** \$12.14

**Collection/Treatment\*:** \$2.75  
(Charge per 1,000 gallons)

\*Charges are calculated on a per month basis.

**Adjustments:** Plus the applicable proportionate part of any taxes and assessments imposed by any governmental authority which are assessed on the basis of meters, services or customers or the price of or revenues from wastewater gallons or services sold, or the volume of wastewater collected, treated or discharged.

**Payment:** Bills for service are due and payable at the office of the Grand Rapids Public Utilities Commission as per the due date specified on the bill.

Revised:  
Adopted: 12/15/2021 Effective/Billed After: 02/01/2022  
Last Revised:  
Adopted: 12/19/2018 Effective: 01/01/2019

## City Electric Service Rate Change Comparisons

## Residential (400 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 10.00	\$ 10.00
Energy (<500 kWh)	400	\$0.0871	\$ 34.84
Energy (>500 kWh)	0	\$0.1122	\$ -
PPA (estimate)	400	\$0.0161	\$ 6.44
Total			\$ 51.28

## Residential (400 kWh/mo) - proposed

	kWh	Rate	Subtotal
Customer Charge		\$ 10.25	\$ 10.25
Energy (<500 kWh)	400	\$ 0.0888	\$ 35.52
Energy (>500 kWh)	0	\$ 0.1144	\$ -
PPA (estimate)	400	\$ 0.0158	\$ 6.32
Total			\$ 52.09
Monthly Increase		\$	0.81
Annual Increase		\$	9.72

## Residential (750 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 10.00	\$ 10.00
Energy (<500 kWh)	500	\$0.0871	\$ 43.55
Energy (>500 kWh)	250	\$0.1122	\$ 28.05
PPA (estimate)	750	\$0.0161	\$ 12.08
Total			\$ 93.68

## Residential (750 kWh/mo) - proposed

	kWh	Rate	Subtotal
Customer Charge		\$ 10.25	\$ 10.25
Energy (<500 kWh)	500	\$ 0.0888	\$ 44.40
Energy (>500 kWh)	250	\$ 0.1144	\$ 28.60
PPA (estimate)	750	\$ 0.0158	\$ 11.85
Total			\$ 95.10
Monthly Increase		\$	1.43
Annual Increase		\$	17.10

## Residential (1,500 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 10.00	\$ 10.00
Energy (<500 kWh)	500	\$0.0871	\$ 43.55
Energy (>500 kWh)	1000	\$0.1122	\$ 112.20
PPA (estimate)	1500	\$0.0161	\$ 24.15
Total			\$ 189.90

## Residential (1,500 kWh/mo) - proposed

	kWh	Rate	Subtotal
Customer Charge		\$ 10.25	\$ 10.25
Energy (<500 kWh)	500	\$ 0.0888	\$ 44.40
Energy (>500 kWh)	1000	\$ 0.1144	\$ 114.40
PPA (estimate)	1500	\$ 0.0158	\$ 23.70
Total			\$ 192.75
Monthly Increase		\$	2.85
Annual Increase		\$	34.20

## Residential - Annexation Interim (750 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 10.00	\$ 10.00
Energy (<500 kWh)	500	\$0.1026	\$ 51.30
Energy (>500 kWh)	250	\$0.1277	\$ 31.93
PPA (estimate)	750	\$0.0161	\$ 12.08
Total			\$ 105.30

## Residential - Annexation Interim (750 kWh/mo) - proposed

	kWh	Rate	Subtotal
Customer Charge		\$ 10.25	\$ 10.25
Energy (<500 kWh)	500	\$ 0.1043	\$ 52.15
Energy (>500 kWh)	250	\$ 0.1299	\$ 32.48
PPA (estimate)	750	\$ 0.0158	\$ 11.85
Total			\$ 106.73
Monthly Increase		\$	1.43
Annual Increase		\$	17.10

## Commercial (5,000 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 18.75	\$ 18.75
Energy (all kWh)	5000	\$0.1037	\$ 518.50
PPA (estimate)	5000	\$0.0161	\$ 80.50
Total			\$617.75

## Commercial (5,000 kWh/mo) - proposed

	kWh	Rate	Subtotal
Customer Charge		\$ 19.25	\$ 19.25
Energy (all kWh)	5000	\$ 0.1058	\$ 529.00
PPA (estimate)	5000	\$ 0.0158	\$ 79.00
Total			\$ 627.25
Monthly Increase		\$	9.50
Annual Increase		\$	114.00

## Commercial (10,000 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 18.75	\$ 18.75
Energy (all kWh)	10000	\$0.1037	\$ 1,037.00
PPA (estimate)	10000	\$0.0161	\$ 161.00
Total			\$1,216.75

## Commercial (10,000 kWh/mo) - proposed

	kWh	Rate	Subtotal
Customer Charge		\$ 19.25	\$ 19.25
Energy (all kWh)	10000	\$ 0.1058	\$ 1,058.00
PPA (estimate)	10000	\$ 0.0158	\$ 158.00
Total			\$ 1,235.25
Monthly Increase		\$	18.50
Annual Increase		\$	222.00

## Demand (55kW) &amp; Energy (10,000 kWh/mo) - current

	kW / kWh	Rate	Subtotal
Customer Charge		\$ 26.00	\$ -
Demand Charge (kW)	55	\$ 17.07	\$ 938.85
Energy (all kWh)	15000	\$0.0503	\$ 754.50
PPA (estimate)	15000	\$0.0161	\$ 241.50
Total			\$1,934.85

## Demand (55kW) &amp; Energy (10,000 kWh/mo) - proposed

	kW / kWh	Rate	Subtotal
Customer Charge		\$ 27.00	\$ 27.00
Demand Charge (kW)	55	\$ 17.41	\$ 957.55
Energy (all kWh)	15000	\$ 0.0513	\$ 769.50
PPA (estimate)	15000	\$ 0.0158	\$ 237.00
Total			\$ 1,991.05
Monthly Increase		\$	56.20
Annual Increase		\$	674.40

## Rural Electric Service Rate Change Comparisons

## Residential (400 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 11.00	\$ 11.00
Energy (<500 kWh)	400	\$0.0907	\$ 36.28
Energy (>500 kWh)	0	\$0.1158	\$ -
PPA (estimate)	400	\$0.0161	\$ 6.44
Total			\$ 53.72

## Residential (750 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 11.00	\$ 11.00
Energy (<500 kWh)	500	\$0.0907	\$ 45.35
Energy (>500 kWh)	250	\$0.1158	\$ 28.95
PPA (estimate)	750	\$0.0161	\$ 12.08
Total			\$ 97.38

## Residential (1,500 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 11.00	\$ 11.00
Energy (<500 kWh)	500	\$0.0907	\$ 45.35
Energy (>500 kWh)	1000	\$0.1158	\$ 115.80
PPA (estimate)	1500	\$0.0161	\$ 24.15
Total			\$ 196.30

## Commercial (1,000 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 14.29	\$ 14.29
Energy (all kWh)	1000	\$0.1006	\$ 100.60
PPA (estimate)	1000	\$0.0047	\$ 4.70
Total			\$119.59

## Commercial (5,000 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 19.75	\$ 19.75
Energy (all kWh)	5000	\$0.1076	\$ 538.00
PPA (estimate)	5000	\$0.0161	\$ 80.50
Total			\$638.25

## Commercial (10,000 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 19.75	\$ 19.75
Energy (all kWh)	10000	\$0.1076	\$1,076.00
PPA (estimate)	10000	\$0.0161	\$ 161.00
Total			\$1,256.75

## Commercial Annexation Interim (5,000 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 14.29	\$ 14.29
Energy (all kWh)	5000	\$0.1161	\$ 580.50
PPA (estimate)	5000	\$0.0047	\$ 23.50
Total			\$618.29

## Demand (55kW) &amp; Energy (15,000 kWh/mo) - current

	kW / kWh	Rate	Subtotal
Customer Charge		\$ 26.00	\$ -
Demand Charge (kW)	55	\$ 17.94	\$ 986.70
Energy (all kWh)	15000	\$0.0540	\$ 810.00
PPA (estimate)	15000	\$0.0161	\$ 241.50
Total			\$2,038.20

## Residential (400 kWh/mo) - proposed

	kWh	Rate	Subtotal
Customer Charge		\$ 11.25	\$ 11.25
Energy (<500 kWh)	400	\$ 0.0924	\$ 36.96
Energy (>500 kWh)	0	\$ 0.1180	\$ -
PPA (estimate)	400	\$ 0.0158	\$ 6.32
Total			\$ 54.53

Monthly Increase \$ 0.81  
Annual Increase \$ 9.72

## Residential (750 kWh/mo) - proposed

	kWh	Rate	Subtotal
Customer Charge		\$ 11.25	\$ 11.25
Energy (<500 kWh)	500	\$ 0.0924	\$ 46.20
Energy (>500 kWh)	250	\$ 0.1180	\$ 29.50
PPA (estimate)	750	\$ 0.0158	\$ 11.85
Total			\$ 98.80

Monthly Increase \$ 1.42  
Annual Increase \$ 17.10

## Residential (1,500 kWh/mo) - proposed

	kWh	Rate	Subtotal
Customer Charge		\$ 11.25	\$ 11.25
Energy (<500 kWh)	500	\$ 0.0924	\$ 46.20
Energy (>500 kWh)	1000	\$ 0.1180	\$ 118.00
PPA (estimate)	1500	\$ 0.0158	\$ 23.70
Total			\$ 199.15

Monthly Increase \$ 2.85  
Annual Increase \$ 34.20

## Commercial (1,000 kWh/mo) - proposed

	kWh	Rate	Subtotal
Customer Charge		\$ 18.75	\$ 18.75
Energy (all kWh)	1000	\$ 0.1036	\$ 103.60
PPA (estimate)	1000	\$ 0.0047	\$ 4.70
Total			\$ 127.05

Monthly Increase \$ 7.46  
Annual Increase \$ 89.52

## Commercial (5,000 kWh/mo) - proposed

	kWh	Rate	Subtotal
Customer Charge		\$ 20.25	\$ 20.25
Energy (all kWh)	5000	\$ 0.1097	\$ 548.50
PPA (estimate)	5000	\$ 0.0158	\$ 79.00
Total			\$ 647.75

Monthly Increase \$ 9.50  
Annual Increase \$ 114.00

## Commercial (10,000 kWh/mo) - proposed

	kWh	Rate	Subtotal
Customer Charge		\$ 20.25	\$ 20.25
Energy (all kWh)	10000	\$ 0.1097	\$1,097.00
PPA (estimate)	10000	\$ 0.0158	\$ 158.00
Total			\$1,275.25

Monthly Increase \$ 18.50  
Annual Increase \$ 222.00

## Commercial Annexation Interim (5,000 kWh/mo) - current

	kWh	Rate	Subtotal
Customer Charge		\$ 18.75	\$ 18.75
Energy (all kWh)	5000	\$ 0.1191	\$ 595.50
PPA (estimate)	5000	\$ 0.0047	\$ 23.50
Total			\$ 637.75

Monthly Increase \$ 19.46  
Annual Increase \$ 233.52

## Demand (55kW) &amp; Energy (15,000 kWh/mo) - proposed

	kW / kWh	Rate	Subtotal
Customer Charge		\$ 27.00	\$ 27.00
Demand Charge (kW)	55	\$ 17.41	\$ 957.55
Energy (all kWh)	15000	\$ 0.0550	\$ 825.00
PPA (estimate)	15000	\$ 0.0158	\$ 237.00
Total			\$2,046.55

Monthly Increase \$ 8.35  
Annual Increase \$ 100.20

## City Water Service Rate Change Comparisons

## 5/8" - 3/4" Residential (2,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 8.50	\$ 8.50
Usage (<4000 gal)	2000	\$ 3.72	\$ 7.44
Usage (4000-8000 gal)	0	\$ 4.69	\$ -
Usage (8000-22000 gal)	0	\$ 5.87	\$ -
Usage (<30000 gal)	0	\$ 9.38	\$ -
Total			\$ 15.94

## 5/8" - 3/4" Residential (2,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 8.67	\$ 8.67
Usage (<4000 gal)	2000	\$ 3.79	\$ 7.58
Usage (4000-8000 gal)	0	\$ 4.78	\$ -
Usage (8000-22000 gal)	0	\$ 5.99	\$ -
Usage (<30000 gal)	0	\$ 9.57	\$ -
Total			\$ 16.25
Monthly Increase		\$	0.31
Annual Increase		\$	3.72

## 5/8" - 3/4" Residential (6,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 8.50	\$ 8.50
Usage (<4000 gal)	4000	\$ 3.72	\$ 14.88
Usage (4000-8000 gal)	2000	\$ 4.69	\$ 9.38
Usage (8000-22000 gal)	0	\$ 5.87	\$ -
Usage (<30000 gal)	0	\$ 9.38	\$ -
Total			\$ 32.76

## 5/8" - 3/4" Residential (6,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 8.67	\$ 8.67
Usage (<4000 gal)	4000	\$ 3.79	\$ 15.16
Usage (4000-8000 gal)	2000	\$ 4.78	\$ 9.56
Usage (8000-22000 gal)	0	\$ 5.99	\$ -
Usage (<30000 gal)	0	\$ 9.57	\$ -
Total			\$ 33.39
Monthly Increase		\$	0.63
Annual Increase		\$	7.56

## 5/8" - 3/4" Residential (10,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 8.50	\$ 8.50
Usage (<4000 gal)	4000	\$ 3.72	\$ 14.88
Usage (4000-8000 gal)	4000	\$ 4.69	\$ 18.76
Usage (8000-22000 gal)	2000	\$ 5.87	\$ 11.74
Usage (<30000 gal)	0	\$ 9.38	\$ -
Total			\$ 53.88

## 5/8" - 3/4" Residential (10,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 8.67	\$ 8.67
Usage (<4000 gal)	4000	\$ 3.79	\$ 15.16
Usage (4000-8000 gal)	4000	\$ 4.78	\$ 19.12
Usage (8000-22000 gal)	2000	\$ 5.99	\$ 11.98
Usage (<30000 gal)	0	\$ 9.57	\$ -
Total			\$ 54.93
Monthly Increase		\$	1.05
Annual Increase		\$	12.60

## 1" Commercial (16,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 11.84	\$ 11.84
Usage (<40000 gal)	16000	\$ 3.26	\$ 52.16
Usage (40000-360000 gal)	0	\$ 4.03	\$ -
Usage (<360000 gal)	0	\$ 5.15	\$ -
Total			\$ 64.00

## 1" Commercial (16,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 12.08	\$ 12.08
Usage (<40000 gal)	16000	\$ 3.33	\$ 53.28
Usage (40000-360000 gal)	0	\$ 4.11	\$ -
Usage (<360000 gal)	0	\$ 5.25	\$ -
Total			\$ 65.36
Monthly Increase		\$	1.36
Annual Increase		\$	16.32

## 1.5" Commercial (50,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 15.24	\$ 15.24
Usage (<40000 gal)	40000	\$ 3.26	\$ 130.40
Usage (40000-360000 gal)	10000	\$ 4.03	\$ 40.30
Usage (<360000 gal)	0	\$ 5.15	\$ -
Total			\$ 185.94

## 1.5" Commercial (50,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 15.54	\$ 15.54
Usage (<40000 gal)	40000	\$ 3.33	\$ 133.20
Usage (40000-360000 gal)	10000	\$ 4.11	\$ 41.10
Usage (<360000 gal)	0	\$ 5.25	\$ -
Total			\$ 189.84
Monthly Increase		\$	3.90
Annual Increase		\$	46.80

## 2" Commercial (250,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 24.63	\$ 24.63
Usage (<40000 gal)	40000	\$ 3.26	\$ 130.40
Usage (40000-360000 gal)	210000	\$ 4.03	\$ 846.30
Usage (<360000 gal)	0	\$ 5.15	\$ -
Total			\$ 1,001.33

## 2" Commercial (250,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 25.12	\$ 25.12
Usage (<40000 gal)	40000	\$ 3.33	\$ 133.20
Usage (40000-360000 gal)	210000	\$ 4.11	\$ 863.10
Usage (<360000 gal)	0	\$ 5.25	\$ -
Total			\$ 1,021.42
Monthly Increase		\$	20.09
Annual Increase		\$	241.08

## 3" Commercial (960,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 68.55	\$ 68.55
Usage (<40000 gal)	40000	\$ 3.20	\$ 128.00
Usage (40000-360000 gal)	320000	\$ 3.95	\$ 1,264.00
Usage (<360000 gal)	600000	\$ 5.05	\$ 3,030.00
Total			\$ 4,490.55

## 3" Commercial (960,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 93.50	\$ 93.50
Usage (<40000 gal)	40000	\$ 3.26	\$ 130.40
Usage (40000-360000 gal)	320000	\$ 4.03	\$ 1,289.60
Usage (<360000 gal)	600000	\$ 5.15	\$ 3,090.00
Total			\$ 4,603.50
Monthly Increase		\$	112.95
Annual Increase		\$	1,355.40



## City Wastewater Collection Service Rate Change Comparisons

### 5/8" - 3/4" Residential (2,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 10.80	\$ 10.80
Usage (all gal)	2000	\$ 4.35	\$ 8.70
Total			\$ 19.50

### 5/8" - 3/4" Residential (2,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 11.02	\$ 11.02
Usage (all gal)	2000	\$ 4.44	\$ 8.88
Total			\$ 19.90
Monthly Increase			\$ 0.40
Annual Increase			\$ 4.80

### 5/8" - 3/4" Residential (6,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 10.80	\$ 10.80
Usage (all gal)	6000	\$ 4.35	\$ 26.10
Total			\$ 36.90

### 5/8" - 3/4" Residential (6,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 11.02	\$ 11.02
Usage (all gal)	6000	\$ 4.44	\$ 26.64
Total			\$ 37.66
Monthly Increase			\$ 0.76
Annual Increase			\$ 9.12

### 5/8" - 3/4" Residential (10,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 10.80	\$ 10.80
Usage (all gal)	10000	\$ 4.35	\$ 43.50
Total			\$ 54.30

### 5/8" - 3/4" Residential (10,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 11.02	\$ 11.02
Usage (all gal)	10000	\$ 4.44	\$ 44.40
Total			\$ 55.42
Monthly Increase			\$ 1.12
Annual Increase			\$ 13.44

### 1" Commercial (16,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 10.80	\$ 10.80
Usage (all gal)	16000	\$ 4.80	\$ 76.80
Total			\$ 87.60

### 1" Commercial (16,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 11.02	\$ 11.02
Usage (all gal)	16000	\$ 4.90	\$ 78.40
Total			\$ 89.42
Monthly Increase			\$ 1.82
Annual Increase			\$ 21.84

### 1.5" Commercial (50,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 10.80	\$ 10.80
Usage (all gal)	50000	\$ 4.80	\$ 240.00
Total			\$ 250.80

### 1.5" Commercial (50,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 11.02	\$ 11.02
Usage (all gal)	50000	\$ 4.90	\$ 245.00
Total			\$ 256.02
Monthly Increase			\$ 5.22
Annual Increase			\$ 62.64

### 2" Commercial (250,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 10.80	\$ 10.80
Usage (all gal)	250000	\$ 4.80	\$ 1,200.00
Total			\$ 1,210.80

### 2" Commercial (250,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 11.02	\$ 11.02
Usage (all gal)	250000	\$ 4.90	\$ 1,225.00
Total			\$ 1,236.02
Monthly Increase			\$ 25.22
Annual Increase			\$ 302.64

### 3" Commercial (960,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 8.00	\$ 8.00
Usage (all gal)	960000	\$ 4.70	\$ 4,512.00
Total			\$ 4,520.00

### 3" Commercial (960,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 10.80	\$ 10.80
Usage (all gal)	960000	\$ 4.80	\$ 4,608.00
Total			\$ 4,618.80
Monthly Increase			\$ 98.80
Annual Increase			\$ 1,185.60

## Rural Wastewater Collection Service Rate Change Comparisons

### 5/8" - 3/4" Residential (2,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 11.80	\$ 11.80
Usage (all gal)	2000	\$ 4.80	\$ 9.60
Total			\$ 21.40

### 5/8" - 3/4" Residential (6,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 11.80	\$ 11.80
Usage (all gal)	6000	\$ 4.80	\$ 28.80
Total			\$ 40.60

### 5/8" - 3/4" Residential (10,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 11.80	\$ 11.80
Usage (all gal)	10000	\$ 4.80	\$ 48.00
Total			\$ 59.80

### 1" Commercial (16,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 11.80	\$ 11.80
Usage (all gal)	16000	\$ 5.25	\$ 84.00
Total			\$ 95.80

### 1.5" Commercial (50,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 11.80	\$ 11.80
Usage (all gal)	50000	\$ 5.25	\$ 262.50
Total			\$ 274.30

### 2" Commercial (250,000 gal/mo) - current

	gal	Rate	Subtotal
Customer Charge		\$ 11.80	\$ 11.80
Usage (all gal)	250000	\$ 5.25	\$ 1,312.50
Total			\$ 1,324.30

### 5/8" - 3/4" Residential (2,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 12.04	\$ 12.04
Usage (all gal)	2000	\$ 4.90	\$ 9.80
Total			\$ 21.84

Monthly Increase \$ 0.44

Annual Increase \$ 5.28

### 5/8" - 3/4" Residential (6,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 12.04	\$ 12.04
Usage (all gal)	6000	\$ 4.90	\$ 29.40
Total			\$ 41.44

Monthly Increase \$ 0.84

Annual Increase \$ 10.08

### 5/8" - 3/4" Residential (10,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 12.04	\$ 12.04
Usage (all gal)	10000	\$ 4.90	\$ 49.00
Total			\$ 61.04

Monthly Increase \$ 1.24

Annual Increase \$ 14.88

### 1" Commercial (16,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 12.04	\$ 12.04
Usage (all gal)	16000	\$ 5.36	\$ 85.76
Total			\$ 97.80

Monthly Increase \$ 2.00

Annual Increase \$ 24.00

### 1.5" Commercial (50,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 12.04	\$ 12.04
Usage (all gal)	50000	\$ 5.36	\$ 268.00
Total			\$ 280.04

Monthly Increase \$ 5.74

Annual Increase \$ 68.88

### 2" Commercial (250,000 gal/mo) - proposed

	gal	Rate	Subtotal
Customer Charge		\$ 12.04	\$ 12.04
Usage (all gal)	250000	\$ 5.36	\$ 1,340.00
Total			\$ 1,352.04

Monthly Increase \$ 27.74

Annual Increase \$ 332.88

## City Combined Service Rate Change Comparisons

### Residential (low usage) - current

	Use	Subtotal
Electric	400	\$ 51.28
Water	2000	\$ 15.94
Wastewater Collection	2000	\$ 19.50
Total		\$ 86.72

### Residential (average usage) - current

	Use	Subtotal
Electric	750	\$ 93.68
Water	6000	\$ 32.76
Wastewater Collection	6000	\$ 36.90
Total		\$ 163.34

### Residential (high usage) - current

	Use	Subtotal
Electric	1500	\$ 189.90
Water	10000	\$ 53.88
Wastewater Collection	10000	\$ 54.30
Total		\$ 298.08

### Commercial (low-mid usage) - current

	Use	Subtotal
Electric	5000	\$ 617.75
Water	50000	\$ 185.94
Wastewater Collection	50000	\$ 250.80
Total		\$ 1,054.49

### Commercial (high usage) - current

	Use	Subtotal
Electric	10000	\$ 1,216.75
Water	250000	\$ 1,001.33
Wastewater Collection	250000	\$ 1,210.80
Total		\$ 3,428.88

### Demand (mid usage) - current

	Use	Subtotal
Electric	55/10000	\$ 1,934.85
Water	250000	\$ 1,001.33
Wastewater Collection	250000	\$ 1,210.80
Total		\$ 4,146.98

### Residential (low usage) - proposed

	Use	Subtotal
Electric	400	\$ 52.09
Water	2000	\$ 16.25
Wastewater Collection	2000	\$ 19.90
Total		\$ 88.24

Monthly Increase \$ 1.52

Annual Increase \$ 18.24

### Residential (average usage) - proposed

	Use	Subtotal
Electric	750	\$ 95.10
Water	6000	\$ 33.39
Wastewater Collection	6000	\$ 37.66
Total		\$ 166.15

Monthly Increase \$ 2.82

Annual Increase \$ 33.78

### Residential (high usage) - proposed

	Use	Subtotal
Electric	1500	\$ 192.75
Water	10000	\$ 54.93
Wastewater Collection	10000	\$ 55.42
Total		\$ 303.10

Monthly Increase \$ 5.02

Annual Increase \$ 60.24

### Commercial (low-mid usage) - proposed

	Use	Subtotal
Electric	5000	\$ 627.25
Water	50000	\$ 189.84
Wastewater Collection	50000	\$ 256.02
Total		\$ 1,073.11

Monthly Increase \$ 18.62

Annual Increase \$ 223.44

### Commercial (high usage) - proposed

	Use	Subtotal
Electric	10000	\$ 1,235.25
Water	250000	\$ 1,021.42
Wastewater Collection	250000	\$ 1,236.02
Total		\$ 3,492.69

Monthly Increase \$ 63.81

Annual Increase \$ 765.72

### Demand (mid usage) - proposed

	Use	Subtotal
Electric	55/10000	\$ 1,991.05
Water	250000	\$ 1,021.42
Wastewater Collection	250000	\$ 1,236.02
Total		\$ 4,248.49

Monthly Increase \$ 101.51

Annual Increase \$ 1,218.12



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** December 15, 2021

**AGENDA ITEM:** Consider a motion to adopt the GRPU 2022 Operations and Capital Budget as presented.

**PREPARED BY:** Jean Lane, Business Services Manager

## **BACKGROUND:**

The Commission met in a work session on November 30 to review the draft 2022 operations and capital budget for GRPU. Key budget items which were discussed and are included in the final 2022 operations and capital budgets:

- Projected net income for the electric and water utilities
- Establish a new electric rate stabilization fund
- Projected net loss for the wastewater collections department
- Projected breakeven for the wastewater treatment department
- Proposed average electric rate increases of 1.9% starting with April revenue
- Proposed water and wastewater collection rate increases of 2% starting with February revenue
- Proposed impact of new wholesale purchasing power contract for 2022
- Proposed purchasing power adjustment pass-through to customers of base energy adjustment and some MISO charges which is stable through-out 2022 at approximately \$0.01583 based on usage
- Wage expenses increase of 2.5%
- New Maintenance III position – personnel expense increase
- Wastewater collection mains expense increased due to jetting and televising 90% of mains
- Wastewater treatment plant production similar to 2021
- Wastewater collection domestic service center costs increased from 7% to 12.5%
- Wastewater collection domestic sludge disposal costs increased to \$44,000 approximately 8% of costs

- Proposed capital budget of \$7,533,027 with \$3,614,312 funding from revenue sources other than customer rates.

Also discussed during the November 30 work session was the development and reporting of key financial indicators. Chris Flannigan has updated a report with some of the previously tracked key indicators. The FINANCIAL HEALTH INDICATORS from 2011 to 2020 report is attached for your review and is a great base to start a more in-depth discussion on what key performance indicators would be useful to you in making informed decisions.

**RECOMMENDATION:**

Consider approving the GRPU 2022 final operations and capital budget as presented.

**GRAND RAPIDS  
PUBLIC UTILITIES COMMISSION**

**2022  
BUDGET**

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3. Wastewater Collection Department
4. Wastewater Treatment Department
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1. Department Summary
2. Funding Summary
3. Projects and Funding By Departments



**Grand Rapids Public Utilities**  
**2022 Budget Summary**  
**12/15/2021**

	Electric	Water	Wastewater Collection	Wastewater Treatment	Total
REVENUES:					
Operating	17,233,191	1,565,143	1,776,755	3,247,444	23,822,533
Other	111,339	252,517	11,890		375,746
<b>TOTAL REVENUES</b>	<b>17,344,530</b>	<b>1,817,660</b>	<b>1,788,645</b>	<b>3,247,444</b>	<b>24,198,279</b>
EXPENSES:					
Source of Supply	11,124,721				11,124,721
Production/Treatment	0	608,801	624,120	3,247,444	4,480,365
Distribution/Collection	941,448	395,446	847,621		2,184,515
Customer Accounting	340,422	91,935	69,762		502,119
Conservation Improvement Program	119,701	0	0		119,701
Administrative	1,014,334	372,103	245,048		1,631,485
Depreciation and Other	910,382	332,035	237,213		1,479,630
Interest on MPFA Notes		0	14,776		14,776
Interest on 2012D Bonds		11,065	0		11,065
Bond Fees-2012D		500	500		1,000
Other - Solar	140,964	0	0		140,964
PILOT City of Grand Rapids:	871,701	0	0		871,701
<b>TOTAL EXPENSES</b>	<b>15,463,673</b>	<b>1,811,885</b>	<b>2,039,040</b>	<b>3,247,444</b>	<b>22,562,042</b>
NET INCOME BEFORE OTHER INC AND EXP	1,880,857	5,775	(250,395)	0	1,636,237
OTHER REVENUES:					
Interest	30,226	0	0		30,226
Penalties	34,453	10,601	7,951		53,004
Lease Revenues	25,562	4,260	4,260		34,083
<b>TOTAL OTHER REVENUES</b>	<b>90,241</b>	<b>14,861</b>	<b>12,211</b>	<b>0</b>	<b>117,313</b>
OTHER EXPENSES:					
Service Center Operation & Maintenance	124,761	20,794	20,794		166,348
Service Center Depreciation & Amort	130,960	21,827	21,827		174,613
Communications Operation & Maintenance	3,375	563	563		4,500
Communications Depreciation	4,667	778	778		6,222
Depreciation - AMI	15,858	3,398	3,398		22,654
Amortization - AMI Intangibles	8,212	1,760	1,760		11,731
Interest Expense	0	0	0		0
<b>TOTAL OTHER EXPENSES</b>	<b>287,833</b>	<b>49,120</b>	<b>49,120</b>	<b>0</b>	<b>386,068</b>
<b>NET INCOME (LOSS)</b>	<b>1,683,265</b>	<b>(28,484)</b>	<b>(287,304)</b>	<b>0</b>	<b>1,367,482</b>
ADD:					
Depreciation and Amortization	910,382	332,035	237,213		1,479,630
Miscellaneous Depreciation and Amortization	159,697	27,763	27,763		215,223
<b>NET OPERATING CASH FLOW</b>	<b>2,753,344</b>	<b>331,314</b>	<b>(22,328)</b>	<b>0</b>	<b>3,062,335</b>

**Grand Rapids Public Utilities  
2022 Budget Summary  
12/15/2021**

	Electric	Water	Wastewater Collection	Wastewater Treatment	Total
<b>NET OPERATING CASH FLOW (from p. 1)</b>	<b>2,753,344</b>	<b>331,314</b>	<b>(22,328)</b>	<b>0</b>	<b>3,062,330</b>
<b>CAPITAL EXPENDITURES FINANCED BY OPERATIONS:</b>					
Electric, Water, Wastewater	0	0	0	(393,035)	(393,035)
Administration - General/Service Center	0	0	0	(14,520)	(14,520)
Combined	0	0	0		0
Domestic Plant			0	0	0
PUC Portion of Sec (30.0%) - deduct from replacement			(36,385)	36,385	0
City of Grand Rapids				0	0
Grant Funds				0	0
CONTRIBUTIONS LAPRAIRIE (4.52%)				1,995	1,995
CONTRIBUTIONS COHASSET (7.68%)				3,120	3,120
CONTRIBUTIONS FROM BLANDIN PAPER				366,055	366,055
<b>TOTAL CAPITAL FINANCED BY OPERATIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(36,385)</b>
<b>BOND PRINCIPAL PAYMENTS:</b>					
PFA Note 2009E (91.8 - 8.2)			(108,568)	(1,215,432)	(1,324,000)
WW Revenue Bonds 2011A - Refunding (final yr)			(76,000)	(304,000)	(380,000)
WW Revenue Bonds 2011A - Landfill (final yr)				(110,000)	(110,000)
Utility Revenue Bonds 2012D		(60,000)	(35,000)		(95,000)
Utility Revenue Bonds 2013C				(140,000)	(140,000)
Note Payable AMI	(120,230)	(25,763)	(25,763)		(171,756)
<b>BOND INTEREST PAYMENTS - WWTP:</b>					
PFA Note 2009E				(424,137)	(424,137)
WW Revenue Bonds 2011A - Refunding				(30,000)	(30,000)
WW Revenue Bonds 2011A - Landfill				(2,020)	(2,020)
Utility Revenue Bonds 2013C				(63,037)	(63,037)
<b>DEMAND PAYMENTS BLANDIN PAPER CO.</b>				<b>2,124,766</b>	<b>2,124,766</b>
<b>CAPITAL REPLACEMENT FUND ADDITIONS</b>	<b>(800,000)</b>	<b>(309,837)</b>	<b>(377,858)</b>		<b>(1,487,695)</b>
<b>CHANGE IN UNRESTRICTED RESERVES DUE TO OPERATIONS</b>	<b>1,833,114</b>	<b>(64,286)</b>	<b>(645,517)</b>	<b>(163,860)</b>	<b>1,123,311</b>

**Grand Rapids Public Utilities**  
**2022 Budget Summary**  
**12/15/2021**

	Electric	Water	Wastewater Collection	Wastewater Treatment	Total
<b>RESERVE FUNDS</b>					
<b>UNRESTRICTED/UNDESIGNATED RESERVES</b>					
Balance 1/01/2022					4,435,907
Net Addition (Reduction) Due to Operations					1,123,311
Capital from Unrestricted Reserves:					
<b>UNRESTRICTED AND UNDESIGNATED RESERVES 12/31/2022</b>					<b>5,559,218</b>
<b>RESTRICTED/DESIGNATED RESERVES</b>					
<b>Capital Replacement Funds 1/01/2022 (est)</b>	1,044,761	878,838	532,303		2,455,902
2022 Transfer from Revenues	800,000	309,837	377,858		1,487,695
2022 Capital from Infrastructure Replacement Fund	(800,543)	(54,660)	(550,099)		(1,405,302)
2022 Capital from Business Replacement Fund	(285,236)	(60,719)	(47,458)		(393,413)
2022 Combined Capital Expenditures-City share	(67,155)				(67,155)
2022 City Contributions	67,155	0	0		67,155
<b>Capital Replacement Funds 12/31/2022</b>	<b>758,982</b>	<b>1,073,296</b>	<b>312,604</b>		<b>2,144,882</b>
<b>Restricted Funds-Customer Deposits</b>					432,060
<b>Designated Funds-Disaster Recovery</b>					1,500,000
<b>RESTRICTED AND DESIGNATED RESERVES 12/31/2022</b>					<b>4,076,942</b>
<b>TOTAL RESERVES 12/31/2022</b>					<b>9,636,160</b>

GRAND RAPIDS PUBLIC UTILITIES  
Operating Budget - Electric  
For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
<b>ELECTRIC DEPARTMENT</b>					
<b>OPERATING REVENUES</b>					
City Residential Sales	\$3,713,421.05	\$4,035,745.59	\$3,230,202.23	\$3,869,329.39	\$3,852,055.72
City Commercial Sales	2,647,358.00	2,531,212.47	1,983,790.77	2,825,034.59	2,605,829.31
City Commercial Sales - EVC Sales		118.80	955.72		219.04
Rural Residential Sales	1,007,401.66	1,075,240.88	851,758.30	1,043,431.33	1,022,937.37
Rural Commercial Sales	338,166.36	338,026.47	293,472.87	355,407.53	342,410.66
City Demand and Energy	5,145,843.71	4,959,822.67	3,933,175.14	5,542,536.04	5,124,360.11
Rural Demand and Energy	230,675.67	210,819.50	174,450.05	234,965.60	235,058.52
City Industrial Sales	1,298,590.77	1,296,016.81	1,110,339.48	1,347,260.00	1,323,263.99
City Load Management Sales	205,900.87	194,592.27	123,047.92	217,460.01	200,600.95
Rural Load Management Sales	133,399.36	121,627.52	79,378.34	142,939.72	129,307.01
<b>TOTAL RETAIL SALES</b>	<b>14,720,757.45</b>	<b>14,763,222.98</b>	<b>11,780,570.82</b>	<b>15,578,364.21</b>	<b>14,836,042.68</b>
ADD: Purchased Power Adjustment Passthru	436,845.76	400,952.76	1,484,015.35	621,226.87	2,340,000.00
<b>TOTAL ELECTRIC SALES</b>	<b>15,157,603.21</b>	<b>15,164,175.74</b>	<b>13,264,586.17</b>	<b>16,199,591.08</b>	<b>17,176,042.68</b>
<b>OTHER SERVICES</b>					
Windsense Program Sales					
City Security Lighting	31,145.91	34,835.41	26,693.24	33,213.79	32,183.83
Rural Security Lighting	25,266.03	25,239.87	19,169.55	27,164.27	24,964.54
Public Street and Highway Lighting					
<b>TOTAL OTHER SERVICES</b>	<b>56,411.94</b>	<b>60,075.28</b>	<b>45,862.79</b>	<b>60,378.06</b>	<b>57,148.37</b>
<b>OTHER REVENUES</b>					
Connection Fees	19,797.09	25,285.20	58,764.90	25,000.00	19,800.00
Reconnection Fees	11,110.00	360.00	4,980.00	7,500.00	5,000.00
Pole Rentals	38,624.30	21,415.79		21,430.00	21,000.00
23 kV Capacity Lease	35,868.00	35,868.00	35,868.00	35,868.00	35,868.00
Merchandising and Jobbing (Net)	4,181.64	1,883.66	(237.85)	1,599.96	1,000.00
City of Grand Rapids Merch / Jobbing (Net)	1,716.98	1,329.44	196.03	480.00	670.92
Street Light Revenues (Net)	12,046.28	7,415.98	7,646.44	9,200.00	8,000.00
Equipment Rental Revenue					
Allowance for Funds Used During Construction					
Miscellaneous Income	30,049.49	26,830.05	202,030.95	24,999.96	20,000.00
<b>TOTAL OTHER REVENUES</b>	<b>153,393.78</b>	<b>120,388.12</b>	<b>309,248.47</b>	<b>126,077.92</b>	<b>111,338.92</b>
<b>TOTAL ELECTRIC REVENUES</b>	<b>15,367,408.93</b>	<b>15,344,639.14</b>	<b>13,619,697.43</b>	<b>16,386,047.06</b>	<b>17,344,529.97</b>
<b>ELECTRIC DEPARTMENT</b>					
<b>EXPENSES</b>					
Purchased Power	11,336,920.53	11,069,792.18	9,979,654.44	11,724,362.60	11,124,721.00
<b>OPERATING EXPENSES</b>					
Supervision and Engineering	88,121.52	89,308.13	65,426.11	91,476.96	90,495.12
Crew Personnel					230,682.72
Customer Service Engineer					
Substations	6,373.33	5,579.90	4,498.15	9,520.08	6,613.61
Overhead Lines	52,835.51	36,004.09	37,887.59	45,600.00	3,000.00
Underground Lines	96,141.07	55,104.11	8,464.53	50,000.04	6,000.00
Locating Expense	11,870.09	15,769.14	28,789.14	29,803.08	48,000.00
Street Lighting					
Security Lighting	(1,487.09)		52.87		
Meters	74,041.39	79,910.32	30,232.14	41,450.04	
Customer Installations	14,713.85	13,129.34	11,761.35	24,999.96	
Mapping Expense	57,115.39	34,139.32	42,571.78	92,443.56	
Small Tools Expense	15,026.70	17,832.55	21,792.81	27,999.96	27,999.96
Safety Expense	12,097.80	29,395.61	28,282.76	21,080.04	17,000.00
Seminar/Training Expense	12,617.12	11,590.32	4,676.71	24,999.96	12,000.00
Uniforms Expense	7,766.17	7,124.31	6,494.18	8,000.00	11,000.04
Miscellaneous Meetings	49,862.41	29,531.50	30,504.93	28,700.04	
Rentals	3,023.91	3,026.70	2,590.32	3,255.96	3,164.04
Stores Expense (Labor)	65,442.24	55,826.21	82,742.53	53,377.80	55,848.96

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Electric  
 For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
<b>TOTAL OPERATING EXPENSES</b>	<b>565,561.41</b>	<b>483,271.55</b>	<b>406,767.90</b>	<b>552,707.48</b>	<b>511,804.45</b>
<b>MAINTENANCE EXPENSES</b>					
Supervision and Engineering	88,120.86	89,127.73	65,385.77	91,476.96	90,308.76
Crew Personnel					158,000.00
Substation Structures		310.88			
Substations	73,802.85	55,007.89	42,802.28	83,181.96	60,335.04
Overhead Lines	87,874.31	115,832.74	38,482.40	114,680.04	21,999.96
Overhead Lines-Tree Trimming	90,025.80	58,944.17	43,348.76	100,000.00	80,000.00
Underground Lines	43,292.11	97,135.22	14,698.04	72,000.00	15,999.96
Underground Locates		1,053.36	117.92		
Line Transformers	6,914.00	777.64		6,000.00	2,500.08
Street Lighting		2,157.74			
Security Lighting		1,172.76	835.21		
Meters	2,315.60	4,167.61	30,918.95	45,450.00	500.04
Miscellaneous Plant					
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>392,345.53</b>	<b>425,687.74</b>	<b>236,589.33</b>	<b>512,788.96</b>	<b>429,643.84</b>
<b>OTHER EXPENSES</b>					
Truck Expense - Operation			(9,339.90)		
Truck Expense - Maintenance					
Operation & Maintenance - Misc Equip					
<b>TOTAL OTHER EXPENSES</b>			<b>(9,339.90)</b>		

**ELECTRIC DEPARTMENT**

<b>CUSTOMER ACCOUNTING EXPENSES</b>					
Supervision	22,850.38	(13,007.83)	77,776.94	72,680.64	29,161.80
Meter Reading	29,694.43	4,034.67	7,681.44		5,400.00
Customer Billing and Accounting	268,701.73	292,131.23	234,357.86	295,836.00	269,708.28
Collecting Expense	6,899.52	2,524.65	50.39	7,020.00	2,600.04
Uncollectible Accounts	12,405.81	12,273.82	11,999.12	51,600.00	17,652.00
Miscellaneous Expense				1,200.00	200.04
Customer Service & Information Expense	6,922.52			6,900.00	2,500.00
Miscellaneous Customer Information				504.00	13,200.00
<b>TOTAL CUSTOMER ACCOUNTING EXPENSES</b>	<b>347,474.39</b>	<b>297,956.54</b>	<b>331,865.75</b>	<b>435,740.64</b>	<b>340,422.16</b>
<b>CONSERVATION IMPROVEMENT PROGRAMS</b>					
Planning & Evaluation	14,991.64	28,101.84	11,435.59	12,000.00	18,136.56
Energy Star Appliance	4,895.76	4,027.40	12,230.40	2,199.96	18,136.56
Fluorescent LT Recycling		93.00		200.04	
Resident/Low Income Conservation	(2,000.00)		1,495.77	5,000.04	2,418.20
Commerical Energy Audits	35,005.91	36,847.03	21,332.30	32,000.04	30,227.56
Commerical Industrial Power Grade	55,392.05	69,535.52	25,510.27	51,999.96	36,273.07
Load Mgmt Efficiency					
Windsense - Admin Exp					
Education	12,243.50	12,356.00	10,019.50	10,800.00	14,509.23
<b>TOTAL CONSERVATION IMPROVEMENT PROGRAMS</b>	<b>120,528.86</b>	<b>150,960.79</b>	<b>82,023.83</b>	<b>114,200.04</b>	<b>119,701.18</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>					
Administrative & General Salaries	139,208.76	144,137.07	127,881.89	184,648.80	163,743.36
Commissioner Salaries	8,859.58	8,402.52	6,533.63	7,899.12	8,711.64
City Treasurer Salary	462.00	462.00		462.00	462.00
General Office Supplies and Phone	3,669.99	3,563.74	9,368.75	4,500.00	6,500.04
Telephone Expense	14,109.14	13,293.47	11,119.82	13,051.72	15,639.84
Accounting Outside Service	17,392.20	17,808.00	18,463.20	18,000.00	18,500.00
Data Processing Outside Service	53,468.58	55,390.69	50,474.00	55,860.00	58,500.00
Legal Outside Services	9,458.34	9,442.79	6,096.82	8,544.80	30,000.00
Engineering Outside Service		38,875.00		18,000.00	5,000.04
Other - Outside Service	27,962.44	5,642.92	3,076.03	5,000.00	5,000.04
Fiber Optic Outside Service					
Insurance - Fire	2,067.30	2,292.06	1,805.04	2,391.00	2,523.36
Insurance - Liability	29,083.12	26,951.61	20,013.39	26,084.60	28,860.24
Insurance - Worker's Compensation	30,707.00	25,343.00	19,249.24	28,747.00	29,169.96
Insurance - Worker's Comp Deductible					
Insurance - Auto	3,142.25	2,964.82	2,367.75	2,983.42	3,626.76

GRAND RAPIDS PUBLIC UTILITIES  
Operating Budget - Electric  
For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
Insurance - Miscellaneous	1,000.74	1,104.67	978.15	1,272.19	1,416.00
Insurance Claims- Injuries & Damages	1,170.81			500.00	
Insurance - Group Health	317,414.57	321,475.80	185,743.82	300,666.12	231,878.64
Insurance - Group Health Co-insurance	314.96				
Insurance - Group Health HSA funding	33,313.73	38,691.00	48,904.94	77,757.36	60,032.04
Insurance - Group Life	2,609.19	2,396.91	1,774.88	2,922.72	2,731.68
Employee Assistance Programs					
Insurance - Group Dental	10,161.45	10,114.38	10,045.93	14,668.44	12,692.52
Third Party Administrative Cost	953.27	986.42	707.83	972.24	654.24
FICA					
PERA	(4,078.62)	(45,111.00)			
Deferred Compensation					
Paid Time Off	202,885.35	192,499.38	141,769.61	208,860.96	198,563.64
Extended Illness Benefit	8,099.71	9,630.76	760.21	10,712.45	
Short-Term Disability Payments					
Disability Insurance	6,770.86	9,555.40	7,780.71	10,606.32	10,175.04
Unemployment Compensation		6,660.00		3,250.04	
Membership - APPA	9,265.25	9,419.47		11,118.30	9,605.76
Membership - NEMPA	2,000.00	2,000.00	2,000.00	2,000.00	2,000.04
Membership - MMUA	29,227.00	30,426.00	30,426.00	30,426.00	30,426.00
Membership - NMMEA					
Membership - Other	1,853.05	1,883.89			1,921.20
Amortize Service Territory Costs	34,337.49	34,337.49		20,642.00	34,500.00
Miscellaneous General Expense	(27,923.92)	36,514.42	17,126.17	21,600.00	30,000.00
Office Equip Rental & Maintenance	11,596.53	11,430.80	7,899.69	9,924.00	11,499.96
Maintenance of General Plant					
<b>TOTAL ADMINISTRATIVE AND GENERAL EXPENSES</b>	<b>980,562.12</b>	<b>1,028,585.48</b>	<b>732,367.50</b>	<b>1,104,071.60</b>	<b>1,014,334.04</b>
<b>OPERATING INCOME BEFORE DEPRECIATION</b>	<b>1,624,016.09</b>	<b>1,888,384.86</b>	<b>1,859,768.58</b>	<b>1,942,175.74</b>	<b>3,803,903.30</b>
LESS:					
Depreciation	853,086.68	1,104,806.65	680,470.59	1,055,004.00	908,136.84
Amortization Computer Intangibles	3,085.00	3,085.00	1,683.90	3,084.00	2,245.20
<b>TOTAL OPERATING EXPENSES</b>	<b>14,599,564.52</b>	<b>14,564,145.93</b>	<b>12,442,083.34</b>	<b>15,501,959.32</b>	<b>14,451,008.71</b>
<b>NET OPERATING INCOME</b>	<b>767,844.41</b>	<b>780,493.21</b>	<b>1,177,614.09</b>	<b>884,087.74</b>	<b>2,893,521.26</b>
<b>OTHER INCOME</b>					
Extraordinary Income (Loss)					
Property Disposition Gain (Loss)	11,650.00				
Contributions - (Capital)	1,364,096.01				
Grant Revenues		10,065.28			
<b>TOTAL OTHER INCOME</b>	<b>1,375,746.01</b>	<b>10,065.28</b>			
<b>OTHER EXPENSES</b>					
Payment in Lieu of Tax to City - cash	868,000.00	868,000.00	651,000.01	868,000.00	868,000.00
Payment in Lieu of Tax to City - Composte P	3,915.89	3,855.67	3,404.01	4,200.00	3,700.52
Payment in Lieu of Tax to City - Electric Dept		1,681.10	6,028.68		
Payment in Lieu of Tax to City - W/S Dept					
Payment in Lieu of Tax - Other					
Solar Garden Payment					140,964.00
<b>TOTAL OTHER EXPENSES</b>	<b>871,915.89</b>	<b>873,536.77</b>	<b>660,432.70</b>	<b>872,200.00</b>	<b>1,012,664.52</b>
<b>ELECTRIC DEPARTMENT NET INCOME</b>	<b>1,271,674.53</b>	<b>(82,978.28)</b>	<b>517,181.39</b>	<b>11,887.74</b>	<b>1,880,856.74</b>

GRAND RAPIDS PUBLIC UTILITIES  
Operating Budget - Water  
For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
<b>WATER DEPARTMENT</b>					
<b>OPERATING REVENUES</b>					
City Water Residential Sales	\$596,140.69	\$619,545.14	\$505,685.64	\$622,372.50	\$607,659.62
City Water Commercial Sales	571,391.51	524,541.82	477,767.86	548,700.00	550,596.37
City Multi-Family Sales	241,492.48	247,837.05	186,826.86	238,032.00	235,600.89
City Industrial Sales	97,313.25	98,082.08	77,714.46	87,514.00	92,153.51
City Industrial Sales - Internal	37,166.77	41,856.86	54,328.94	32,334.92	44,381.35
Rural Water Sales					
Public Authorities Water Sales	34,759.52	35,253.12	29,329.26	31,950.00	34,751.18
<b>TOTAL OPERATING REVENUES</b>	<b>1,578,264.22</b>	<b>1,567,116.07</b>	<b>1,331,653.02</b>	<b>1,560,903.42</b>	<b>1,565,142.92</b>
<b>OTHER REVENUES</b>					
Service Connections	11,549.00	10,098.00	20,566.00	10,000.00	12,830.12
Permit Fees	1,235.00	1,000.00	1,595.00	935.00	1,277.00
Thawing Service	920.00	330.00	960.00	910.00	580.00
Water Shutoff Fees					
Merchandising and Jobbing (Net)	3,539.60	1,072.21	548.88	3,500.00	3,500.00
City of Grand Rapids Jobbing (Net)	(1.66)		118.10	3,600.00	3,600.00
City of LaPrairie Jobbing (Net)	16,399.64	3,212.20	694.75	18,400.00	21,200.00
Equipment Rental Revenue					
Antenna Rental Revenue	185,512.07	190,903.66	145,450.99	196,349.04	196,349.04
Miscellaneous Income	10,712.27	10,744.03	8,527.72	9,050.00	13,181.25
<b>TOTAL OTHER REVENUES</b>	<b>229,865.92</b>	<b>217,360.10</b>	<b>178,461.44</b>	<b>242,744.04</b>	<b>252,517.41</b>
<b>TOTAL WATER REVENUES</b>	<b>1,808,130.14</b>	<b>1,784,476.17</b>	<b>1,510,114.46</b>	<b>1,803,647.46</b>	<b>1,817,660.33</b>
<b>EXPENSES</b>					
<b>PRODUCTION OPERATION EXPENSE</b>					
Supervision and Engineering				4,137.96	
WTP Operators Wages	122,809.82	127,170.16	93,740.42	136,080.00	131,237.28
WTP Operators Wages - OT	29,866.19	31,466.14	25,362.66	18,000.00	35,274.72
Other Operating Wages					48,000.00
Water Treatment Expense	89,041.60	111,014.18	91,288.25	96,156.00	101,460.00
Heating Fuel					
Station Supplies and Expenses	2,736.90	2,469.16	2,260.25	2,500.00	2,325.00
Permits and Fees	3,610.31	3,654.44	3,893.37	3,600.00	3,900.00
Miscellaneous Production Expense	16,470.70	12,450.36	13,457.86	13,500.00	15,000.00
Power Purchased	169,963.79	168,760.15	143,277.92	167,836.00	166,570.00
<b>TOTAL PRODUCTION OPERATION EXP</b>	<b>434,499.31</b>	<b>456,984.59</b>	<b>373,280.73</b>	<b>441,809.96</b>	<b>503,767.00</b>
<b>PRODUCTION MAINTENANCE EXPENSE</b>					
Supervision	209.02			4,080.00	
WTP Buildings and Grounds	9,930.41	6,761.18	15,357.90	8,960.00	18,600.00
WTP HVAC System	633.65		53.68	800.00	1,000.00
Wellhouses	2,877.84	1,828.16	5,708.06	4,500.00	4,500.00
Wellhead Protection				1,000.00	1,000.00
Wells, Pumps and Mains	1,699.33	4,181.30	3,734.71	2,400.00	2,400.00
Maintenance of WTP Equipment	40,548.97	62,364.13	35,711.00	53,600.00	60,490.00
Maintenance of SCADA System - WTP	7,921.56	6,954.36	7,468.26	8,490.00	8,040.00
Underground Clearwell				4,000.00	5,500.00
Maintenance Inspections - WTP	10,593.82	4,629.79	2,103.07	8,400.00	3,504.00
<b>TOTAL PRODUCTION MAINTENANCE EX</b>	<b>74,414.60</b>	<b>86,718.92</b>	<b>70,136.68</b>	<b>96,230.00</b>	<b>105,034.00</b>
<b>DISTRIBUTION OPERATION EXPENSE</b>					
Supervision and Engineering	27,437.05	29,361.26	29,916.76	24,096.84	38,592.96
Records (Mapping-Meters-Valves)	4,714.43	10,527.28	1,106.61	10,080.00	4,800.00
Maintenance Inspections	619.08	6,325.36	8,616.17	4,080.00	9,000.00
Thaw/Flush Hydrants, Mains, Services	18,498.45	4,931.67	2,342.28	9,700.00	11,700.00
Locating Expense	15,685.53	21,104.64	11,151.72	10,518.72	21,000.00
Service on Customer Premises	21,008.19	7,371.79	19,931.92	6,960.00	21,996.00

GRAND RAPIDS PUBLIC UTILITIES  
Operating Budget - Water  
For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
Mapping Expense	28,553.29	30,799.16	25,208.55	15,407.28	34,272.00
Small Tools Expense	1,665.17	3,412.39	2,191.29	2,400.00	2,400.00
Safety Expense	5,683.21	9,000.30	13,658.32	6,015.48	16,500.00
Seminar/Training Expense	19,286.72	14,211.13	15,250.22	19,200.00	19,200.00
Uniforms Expense	78.94	56.91	209.72	300.00	300.00
Miscellaneous Meetings					
Rentals			2.49		
Stores Expense (Labor)	836.58	15,074.25	20,729.09	13,604.64	14,255.04
<b>TOTAL DISTRIBUTION OPERATION EXP</b>	<b>144,066.64</b>	<b>152,176.14</b>	<b>150,315.14</b>	<b>122,362.96</b>	<b>194,016.00</b>
<b>WATER DEPARTMENT</b>					
<b>DISTRIBUTION MAINTENANCE EXPENSE</b>					
Supervision					
Towers and Tanks	2,235.43	6,484.15	12,872.67	5,000.00	5,000.00
Elevated Tank Control System	840.81	2,089.14	370.63	2,400.00	2,400.00
Booster Pump (21st St SW)	320.22	303.00	2,538.31	1,200.00	2,130.00
Booster Station	385.41		24.99	500.00	500.00
Mains and Hydrants	108,480.20	138,680.98	67,286.46	188,720.00	160,500.00
Services	18,326.14	9,018.65	27,563.29	24,740.00	28,500.00
Meters and Meter Installations	(366.58)	(2,552.98)	3,941.34	2,000.00	2,400.00
Miscellaneous Distribution Expense	472.37	147.38	3,829.96	2,000.00	
<b>TOTAL DISTRIBUTION MAINTENANCE EXP</b>	<b>130,694.00</b>	<b>154,170.32</b>	<b>118,427.65</b>	<b>226,560.00</b>	<b>201,430.00</b>
<b>OTHER EXPENSES</b>					
Truck Expense - Operation			(1,237.84)		
Truck Expense - Maintenance					
Operation & Maintenance - Misc Equip					
<b>TOTAL OTHER EXPENSES</b>			<b>(1,237.84)</b>		
<b>CUSTOMER ACCOUNTING EXPENSES</b>					
Supervision	7,030.92	(4,002.37)	23,931.34	22,363.20	8,225.14
Meter Reading	8,948.43	1,617.90	1,564.50		
Customer Billing and Accounting	82,538.24	89,886.58	72,109.67	94,548.36	82,910.28
Collecting Expense	2,224.65	700.38		2,220.00	800.04
Miscellaneous Expense	275.00	214.99	189.99	300.00	
Miscellaneous Customer Information				600.00	
<b>TOTAL CUSTOMER ACCOUNTING EXPENSE</b>	<b>101,017.24</b>	<b>88,417.48</b>	<b>97,795.50</b>	<b>120,031.56</b>	<b>91,935.46</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>					
Administrative & General Salaries	42,833.24	44,349.48	39,348.30	56,815.08	50,382.60
Commissioner Salaries	2,726.08	2,585.46	2,010.35	2,430.48	2,680.44
City Treasurer Salary	165.00	165.00		165.00	165.00
General Office Supplies and Phone	4,553.64	4,619.83	6,066.72	4,179.60	5,716.44
Accounting Outside Service	6,211.50	6,360.00	6,594.00	6,552.00	6,413.00
Data Processing Outside Service	20,259.31	21,431.91	19,633.43	20,760.00	16,500.00
Legal Outside Services	6,234.93	5,159.95	3,633.04	4,731.72	10,471.80
Engineering Outside Service	22,412.50	6,800.00	3,400.00	15,000.00	45,000.00
Other- Outside Services	251.72	579.74	228.54	500.00	500.00
Fiber Optic Outside Service					
Insurance - Fire	5,497.92	5,869.00	4,614.60	6,127.00	6,421.68
Insurance - Liability	8,487.23	5,621.15	2,948.31	3,600.41	4,752.96
Insurance - Worker's Compensation	7,624.00	5,702.00	9,264.78	8,299.00	8,778.00
Insurance - Worker's Comp Deductible					
Insurance - Auto	571.20	614.94	455.64	677.94	482.88
Insurance - Miscellaneous	613.86	630.74	399.54	520.52	576.72
Insurance Claims - Injuries & Damages			9,979.69	500.00	
Insurance - Group Health	122,054.09	126,465.59	87,091.98	125,533.20	110,677.56
Insurance - Group Health Co-insurance	96.92				
Insurance - Group Health HSA funding	12,279.95	14,760.04	20,784.97	32,510.04	29,720.04
Insurance - Group Life	1,098.67	1,009.26	747.37	1,247.40	1,188.60
Employee Assistance Programs					
Insurance - Group Dental	3,892.00	3,976.65	4,473.60	6,187.32	5,719.20
Third Party Administrative Cost	304.26	314.82	225.91	413.52	303.48



GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Water  
 For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
FICA					
PERA	(1,090.36)	(19,173.00)			
Paid Time Off	64,850.43	59,180.42	53,893.91	53,161.92	61,600.80
Extended Illness Benefit	3,884.81	8,114.22	221.09	4,851.60	
Short-Term Disability Payments					
Disability Insurance	2,043.89	2,902.25	2,149.62	4,109.52	4,051.44
Unemployment Compensation				999.96	
Lump Sum Payments					
Miscellaneous General Expense	(9,903.22)	10,350.13	5,964.19	6,000.00	
Maintenance of General Plant	2,859.94	2,344.32	2,057.85	2,280.00	
<b>TOTAL ADMINISTRATIVE AND GENERAL</b>	<b>330,813.51</b>	<b>320,733.90</b>	<b>286,187.43</b>	<b>368,153.23</b>	<b>372,102.64</b>
Depreciation	305,679.58	325,827.13	248,120.34	320,400.00	331,035.12
Amortization Bond Discount & Expense	973.56	973.56		974.00	1,000.00
Amortization Expense, Intangibles					
<b>TOTAL OPERATING EXPENSES</b>	<b>1,522,158.44</b>	<b>1,586,002.04</b>	<b>1,343,025.63</b>	<b>1,696,521.71</b>	<b>1,800,320.22</b>
<b>NET OPERATING INCOME</b>	<b>285,971.70</b>	<b>198,474.13</b>	<b>167,088.83</b>	<b>107,125.75</b>	<b>17,340.11</b>
<b>OTHER INCOME</b>					
Extraordinary Income (Loss)					
Property Disposition Gain (Loss)	(105,172.00)	1,125.00			
<b>TOTAL OTHER INCOME</b>	<b>(105,172.00)</b>	<b>1,125.00</b>			
<b>OTHER EXPENSES</b>					
Interest Expense - 2012D Bonds	25,830.00	24,630.00	13,580.71	23,430.00	11,065.00
Interest Expense - 1999 Water Revenue N	1,294.65				
Bond Fees - 2012D	532.72	1,131.58	492.20	552.00	500.00
<b>TOTAL OTHER EXPENSES</b>	<b>27,657.37</b>	<b>25,761.58</b>	<b>14,072.91</b>	<b>23,982.00</b>	<b>11,565.00</b>
<b>WATER DEPARTMENT NET INCOME</b>	<b>153,142.33</b>	<b>173,837.55</b>	<b>153,015.92</b>	<b>83,143.75</b>	<b>5,775.11</b>

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Collection  
 For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
<b>WASTEWATER COLLECTION DEPARTMENT</b>					
<b>OPERATING REVENUES</b>					
Collections - City Residential	\$727,197.01	\$733,023.05	\$583,116.78	\$735,000.00	\$731,431.73
Collections- City Commercial	799,491.14	737,707.56	590,941.32	780,642.50	774,854.24
Collections- City Multi-Family					
Collections- Rural Residential	799.95	811.20	573.60	840.00	768.77
Collections - Rural Commercial	3,741.90	3,978.15	2,752.08	3,840.00	3,709.84
Collections - Public Authority	144,393.70	140,931.40	91,081.10	134,300.00	141,656.54
Septage Hauler - Regular Fees	90,898.50	129,671.86	86,721.40	93,800.00	102,983.04
Septage Hauler - Holding Tank Fee	20,172.25	24,858.95	33,087.74	15,310.00	21,351.50
Septage Hauler - Biosolids Disposal					
<b>TOTAL OPERATING REVENUES</b>	<b>1,786,694.45</b>	<b>1,770,982.17</b>	<b>1,388,274.02</b>	<b>1,763,732.50</b>	<b>1,776,755.66</b>
<b>OTHER REVENUES</b>					
Service Connections	900.00	1,000.00	1,300.00	800.00	800.00
Permit Fees	1,085.00	935.00	1,530.00	680.00	680.00
Septage Hauler - Permit Fees	100.00	175.00	200.00	125.00	155.00
Thawing Service					
Septic Tank Disposal					
Merchandising & Jobbing (Net)	907.79	4,442.88	2,755.55	820.00	1,820.00
City of Grand Rapids Merch & Jobbing (Net)	91.49		118.09	800.00	1,300.00
City of LaPrairie Merch/ Jobbing (Net)	2,057.14	7,682.09	1,791.68	400.00	1,200.00
Jetting Service	891.71	2,169.02	520.38	750.00	700.00
Equipment Rental Revenue					
Miscellaneous Income	6,828.86	6,372.51	4,446.73	5,235.00	5,235.00
<b>TOTAL OTHER SERVICES</b>	<b>12,861.99</b>	<b>22,776.50</b>	<b>12,662.43</b>	<b>9,610.00</b>	<b>11,890.00</b>
<b>TOTAL WASTEWATER COLLECTION REVENUES</b>	<b>1,799,556.44</b>	<b>1,793,758.67</b>	<b>1,400,936.45</b>	<b>1,773,342.50</b>	<b>1,788,645.66</b>

**WASTEWATER COLLECTION DEPARTMENT**

**EXPENSES**

**OPERATING EXPENSES**

Supervision and Engineering	26,323.16	26,142.84	18,922.67	24,096.84	25,901.52
Crew Personnel					116,695.92
Records	469.49	329.67	281.48	3,000.00	2,700.00
Maintenance Inspections	99.00		638.88	300.00	1,000.00
Thawing Mains & Services	72.26			500.00	500.00
Locating Expense	9,136.91	9,876.72	8,263.71	6,428.16	14,000.00
Services on Customer Premises	359.15	424.02	556.47	580.00	700.00
Mapping Expense	28,553.18	30,778.77	25,208.55	15,407.28	28,680.00
Small Tools Expense	487.98	919.46	553.77	1,170.00	1,200.00
Safety Expense	2,042.11	3,467.17	3,967.86	3,008.88	6,000.00
Seminar/Training Expense	7,599.86	1,262.49	5,495.48	5,400.00	6,300.00
Uniforms Expense	69.35	56.91	95.08	200.00	200.04
Miscellaneous Meetings				150.00	150.00
Rentals					
Stores Expense (Labor)	84.82	3,056.02	4,566.41	2,630.88	2,760.96
Power Purchased	14,396.93	14,327.33	11,512.40	14,405.00	14,465.00
<b>TOTAL OPERATING EXPENSES</b>	<b>89,694.20</b>	<b>90,641.40</b>	<b>80,062.76</b>	<b>77,277.04</b>	<b>221,253.44</b>

**MAINTENANCE EXPENSES**

Supervision and Engineering					
Lift Station Buildings		30.00			
Lift Station Pumps	40,004.67	38,226.54	75,807.90	46,760.00	33,000.00
Mains	34,382.15	81,456.05	54,305.86	87,219.76	584,968.00
Services	5,685.20	7,323.44	3,517.36	10,200.00	8,400.00
Miscellaneous Expenses	194.08	330.18	6,310.97	600.00	
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>80,266.10</b>	<b>127,366.21</b>	<b>139,942.09</b>	<b>144,779.76</b>	<b>626,368.00</b>

**OTHER EXPENSES**

Truck Expense - Operation			3,596.75		3,600.00
Truck Expense - Maintenance					
Operation & Maintenance - Misc Equip					

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Collection  
 For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
<b>TOTAL OTHER EXPENSES</b>			<b>3,596.75</b>		<b>3,600.00</b>
<b>WASTEWATER DEPARTMENT</b>					
<b>CUSTOMER ACCOUNTING EXPENSES</b>					
Supervision	5,273.21	(3,001.81)	17,948.52	16,772.40	6,729.60
Meter Reading	6,511.98				
Customer Billing and Accounting	61,906.46	67,415.24	54,082.69	70,786.20	62,132.64
Collecting Expense	1,832.29	525.35		1,800.00	600.00
Miscellaneous Expense	40.00	215.00	2,454.00	240.00	180.00
Miscellaneous Customer Information			1,166.00	120.00	120.00
<b>TOTAL CUSTOMER ACCOUNTING EXPENSES</b>	<b>75,563.94</b>	<b>65,153.78</b>	<b>75,651.21</b>	<b>89,718.60</b>	<b>69,762.24</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>					
Supervision	32,125.12	33,262.61	29,511.16	42,611.28	37,786.92
Commissioner Salaries	2,044.50	1,939.12	1,507.85	1,822.80	2,010.36
City Treasurer Salary	110.00	110.00		110.00	110.04
General Office Supplies and Phone	3,067.61	3,217.59	4,013.93	2,879.52	4,417.68
Accounting Outside Service	4,141.00	4,240.00	4,396.00	4,305.00	4,392.00
Data Processing Outside Service	10,999.00	11,457.56	10,443.05	12,000.00	8,940.00
Legal Outside Services	4,478.13	3,048.44	45,574.82	3,014.28	14,512.20
Engineering Outside Service	35,812.50	1,900.00	1,900.00	35,000.00	20,000.00
Other - Outside Services	147.85	331.06	130.51	500.00	500.00
Fiber Optic Outside Service					
Insurance - Fire	653.40	550.50	431.85	573.00	601.68
Insurance - Liability	7,356.90	8,250.86	8,665.38	9,916.70	15,347.16
Insurance - Worker's Compensation	22,393.00	19,093.00	5,412.22	14,097.00	13,350.00
Insurance - Worker's Comp Deductible					
Insurance - Auto	571.20	935.71	935.31	1,319.47	1,140.84
Insurance - Miscellaneous	537.10	553.19	351.87	441.29	543.36
Insurance Claims - Injuries & Damages	500.00		1,750.00	500.00	10,000.00
Insurance - Group Health	69,943.01	71,727.28	42,978.54	64,363.56	53,892.00
Insurance - Group Health Co-insurance	72.68				
Insurance - Group Health HSA funding	7,042.99	8,508.96	14,212.47	16,632.48	14,468.04
Insurance - Group Life	557.81	512.44	379.45	617.88	573.72
Employee Assistance Programs					
Insurance - Group Dental	2,249.55	2,289.78	2,221.63	3,129.00	2,809.44
Third Party Administrative Cost	162.24	167.90	120.48	205.08	146.16
FICA					
PERA	(738.52)	(10,150.00)			
Paid Time Off	38,614.65	35,896.47	29,452.09	36,757.80	30,518.88
Extended Illness Benefit	2,202.97	2,816.63	188.25	3,026.52	
Short-Term Disability Payments					
Disability Insurance	1,173.24	1,608.24	1,139.54	2,110.08	2,027.88
Unemployment Compensation				750.00	
Lump Sum Payments					
Miscellaneous General Expense	(5,439.43)	5,574.34	3,722.35	4,200.00	4,800.00
Maintenance of General Plant	2,027.47	1,499.63	1,385.21	2,160.00	2,160.00
Environmental Programs					
<b>TOTAL ADMINISTRATIVE AND GENERAL EXP</b>	<b>242,805.97</b>	<b>209,341.31</b>	<b>210,823.96</b>	<b>263,042.74</b>	<b>245,048.36</b>
<b>DOMESTIC PLANT EXPENSES</b>					
Power Purchased	46,019.90	44,734.86	37,005.33	45,000.00	45,000.00
Water Purchased	4,689.42	4,818.38	3,829.39	4,300.00	4,300.00
Wastewater Collection Services Purchased	5,803.20	5,956.80	4,724.40	4,999.99	4,999.99
Supervision and Engineering				500.00	
Labor					
Chemicals					
Heating Fuel					
Miscellaneous Supplies and Expense					
Maintenance - Building and Fixtures	1,388.79	1,546.18	1,611.76	3,500.00	3,500.00
Maintenance - Treatment Facilities and Equip	29,950.48	22,867.18	13,796.58	20,000.00	19,020.00
Maintenance - Tools and Equipment					
Miscellaneous Maintenance Expense			836.40		2,200.00
Maintenance Inspections					

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Collection  
 For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
Insurance - All, Expired	771.72	686.50	538.38	718.00	742.68
Miscellaneous General and Admin Expense					
<b>TOTAL DOMESTIC EXPENSE</b>	<b>88,623.51</b>	<b>80,609.90</b>	<b>62,342.24</b>	<b>79,017.99</b>	<b>79,762.67</b>
<b>DOMESTIC PORTION SECONDARY PLANT</b>	<b>422,020.07</b>	<b>423,425.33</b>	<b>385,010.16</b>	<b>418,868.22</b>	<b>477,636.91</b>
<b>DOMESTIC PORTION OF SERVICE CTR</b>	<b>9,716.00</b>	<b>9,992.07</b>	<b>8,106.46</b>	<b>10,073.48</b>	<b>19,119.49</b>
<b>DOMESTIC PORTION OF SLUDGE DISPOSAL</b>	<b>140,403.94</b>	<b>50,293.08</b>	<b>5,989.70</b>		<b>44,000.00</b>
<b>OPERATING INCOME BEFORE DEPRECIATION</b>	<b>650,462.71</b>	<b>736,935.59</b>	<b>429,411.12</b>	<b>690,564.67</b>	<b>2,094.55</b>
<b>LESS:</b>					
Depreciation	142,340.18	190,015.22	177,534.99	181,704.00	236,713.32
Amortization - Debt Discount and Expense	519.96	519.96		520.00	500.00
Amortization Computer Intangibles					
<b>TOTAL OPERATING EXPENSES</b>	<b>1,291,953.87</b>	<b>1,247,358.26</b>	<b>1,149,060.32</b>	<b>1,265,001.83</b>	<b>2,023,764.43</b>
<b>NET OPERATING INCOME</b>	<b>507,602.57</b>	<b>546,400.41</b>	<b>251,876.13</b>	<b>508,340.67</b>	<b>(235,118.77)</b>
<b>ADD:</b>					
Extra Ordinary Income (Loss)					
Gain (Loss) on Property Disposition	5,000.00		27,500.00		
Grant Revenues					
<b>LESS:</b>					
Interest Expense, 2012D Bonds	12,665.80	11,965.85	6,674.49	11,172.00	14,776.00
Bond Fees - 2012D	284.59	604.53	232.80	285.00	500.00
Operating Transfers to City					
<b>WASTEWATER COLLECTION DEPT NET INCOME</b>	<b>499,652.18</b>	<b>533,830.03</b>	<b>272,468.84</b>	<b>496,883.67</b>	<b>(250,394.77)</b>

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Treatment  
 For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget

**WASTEWATER TREATMENT PLANT**

**OPERATING REVENUES**

Screen House	\$258,620.05	\$266,991.11	\$374,223.14	\$254,114.46	\$245,183.32
Industrial Waste Treatment					
Primary Plant II Waste Treatment	1,705,172.26	1,778,803.18	977,968.83	1,331,567.42	1,358,428.44
Sludge Disposal	407,837.03	378,955.36	349,049.89	502,695.47	466,736.28
WWTP Service Center Building	129,083.44	132,751.94	79,935.11	133,832.74	125,095.39
Secondary Waste Treatment	985,185.71	1,034,087.36	924,131.47	997,709.24	1,052,000.69
WWTP Revenue (Exp) Suspense					
<b>Total Waste Treatment Revenue</b>	<b>3,485,898.49</b>	<b>3,591,588.95</b>	<b>2,705,308.44</b>	<b>3,219,919.33</b>	<b>3,247,444.12</b>

**Screen House Expenses**

Supervision	6,857.89	7,104.84	4,594.65	4,819.32	6,510.12
Operating Labor	21,389.06	21,215.71	15,505.32	19,656.00	21,550.20
Overtime - Operator Labor	3,879.06	4,199.61	3,349.83	1,812.00	5,126.52
Pera (Public Employee Retirement)	(236.78)				
Group Insurance	15,291.91	17,058.36	8,360.21	12,168.72	10,824.48
Co-Insurance Payments	52.85				
HSA Funding	1,611.00	2,028.00	2,062.44	3,125.04	2,775.96
Life Insurance	168.11	154.41	114.36	105.00	100.80
Employee Assistance Programs					
Dental Insurance	479.18	532.17	433.35	607.56	568.32
Third Party Administrative Cost	60.89	62.96	45.19	35.40	23.88
Other Fringe Costs (PTO & EIB)	9,123.37	9,062.02	4,479.22	7,200.00	8,450.40
Short-Term Disability Payments					
Disability Insurance	592.36	866.25	634.96	357.48	352.32
Supplies and Sundries	241.91	214.58	545.21	800.00	800.00
Uniforms Expense	20.30	62.59	7.05	80.00	99.96
Fuel - Heating	3,212.33	3,039.12	2,677.69	4,150.00	4,350.00
Fuel - Trucks					
Engineering Expense					
Administrative Expense	17,796.75	24,463.89	14,640.27	21,120.00	12,103.44
Safety Expense	1,195.95	1,796.49	1,425.34	1,880.28	1,800.00
Seminars	423.52	484.61	441.63	1,000.00	1,000.00
Miscellaneous Meetings					
Insurance	6,711.14	4,881.61	5,651.41	4,492.38	3,748.80
Worker Compensation Deductible					
Permits					
Legal	1,036.13	875.83	704.75	905.28	1,998.12
Records					
Telephone					
Misc Capital Exp Work in Prog			163,860.25		
Misc Capital Expenditures					
DCS Support Contract	2,810.35	3,523.15	1,963.38	4,500.00	3,700.00
Screens-Conveyors-Spray Water	9,367.97	12,006.60	3,015.29	12,000.00	12,000.00
Sewage Pumps	13,024.20	3,925.90	4,910.11	24,000.00	21,600.00
Bark Trucks	385.66	127.25			
Electric Motors & Controls	20,531.32	4,178.21	3,997.01	2,000.00	5,000.00
Instrumentation	3,917.33	3,011.00	771.16	3,400.00	3,400.00
Buildings and Grounds	14,719.91	32,706.95	8,800.35	15,000.00	15,000.00
Maintenance Inspection	302.85	1,170.64	347.47		
Force Mains & Manholes	529.14	3,151.78	600.00	3,000.00	3,000.00
Power Purchased	92,269.69	94,790.60	88,492.26	95,400.00	90,000.00
Utilities - Use Tax					
Water Purchased	10,854.70	8,419.48	9,157.97	10,500.00	9,300.00
<b>Total Screen House Expense</b>	<b>258,620.05</b>	<b>265,114.61</b>	<b>351,588.13</b>	<b>254,114.46</b>	<b>245,183.32</b>

**Primary Plant II Waste Treatment Expense**

Supervision	24,965.06	25,893.26	16,537.12	16,867.80	23,508.60
Operating Labor	246,563.92	242,901.97	97,352.97	119,700.00	172,805.52

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Treatment  
 For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
Overtime - Operating Labor	58,187.87	62,991.63	24,679.81	51,000.00	53,497.32
Pera (Public Employee Retirement)	(1,691.82)				
Group Insurance	118,453.72	122,285.69	41,361.58	60,843.72	53,857.68
Co-Insurance Payments	211.38				
HSA Funding	11,794.00	14,352.00	10,031.22	15,624.96	13,574.04
Third Party Administrative Cost	385.25	398.80	286.11	176.16	114.48
Life Insurance	1,050.50	965.02	714.54	525.00	508.20
Employee Assistance Programs					
Dental Insurance	3,506.20	3,896.55	2,176.92	3,037.56	2,880.60
Other Fringe Costs (PTO & EIB)	63,887.89	61,139.55	22,133.44	45,600.00	51,117.96
Short-Term Disability Payments					
Disability Insurance	1,975.23	2,886.91	2,117.28	3,004.44	1,724.76
Supplies and Sundries	148.41	796.89	1,047.88	1,200.00	1,200.00
Tools	1,895.20	2,869.46	2,020.14	4,500.00	4,500.00
Electric Tools & Equipment				4,500.00	4,500.00
Uniforms Expense	151.50	361.72	23.51	440.00	399.96
Fuel - Heating					
Fuel - Trucks		15.87	9.20	480.00	
Engineering Expense				1,200.00	
Administrative Expense	112,710.83	146,898.22	108,502.81	127,200.00	108,000.00
Safety Expense	2,517.49	11,082.77	8,288.18	9,024.36	7,800.00
Seminars	2,178.00	2,503.67	2,281.75	5,000.00	5,000.00
Miscellaneous Meetings		139.72	65.95	150.00	150.00
Insurance	30,081.71	26,643.88	50,336.23	25,730.54	28,555.56
Worker Compensation Deductible					
Permits	948.92	801.71	827.75	2,500.00	2,000.00
Legal	5,118.24	4,378.35	3,440.19	4,494.48	9,822.60
Records					
Outside Testing		1,750.00	28.75	500.00	500.00
Environmental Programs					
Telephone	1,238.23	1,271.24	850.84	1,388.52	1,301.16
Misc Capital Exp Work in Prog			12,907.65		
Misc Capital Expenditures					
Chemicals	255,427.45	249,372.09	51,955.08	48,000.00	54,000.00
Nitrogen Solution	20,792.98	5,558.40		28,000.00	6,500.00
Polymer	223,299.28	229,894.55	269,412.50	226,000.00	270,000.00
Polymer - Secondary Plant					
Zinc Chloride	25,662.00	26,109.60		26,000.00	27,000.00
Sulfuric Acid					
HTH	111,390.00	153,650.00	21,150.00	36,000.00	36,000.00
C-5 Scale Inhibitor					
K-10 Dewatering Chemical					
DCS Support Contract			563.00	13,000.00	13,000.00
Primary Clarifier & AIC	22,429.02	16,435.82	5,659.76	28,000.00	28,000.00
Sludge Blend Tank	15,001.87	547.78	1,124.38	4,800.00	4,800.00
Sludge Pumps	9,953.42	5,578.68	9,624.09	22,200.00	22,200.00
Rotary Screens	16,158.75	10,115.12	5,797.21	18,000.00	18,000.00
Sludge Conveyors	7,509.70	48,363.45	8,022.53	22,000.00	22,000.00
Additive Systems	13,583.47	9,452.91	2,123.52	8,400.00	8,400.00
Electric Motors & Controls	11,236.13	8,643.31	6,736.68	12,000.00	12,000.00
Instrumentation	11,832.25	1,841.89	1,321.73	10,000.00	10,000.00
Building & Grounds	31,686.51	48,114.77	27,470.97	35,000.00	35,000.00
Snowplowing - Primary II Plant		938.79	280.90	13,200.00	7,500.00
Demo Dump					
Screw Presses	6,692.44	2,454.04	2,207.23	13,200.00	13,200.00
Maintenance Inspection	196.94	1,694.15	324.31		
Power Purchased	232,018.10	218,527.93	171,982.83	259,000.00	219,430.00
Utilities - Use Tax					
Water Purchased	4,024.22	4,285.02	2,797.30	4,080.00	4,080.00
<b>Total Primary Plant II Waste Treatment E:</b>	<b>1,705,172.26</b>	<b>1,778,803.18</b>	<b>996,575.84</b>	<b>1,331,567.54</b>	<b>1,358,428.44</b>
<b>Sludge Disposal Waste Treatment Plant</b>					
Supervision	9,323.49	9,629.70	11,759.81	7,229.04	13,911.84

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Treatment  
 For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
Truck Driver Wages	119,456.83	57,763.39	97,054.21	132,139.32	90,132.96
Overtime - Truck Driver	12,787.01	12,426.71	31,038.26	18,083.52	29,412.84
Pera (Public Employee Retirement)	(628.00)				
Group Insurance	51,042.97	49,435.15	31,391.41	47,701.56	41,532.12
Co-Insurance Payments	52.85				
HSA Funding	5,038.00	5,954.04	7,218.72	12,249.96	9,926.04
Life Insurance	553.87	508.85	376.78	411.60	407.40
Third Party Administrative Cost				136.56	82.92
Other Fringe Costs (PTO & EIB)	4,117.79	3,545.29	13,588.95	2,400.00	13,935.72
Short-Term Disability Payments					1,289.16
Employee Assistance Programs					
Dental Insurance	1,499.34	1,614.78	1,727.37	2,381.40	2,342.28
Uniforms Expense					
Fuel - Trucks					
Engineering Exp - Sludge Landfill	3,443.10	3,620.00	4,274.54	8,000.00	9,000.00
Administrative Expense	4,671.88	3,487.43	1,922.99	3,504.00	2,420.64
FEMA Payments					
Safety Expense		313.89		600.00	600.00
Seminars	480.00		1,698.71	1,920.00	2,400.00
Miscellaneous Meetings	50.20		38.97	75.00	75.00
Insurance	11,442.28	9,194.88	22,196.98	8,787.15	15,537.36
Worker Compensation Deductible					
Permits	400.00	400.00	400.00	1,450.00	1,450.00
Legal	1,025.00			1,056.36	
Records					
Outside Testing					
Misc Capital Exp Work in Prog					
Misc Capital Expenditures					
Sludge Placement	49,476.20	48,862.08	44,559.60	51,600.00	65,040.00
Misc Landfill Operating Expense	52,290.66	53,756.85	33,222.01	48,500.00	48,500.00
Sludge Dump Closure					
Leachate Collaection Sludge LD	21,527.82	39,945.28	6,692.11	26,000.00	33,500.00
Soild Waste ST Tax Assessment	428.90	244.80	266.40	400.00	400.00
Sludge Landfill Amortization	143,541.22	53,430.36		53,430.00	53,000.00
Landfill Monitoring					
Well Monitoring	39,293.41	53,007.26	32,096.62	42,000.00	43,200.00
Sludge Disposal Alternatives					
Sludge Land Spreading					
Sludge Hauling Trucks	14,236.59	19,711.09	11,849.95	30,000.00	30,000.00
Power Purchased	2,689.56	2,396.61	1,665.20	2,640.00	2,640.00
Water Purchased					
<b>Total Sludge Disposal Waste Treatment F</b>	<b>548,240.97</b>	<b>429,248.44</b>	<b>355,039.59</b>	<b>502,695.47</b>	<b>510,736.28</b>
<b>Waste Treatment Service Center Building</b>					
Supplies and Sundries	5,112.78	2,781.27	1,086.72	3,300.00	3,120.00
Tools	1,759.56	3,853.23	2,147.94	2,000.00	3,800.00
Fuel - Heating SCB					
Administrative Expense	28,342.49	32,300.81	11,483.33	25,644.00	22,996.56
Insurance	1,687.70	1,945.85	5,119.99	2,025.26	2,125.56
Safety Expense	634.39	3,032.04			3,000.00
Telephone	3,324.65	3,910.75	3,167.84	2,501.64	4,474.44
Misc Capital Exp Work in Prog					
Misc Capital Expenditures			2,789.82		
SCADA Maint - SCB Primary Plant	3,148.12	155.38	2,281.46	9,600.00	10,100.00
Plant Vehicles	15,612.02	13,339.98	8,756.48	14,400.00	14,400.00
Building & Grounds - SCB	30,232.08	35,209.76	17,034.04	33,600.00	28,800.00
Snowplowing - SCB				2,500.00	2,500.00
Power Purchased	44,846.70	42,307.14	31,320.31	44,300.00	44,300.00
Utilities - Use Tax					
Water Purchased	387.03	387.03	272.85	384.00	384.00
Wastewater Collection Service	285.73	285.73	188.60	281.28	281.28
Power Purchased (PUC Portion)	3,375.57	3,184.42	2,357.45	3,320.00	3,883.00
Utilities - Use Tax - PUC Portion					

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Treatment  
 For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
Water Purchased - PUC Portion	29.15	29.15	20.54	28.92	28.92
WW Collection Services - PUC Portion	21.47	21.47	14.20	21.12	21.12
<b>Total Waste Treatment Service Center E</b>	<b>138,799.44</b>	<b>142,744.01</b>	<b>88,041.57</b>	<b>143,906.22</b>	<b>144,214.88</b>

**Secondary Waste Treatment Plant**

Supervision	27,431.01	28,418.63	18,378.58	19,277.40	26,040.00
Operating Labor	85,554.09	84,862.16	39,948.17	50,053.80	65,821.44
Overtime - Operating Labor	15,516.78	16,797.85	7,168.44	3,616.68	14,822.40
Truck Driver Wages					
Truck Driver Wages - Overtime					
Truck Driver Wages - Test Burn					
Pera (Public Employee Retirement)	(825.90)				
Group Insurance	56,579.68	60,778.52	27,672.70	39,913.56	35,607.72
Co-Insurance Payments	211.37				
HSA Funding	5,937.00	7,305.96	6,937.47	10,250.04	9,284.04
Life Insurance	478.34	439.37	325.37	344.40	327.60
Employee Assistance Programs					
Third Party Administrative Cost	162.24	167.90	120.48	116.28	79.44
Dental Insurance	1,761.28	1,902.69	1,413.45	1,992.60	1,835.64
Other Fringe Costs (PTO & EIB)	32,245.29	32,255.55	15,403.95	24,800.00	29,694.84
Short-Term Disability Payments					
Disability Insurance	1,381.80	2,020.27	1,482.03	1,202.04	1,174.56
Supplies and Sundries	488.67	439.66	1,131.18	1,500.00	1,500.00
Uniforms Expense	59.34	167.92	16.46	280.00	200.04
Fuel - Heating					
Fuel - Trucks					
Engineering Expense					
Administrative Expense	37,745.44	53,318.68	35,197.23	47,424.00	24,206.88
Safety Expense	3,825.21	4,789.69	5,776.68	14,400.00	10,800.00
Seminars	1,115.57	1,049.93	956.86	5,000.00	4,000.00
Miscellaneous Meetings		381.38	1,411.10	500.00	1,000.00
Insurance	33,849.59	29,179.56	46,527.18	28,192.18	24,078.12
Worker Compensation Deductible					
Permits	14,350.00	14,350.00	14,350.00	14,500.00	14,500.00
Legal	4,610.93	1,938.72	2,384.52	3,253.08	6,100.44
Records					
Outside Testing	13,846.14	15,256.66	10,651.00	13,920.00	14,400.00
Potlatch Payments					
Telephone	1,195.75	1,264.83	850.60	1,391.40	1,294.44
Misc Capital Exp Work in Prog			1,401.81		
Misc Capital Expenditures					
Laboratory Supplies	6,194.32	4,698.88	4,390.73	11,100.00	10,200.00
Laboratory Certification	3,676.12	3,231.80	1,005.00	3,400.00	3,400.00
Chemicals	19,517.68	19,628.00	38,711.06	20,000.00	30,500.00
DCS Support Contract	2,395.74	3,196.06	1,963.38	6,600.00	6,600.00
Blowers & Air Systems	6,748.87	23,245.40	5,778.18	16,800.00	16,200.00
Aerators	13,916.64	18,810.11	16,678.20	28,500.00	27,600.00
Secondary Clarifiers	8,144.81	3,360.13	2,759.89	15,000.00	5,820.00
Waste Activated Sludge	4,054.53	4,504.55	9,527.79	5,400.00	5,100.00
Pumps	6,795.34	8,071.57	3,500.46	12,000.00	10,200.00
Chlorination System	4,682.33	2,181.74	6,666.14	2,100.00	3,900.00
Additive System	330.09	75.92		600.00	
Laboratory Equipment	4,698.24	1,911.64	1,235.24	3,000.00	3,000.00
Plant Vehicles			146.40	3,000.00	3,000.00
Electric Motors & Controls	2,338.24	3,749.70	7,082.07	15,000.00	15,000.00
Instrumentation	3,901.02	694.77	2,198.47	2,500.00	2,500.00
Building & Grounds	33,247.37	39,440.00	15,571.73	31,200.00	30,000.00
Snowplowing		938.82	280.90	3,600.00	3,000.00
Maintenance Inspections	1,075.43	1,888.52	277.98		
Sludge Dredging of A Cells					
Sludge Dredging					
Power Purchased (Industrial)	648,355.65	661,900.42	650,974.98	660,000.00	738,400.00
Utilities - Use Tax (Industrial)					



GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Treatment  
 For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
Water Purchased (Industrial)	15,310.85	20,407.02	30,126.23	14,500.00	14,500.00
Power Purchased (Domestic)	277,742.07	270,162.55	258,807.49	276,000.00	309,600.00
Utilities - Use Tax (Domestic)					
Water Purchased (Domestic)	6,560.82	8,329.16	11,954.05	4,350.00	4,350.00
<b>Total Secondary Waste Treatment Plant</b>	<b>1,407,205.78</b>	<b>1,457,512.69</b>	<b>1,309,141.63</b>	<b>1,416,577.46</b>	<b>1,529,637.60</b>
<b>Total WWTP Expenses</b>	<b>4,058,038.50</b>	<b>4,073,422.93</b>	<b>3,100,386.76</b>	<b>3,648,861.15</b>	<b>3,788,200.52</b>
Domestic Portion - Secondary Plant	422,020.07	423,425.33	385,010.16	418,868.22	477,636.91
Domestic Portion - WWTP SCB	9,716.00	9,992.07	8,106.46	10,073.48	19,119.49
Domestic Portion - Sludge Disposal	140,403.94	50,293.08	5,989.70		44,000.00
<b>Net WasteWater Treatment Plant Expense</b>	<b>3,485,898.49</b>	<b>3,589,712.45</b>	<b>2,701,280.44</b>	<b>3,219,919.45</b>	<b>3,247,444.12</b>

**Other Revenues**

Demand Pmt/From Deferred Revenue					
Demand Pmt/2001A WW Rev Bond					
Demand Pmt/2006A GO WW Rev Bond					
Demand Pmt/2009A GO WW Rev Bond	105,000.50	(0.50)			
Demand Pmt/2009E PFA Note	1,180,548.00	1,215,432.00			1,215,432.00
Demand Pmt/2011A GO WW Rev Bond	399,483.27	412,971.54			412,972.00
Demand Pmt/2013C GO Utility Bond	134,276.00	140,000.22	205,834.67		140,000.00
Demand Pmt / JD Loader lease	30,387.77	33,584.99			
Demand Pmt / 2018 Dump Truck	23,961.55	25,157.71			
Demand Pmt / 2018 Water Truck	29,233.26	30,692.58			
Interest Rev - Financial Assurance					
Interest Rev - 2001A Bonds Dem					
Interest Rev - 2006A Bonds Dem					
Interest Rev - 2009A Bonds Dem	5,116.25				
Interest Rev - 2009E PFA Dem	423,988.19	390,579.77			390,580.00
Interest Rev - 2011A Bonds Dem	41,089.64	28,244.72			28,244.70
Interest Rev - 2013C Bonds Dem	67,892.23	63,537.54			63,537.50
Interest Rev - JD Loader Lease	953.26	151.19			
Interest Rev - 2018 Dump Truck	3,000.47	1,765.86			
Interest Rev - 2018 Water Truck	3,660.59	2,154.36			
Primary PLT Relocation Revenue					
EPA Stag Grant					
Grant Revenues	10,000.00	445,671.73	610.00		
Contribution City of GR		75,000.00			
Customer Contributions	117,794.71	339,821.69			
<b>Total Other Revenues</b>	<b>2,576,385.69</b>	<b>3,204,765.40</b>	<b>206,444.67</b>		<b>2,250,766.20</b>

**Other Expenses**

Interest on LT Debt - 2001A Bonds					
Interest on LT Debt - 2006A Bonds					
Interest on LT Debt - 2009A Bonds	4,716.25				
Interest on LT Debt - 2009E PFA Note	461,788.35	424,137.59	20,927.16		424,137.00
Interest on LT Debt - 2011A Bonds	46,269.58	32,020.00	7,291.67		32,020.00
Interest on LT Debt - 2013C Bonds	67,168.70	63,037.54	32,461.50		63,037.00
Interest on Lease Payable - 2017 Loader	1,082.43	151.19			
Interest on Lease Payable - 2018 Dump	3,000.47	1,765.86	469.63		
Interest on Lease Payable - 2018 Water	3,660.59	2,154.36	572.95		
Capitalized Interest					
Bond Fees - 2001A WW Revenue Bonds					
Bond Fees - 2006A GO WW Revenue Bonds					
Bond Fees - 2009A GO WW Rev Bonds	692.31	211.11			200.00
Bond Fees - 2009E PFA Note	1,600.00	1,600.00			1,600.00
Bond Fees - 2011A GO WW Rev Refunc	817.31	736.11	725.00		750.00
Bond Fees - 2012D GO Utility Rev					
Bond Fees - 2013C GO Utility Bond	792.31	711.11	200.00		750.00
Amort Debt Disc & Exp - 2001A Bond					
Amort Debt Disc & Exp - 2006A Bond					
Amort Debt Disc & Exp - 2009A Bond	2,876.06				

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Wastewater Treatment  
 For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
Amort Debt Disc & Exp - 2009E Bond	6,493.08	6,493.08			6,493.00
Amort Debt Disc & Exp - 2011A Bond	8,264.16	8,264.16			8,264.00
Amort Debt Disc & Exp - 2013C Bond	3,456.12	3,456.12			3,456.00
Depreciation Expense - WWTP	1,595,234.73	1,596,768.60		1,600,000.00	1,710,059.20
Amortization Expense, Intangibles					
Contributions Refunded					
Gain of Asset Disposal	(6,100.00)				
Loss on Asset Disposal (Secondary)		1,671.75			
Loss on Disposition of Property					
Other Deduct - Loss on Investment					
<b>Total Other Expenses</b>	<b>2,201,812.45</b>	<b>2,143,178.58</b>	<b>62,647.91</b>	<b>1,600,000.00</b>	<b>2,250,766.20</b>
<b>Wastewater Treatment Net Income</b>	<b>374,573.24</b>	<b>1,063,463.32</b>	<b>147,824.76</b>	<b>(1,600,000.12)</b>	<b>-</b>

GRAND RAPIDS PUBLIC UTILITIES  
 Operating Budget - Summary Other  
 For the Twelve Months Ending Friday, December 31, 2021

Item 11.

	2019	2020	2021	2021	2022
	Actual	Actual	YTD Sept	Budget	Budget
<b>OPERATING STATEMENT</b>					
<b>ELECTRIC UTILITY INCOME (LOSS)</b>	<b>1,271,674.53</b>	<b>(82,978.28)</b>	<b>1,367,781.39</b>	<b>11,887.74</b>	<b>1,880,856.74</b>
<b>WATER UTILITY INCOME (LOSS)</b>	<b>153,126.83</b>	<b>173,833.61</b>	<b>153,015.92</b>	<b>83,343.75</b>	<b>5,775.11</b>
<b>WASTEWATER COLLECTION INCOME (LOSS)</b>	<b>640,056.12</b>	<b>584,123.11</b>	<b>278,458.54</b>	<b>496,883.67</b>	<b>(250,394.77)</b>
<b>WASTEWATER TREATMENT INCOME (LOSS)</b>	<b>234,169.30</b>	<b>1,013,170.24</b>	<b>141,835.06</b>	<b>(1,600,000.12)</b>	<b>0.00</b>
<b>TOTAL INCOME (LOSS)</b>	<b>2,299,026.78</b>	<b>1,688,148.68</b>	<b>1,941,090.91</b>	<b>(1,007,884.96)</b>	<b>1,636,237.08</b>
<b>PLUS: OTHER INCOME</b>					
Interest Income - Investments	58,194.38	30,744.54	4,870.58	6,000.00	30,225.48
Interest Income - Water Dept					
Penalties	57,806.69	12,183.71	17,673.20	58,800.00	53,004.00
Lease Revenues - Service Center	46,761.25	38,350.59	17,588.66	30,000.00	34,083.35
<b>TOTAL OTHER INCOME</b>	<b>162,762.32</b>	<b>81,278.84</b>	<b>40,132.44</b>	<b>94,800.00</b>	<b>117,312.83</b>
<b>LESS: OTHER EXPENSES</b>					
<b>COMBINED SERVICE CENTER EXPENSES</b>					
Heating Fuel - Utilities	71,174.58	62,758.65	43,410.12	71,174.58	67,459.68
Operation - Supplies	6,462.39	6,046.81	6,404.41	6,462.39	16,296.00
Maintenance of Buildings	41,019.39	27,754.18	17,807.36	33,828.81	24,000.00
Maintenance of Buildings - PUC	13,626.51	14,891.70	6,932.45	15,000.00	9,000.00
Cleaning and Garbage Removal	22,430.11	25,326.50	15,663.82	22,994.08	3,400.00
Garbage Removal- PUC	3,447.83	2,215.50	2,161.05	2,879.88	2,400.00
Maintenance of Fixtures	4,199.46	53.91	2,904.76	2,400.00	4,800.00
Maintenance of Fixtures - PUC	268.63	521.25		600.00	4,500.00
Maintenance of Grounds	340.71				
Maintenance of Grounds - PUC	2,017.15				
Snow Removal					
Equipment Management Clearing Account					
Telephone Expense	1,065.82	655.46	471.94	1,107.60	656.04
Insurance	4,013.64	3,988.98	7,911.93	4,167.00	9,586.44
Miscellaneous General Expense			77.50		28,750.00
Combined Service Center Depreciation	121,649.12	132,080.37	101,792.64	139,200.00	135,194.04
Amortization Expense - Computer Intangib	43,659.85	38,289.20	28,961.50	44,400.00	39,418.92
Power Contributed by Electric Dept					
Bond Fees - 1996A PUC Revenue Bond					
Interest Expense - Long Term Payable (City)					
<b>TOTAL COMBINED SERVICE CENTER EXP</b>	<b>335,375.19</b>	<b>314,582.51</b>	<b>234,499.48</b>	<b>344,214.34</b>	<b>345,461.12</b>
<b>COMMUNICATION EXPENSE</b>					
Maintenance - Communication Equipment				600.00	
Depreciation	6,223.02	6,223.02	4,666.77	6,216.00	6,222.36
Gain (Loss) on Disposition of Property					
<b>TOTAL COMMUNICATION EXPENSE</b>	<b>6,223.02</b>	<b>6,223.02</b>	<b>4,666.77</b>	<b>6,816.00</b>	<b>6,222.36</b>
<b>AUTOMATED METER READING EXPENSE</b>					
Maint - AMI Hardware & Equipment					
Depreciation Expense	26,487.77	18,690.40	16,990.29	19,200.00	22,653.72
Amortization Expense, Intangibles	12,105.05	11,730.63	8,797.95	12,000.00	11,730.60
Interest Expense- 2015 AMI Lease	30,319.10	24,115.91	37,084.14	21,822.00	
<b>TOTAL AUTOMATED METER READ EXP</b>	<b>68,911.92</b>	<b>54,536.94</b>	<b>62,872.38</b>	<b>53,022.00</b>	<b>34,384.32</b>
<b>INTEREST EXPENSE (CUST DEPOSIT)</b>	<b>9,097.78</b>	<b>5,518.90</b>	<b>272.42</b>	<b>5,016.00</b>	
<b>TOTAL INCOME (LOSS) ALL OPERATIONS</b>	<b>2,042,181.19</b>	<b>1,388,566.15</b>	<b>1,678,912.30</b>	<b>(1,322,153.30)</b>	<b>1,367,482.11</b>

## Grand Rapids Public Utilities Commission

*Capital Improvement Plan*

2022 thru 2026

**DEPARTMENT SUMMARY**

<b>Department</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
1-Electric	804,968	1,174,370	590,520	90,000		2,659,858
2-Water	5,059,160	174,000	595,586	557,580	38,000	6,424,326
3-Wastewater Collection	363,714	161,800	200,567	421,600	181,435	1,329,116
4a-WWT Domestic	150,000					150,000
4b-WWT Screenhouse					1,600,000	1,600,000
4c-WWT Primary Plant	190,035	70,000	70,000	150,000	100,000	580,035
4d-WWT Sludge Disposal	58,000					58,000
4f-WWT Secondary Treatment	145,000	325,000	555,000	2,283,000		3,308,000
5-Technology	98,000	85,000	85,000	40,000		308,000
6-Service Center	664,150	275,000				939,150
<b>TOTAL</b>	<b>7,533,027</b>	<b>2,265,170</b>	<b>2,096,673</b>	<b>3,542,180</b>	<b>1,919,435</b>	<b>17,356,485</b>

Grand Rapids Public Utilities Commission  
*Capital Improvement Plan*  
 2022 thru 2026

**FUNDING SOURCE SUMMARY**

<b>Source</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Total</b>
City Contributions	67,155	117,175				184,330
Customer Contributions-Cohasset	3,120	5,157	9,474	13,370		31,121
Customer Contributions-LaPrairie	1,995	3,051	5,605	7,910		18,561
Customer Contributions-UPM	366,055	331,820	521,570	1,844,920	1,700,000	4,764,365
Debt	2,120,000					2,120,000
Grants	3,175,987					3,175,987
Rplcmt Fund-Elec share/business	285,236	160,282	39,870	18,720		504,108
Rplcmt Fund-Electric Infrastructure	800,543	1,169,945	590,520	90,000		2,651,008
Rplcmt Fund-Water Infrastructure	54,660	174,000	595,586	557,580	38,000	1,419,826
Rplcmt Fund-Water share/business	60,719	45,840	14,690	7,040		128,289
Rplcmt Fund-WWC Infrastructure	550,099	221,092	309,488	997,720	181,435	2,259,834
Rplcmt Fund-WWC share/business	47,458	36,808	9,870	4,920		99,056
<b>GRAND TOTAL</b>	<b>7,533,027</b>	<b>2,265,170</b>	<b>2,096,673</b>	<b>3,542,180</b>	<b>1,919,435</b>	<b>17,356,485</b>

## Grand Rapids Public Utilities Commission

## Capital Improvement Plan

2022 thru 2026

## PROJECTS &amp; FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	2022	2023	2024	2025	2026	Total
<b>1-Electric</b>								
Distribution System Services	ELEC2201	1	38,000					38,000
Distribution System Duel Fuel Services	ELEC2202	1	2,560					2,560
Distribution System Security Lighting	ELEC2203	1	61,950					61,950
Distribution System Overhead Distribution	ELEC2204	1	25,000					25,000
Distribution System Underground Distribution	ELEC2205	1	25,000					25,000
Distribution System Transformers	ELEC2206	1	91,500					91,500
Distribution System Meters	ELEC2207	1	21,700					21,700
Crystal Springs Conversion	ELEC2210	1	146,000					146,000
Replace Truck 60	ELEC2213	1	205,000					205,000
Aerial Photography for GIS	ELEC2214	1	8,850					8,850
Electric System Reliability	ELEC2215	2	29,420					29,420
Gateway Backup Power Supplies	ELEC2216	1	33,000					33,000
Maple Street Conversion	ELEC2218	1	29,000					29,000
Replace Main Substation Building Roof	ELEC2219	2	25,000					25,000
AMI Gateway Replacement	ELEC2220	1	12,488					12,488
SW 1st Ave Conversion	ELEC2221	1	30,000					30,000
4/0 Cable Replacement to Ace Hardware	ELEC2222	1	20,500					20,500
Distribution System Services	ELEC2301	1		38,000				38,000
Distribution System Duel Fuel Services	ELEC2302	1		2,560				2,560
Distribution System Security Lighting	ELEC2303	1		13,880				13,880
Distribution System Overhead Distribution	ELEC2304	1		60,000				60,000
Distribution System Underground Distribution	ELEC2305	1		30,000				30,000
Distribution System Transformers	ELEC2306	1		90,000				90,000
Distribution System Meters	ELEC2307	1		21,080				21,080
Replace Truck 63	ELEC2308	2		200,000				200,000
Extend Feeder 320 from 7th Street to 17th Street	ELEC2310	3		410,000				410,000
Inspect and replace power poles	ELEC2311	1		100,000				100,000
Convert 7200 volt systems to 23 kV	ELEC2312	1		100,000				100,000
Aerial Photography for GIS	ELEC2313	1		8,850				8,850
Electric System Reliability Upgrades	ELEC2314	2		100,000				100,000
Distribution System Services	ELEC2401	1			38,000			38,000
Distribution System Duel Fuel Services	ELEC2402	1			2,560			2,560
Distribution System Security Lighting	ELEC2403	1			13,880			13,880
Distribution System Overhead Distribution	ELEC2404	1			60,000			60,000
Distribution System Overhead Distribution	ELEC2405	1			30,000			30,000
Distribution System Transformers	ELEC2406	1			90,000			90,000
Distribution System Meters	ELEC2407	1			21,080			21,080
Replace Truck 84	ELEC2408	1			35,000			35,000
Inspect and replace power poles	ELEC2411	1			100,000			100,000

Department	Project #	Priority	2022	2023	2024	2025	2026	
Convert 7200 volt systems to 23 kV	ELEC2412	1			100,000			100,000
Electric System Reliability Upgrades	ELEC2414	2			100,000			100,000
Convert circuit FL13 to 23kV	ELEC2512	2				90,000		90,000
<b>1-Electric Total</b>			<b>804,968</b>	<b>1,174,370</b>	<b>590,520</b>	<b>90,000</b>		<b>2,659,858</b>

<i>City Contributions</i>			4,425	4,425				8,850
<i>Rplcmt Fund-Electric Infrastructure</i>			800,543	1,169,945	590,520	90,000		2,651,008
<b>1-Electric Total</b>			<b>804,968</b>	<b>1,174,370</b>	<b>590,520</b>	<b>90,000</b>		<b>2,659,858</b>

**2-Water**

Watermain minor additions & replacements	WATR1807	4	20,000	20,000	20,000	20,000	20,000	100,000
NW Street Reconstruction	WATR1903	2				157,080		157,080
11th St. NE (2nd to 3rdAve.)	WATR1904	3			83,600			83,600
5th Ave. NE (T.H. #2 to 5th Str. NE	WATR2001	3			35,772			35,772
3rd Ave NE (5th to 8th Str.) & 7th Str. NE (3-5)	WATR2002	3			235,375			235,375
11th Ave NE (2nd- 3rd ave)	WATR2003	3			83,600			83,600
Well 2 Rehabilitation	WATR2004	1		55,000				55,000
High Service Pump Control Improvement	WATR2005	2	30,000					30,000
Ha-Car Neighborhood SE, Phase 1	WATR2101	3				362,500		362,500
WTP Pump Lifting Beam	WATR2103	2	16,000					16,000
Mid-Tower Coating Repairs	WATR2107	1	150,000					150,000
WTP Security	WATR2108	1	20,000					20,000
6th Street NE (2nd Ave.-5th Ave.)	WATR2201	2			119,239			119,239
Water Leak Study	WATR2202	2	8,200					8,200
Hydrant Meters	WATR2203	3	8,460					8,460
WTP Flow Meters	WATR2204	2	30,000					30,000
WTP Sludge Pump	WATR2205	3	10,000					10,000
WTP Sewage Ejector System	WATR2206	3	15,000					15,000
WTP Turbidity Meters	WATR2207	3	30,000					30,000
WTP Aerator Media	WATR2208	3	11,000					11,000
Fire Hydrant Repairs	WATR2209	2	18,000	18,000	18,000	18,000	18,000	90,000
Well 1 Rehabilitation	WATR2210	1	35,000					35,000
WTP Communication with Wells	WATR2211	3	15,000					15,000
WTP Main Valve	WATR2212	2	22,500					22,500
Water Plant Renovation	WATR2213	2	4,620,000					4,620,000
6th Ave NW (4th to 5th st)	WATR2301	2		81,000				81,000
<b>2-Water Total</b>			<b>5,059,160</b>	<b>174,000</b>	<b>595,586</b>	<b>557,580</b>	<b>38,000</b>	<b>6,424,326</b>

<i>Debt</i>			2,120,000					2,120,000
<i>Grants</i>			2,884,500					2,884,500
<i>Rplcmt Fund-Water Infrastructure</i>			54,660	174,000	595,586	557,580	38,000	1,419,826
<b>2-Water Total</b>			<b>5,059,160</b>	<b>174,000</b>	<b>595,586</b>	<b>557,580</b>	<b>38,000</b>	<b>6,424,326</b>

**3-Wastewater Collection**

Mains and Services	WWCO1804	4	125,000	15,000	15,000	15,000		170,000
Manhole Replacements	WWCO1805	2	15,500	15,500	15,500	15,500		62,000

Department	Project #	Priority	2022	2023	2024	2025	2026	Item 11.
NW Street Reconstruction	WWCO1904	2				114,600		114,600
5th Ave. NE (T.H. #2 to 5th Str. NE)	WWCO2001	2					66,435	66,435
3rd Ave.NE (4th - 8th) &7th st (3rd -5th)	WWCO2002	2		25,000				25,000
11th Ave NE (5th St NE - 7th St NE)	WWCO2003	2					115,000	115,000
Lift Station Pumps	WWCO2005	1	27,000	27,000				54,000
Ha-Car SE Neighborhood, Phase 1	WWCO2021	2				250,000		250,000
DeltaV Secondary for Clinic Lift	WWCO2103	2	16,999					16,999
6th Street NE (2nd Ave. - 5th Ave)	WWCO2201	2			110,067			110,067
City Wide Overlays-Rural	WWCO2202	2			60,000			60,000
Lift Station 9 Controls Update	WWCO2203	1				26,500		26,500
7th Ave SE Overlay	WWCO2205	2	50,000					50,000
Lift Station 2 - Generator and switch	WWCO2207	3	36,490					36,490
Lift Station 3 - Generator and switch	WWCO2208	3	32,825					32,825
Lift Station 7 Controls Update	WWCO2301	1		27,300				27,300
6th Ave NW (4th-5th)	WWCO2302	2		52,000				52,000
Lift Station 6 Controls Update	WWCO2401	1	29,500					29,500
Lift Station 7 Controls Update	WWCO2601	1	30,400					30,400
<b>3-Wastewater Collection Total</b>			<b>363,714</b>	<b>161,800</b>	<b>200,567</b>	<b>421,600</b>	<b>181,435</b>	<b>1,329,116</b>

**Rplcmt Fund-WWC Infrastructure**

**3-Wastewater Collection Total**

363,714	161,800	200,567	421,600	181,435	1,329,116
<b>363,714</b>	<b>161,800</b>	<b>200,567</b>	<b>421,600</b>	<b>181,435</b>	<b>1,329,116</b>

**4a-WWT Domestic**

Rebuild Domestic Screen	WWDO1801	2	150,000					150,000
<b>4a-WWT Domestic Total</b>			<b>150,000</b>					<b>150,000</b>

**Rplcmt Fund-WWC Infrastructure**

**4a-WWT Domestic Total**

150,000					150,000
<b>150,000</b>					<b>150,000</b>

**4b-WWT Screenhouse**

Industrial Screen House Upgrades	WWSH1801	4				1,600,000		1,600,000
<b>4b-WWT Screenhouse Total</b>						<b>1,600,000</b>		<b>1,600,000</b>

**Customer Contributions-UPM**

**4b-WWT Screenhouse Total**

					1,600,000	1,600,000
					<b>1,600,000</b>	<b>1,600,000</b>

**4c-WWT Primary Plant**

Demo of Old Primary Plant	WWPP2001	3		70,000	70,000	150,000	100,000	390,000
SWPPP Pond Pump	WWPP2002	1	23,000					23,000
Painting Primary Clarifiers	WWPP2003	3	80,000					80,000
Sludge Screw Conveyor - Screw Replacement	WWPP2103	2	49,535					49,535
RST VFD Upgrade	WWPP2201	3	17,000					17,000
Forks for Front End Loader	WWPP2202	3	8,500					8,500
High Lift	WWPP2203	2	12,000					12,000



Department	Project #	Priority	2022	2023	2024	2025	2026
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<b>4c-WWT Primary Plant Total</b>			<b>190,035</b>	<b>70,000</b>	<b>70,000</b>	<b>150,000</b>	<b>100,000</b>	<b>580,035</b>
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<i>Customer Contributions-UPM</i>			190,035	70,000	70,000	150,000	100,000	580,035
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<b>4c-WWT Primary Plant Total</b>			<b>190,035</b>	<b>70,000</b>	<b>70,000</b>	<b>150,000</b>	<b>100,000</b>	<b>580,035</b>
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**4d-WWT Sludge Disposal**

Leachate Phase Pump	WWSD2101	2	8,000					8,000
Engineering Design - Landfill Cover	WWSD2201	2	50,000					50,000

<b>4d-WWT Sludge Disposal Total</b>			<b>58,000</b>					<b>58,000</b>
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<i>Customer Contributions-UPM</i>			58,000					58,000
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<b>4d-WWT Sludge Disposal Total</b>			<b>58,000</b>					<b>58,000</b>
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**4f-WWT Secondary Treatment**

Secondary Air Header Piping	WWSP1701	2				875,000		875,000
Rebuild Blower Number 3	WWSP1702	2			280,000			280,000
B1 Pond Dredging	WWSP1802	2		150,000				150,000
Delta V Controllers	WWSP1803	1	20,000					20,000
Secondary Aeration Basin Mixer Repairs	WWSP1804	2	125,000	175,000	275,000			575,000
Blower Building and Med Voltage Gear	WWSP2202	2				1,408,000		1,408,000

<b>4f-WWT Secondary Treatment Total</b>			<b>145,000</b>	<b>325,000</b>	<b>555,000</b>	<b>2,283,000</b>		<b>3,308,000</b>
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<i>Customer Contributions-Cohasset</i>			3,120	5,157	9,474	13,370		31,121
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<i>Customer Contributions-LaPrairie</i>			1,995	3,051	5,605	7,910		18,561
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<i>Customer Contributions-UPM</i>			103,500	257,500	431,000	1,685,600		2,477,600
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<i>Rplcmt Fund-WWC Infrastructure</i>			36,385	59,292	108,921	576,120		780,718
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<b>4f-WWT Secondary Treatment Total</b>			<b>145,000</b>	<b>325,000</b>	<b>555,000</b>	<b>2,283,000</b>		<b>3,308,000</b>
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**5-Technology**

Router Replacement	CITE2201	1	8,000					8,000
Personal Computer Replacements	CITE2202	3	4,000					4,000
Mobile Computers	CITE2203	4	4,000					4,000
Telephone System Upgrade	CITE2204	3	25,000					25,000
Network Switch Upgrades	CITE2206	3	10,000					10,000
Software Upgrades	CITE2208	2	10,000					10,000
Miscellaneous Computer Hardware	CITE2209	4	2,000					2,000
LaserFiche	CITE2211	2	10,000					10,000
Radio Conversion to 800MHZ	CITE2212	2	25,000					25,000
Personal Computer Replacements	CITE2302	3		4,000				4,000
Mobile Computers	CITE2303	4		4,000				4,000
Server Upgrades	CITE2304	2		65,000				65,000
Software Upgrades	CITE2308	2		10,000				10,000
Miscellaneous Computer Hardware	CITE2309	4		2,000				2,000
Personal Computer Replacements	CITE2402	3			4,000			4,000
Mobile Computers	CITE2403	4			4,000			4,000

Department	Project #	Priority	2022	2023	2024	2025	2026	
Server Upgrades	CITE2404	3			65,000			65,000
Software Upgrades	CITE2408	2			10,000			10,000
Miscellaneous Computer Hardware	CITE2409	4			2,000			2,000
Personal Computer Replacements	CITE2502	3				4,000		4,000
Mobile Computers	CITE2503	4				4,000		4,000
Network Switch Upgrades	CITE2506	3				12,000		12,000
Computer Backup Hardware	CITE2507	1				8,000		8,000
Software Upgrades	CITE2508	2				10,000		10,000
Miscellaneous Computer Hardware	CITE2509	4				2,000		2,000
<b>5-Technology Total</b>			<b>98,000</b>	<b>85,000</b>	<b>85,000</b>	<b>40,000</b>		<b>308,000</b>

<i>Customer Contributions-UPM</i>			14,520	4,320	20,570	9,320		48,730
<i>Rplcmt Fund-Elec share/business</i>			48,780	54,820	39,870	18,720		162,190
<i>Rplcmt Fund-Water share/business</i>			20,000	13,390	14,690	7,040		55,120
<i>Rplcmt Fund-WWC share/business</i>			14,700	12,470	9,870	4,920		41,960
<b>5-Technology Total</b>			<b>98,000</b>	<b>85,000</b>	<b>85,000</b>	<b>40,000</b>		<b>308,000</b>

**6-Service Center**

South Gate Replacement	CSCW2022	2	20,000					20,000
Building Security Upgrade	CSCW2102	3	28,000					28,000
Building Landscaping	CSCW2103	4	10,000					10,000
North Roof Replacement	CSCW2201	2	80,000					80,000
CSC Lighting Upgrades	CSCW2202	2	17,500					17,500
Conference Room Furniture	CSCW2203	n/a	5,000					5,000
Shelter for wire spools	CSCW2204	2	50,000					50,000
Electric Vehicle	CSCW2205	n/a	50,000					50,000
HVAC Upgrades	CSCW2206	2	15,000					15,000
Service Center Backup Generator	CSCW2207	1	388,650					388,650
South Roof Replacement	CSCW2301	2		275,000				275,000
<b>6-Service Center Total</b>			<b>664,150</b>	<b>275,000</b>				<b>939,150</b>

<i>City Contributions</i>			62,730	112,750				175,480
<i>Customer Contributions-UPM</i>			0					0
<i>Grants</i>			291,487					291,487
<i>Rplcmt Fund-Elec share/business</i>			236,456	105,462				341,918
<i>Rplcmt Fund-Water share/business</i>			40,719	32,450				73,169
<i>Rplcmt Fund-WWC share/business</i>			32,758	24,338				57,096
<b>6-Service Center Total</b>			<b>664,150</b>	<b>275,000</b>				<b>939,150</b>

<b>Grand Total</b>	<b>7,533,027</b>	<b>2,265,170</b>	<b>2,096,673</b>	<b>3,542,180</b>	<b>1,919,435</b>	<b>17,356,485</b>
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# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 30  
 Category Electric System  
 Priority 01 - Required  
 Status Active

Project # ELEC2201  
 Project Name Distribution System Services

Total Project Cost: \$38,000

**Description**  
 New or upgraded electrical services.

**Justification**  
 Account designated for the GRPUC share of new or upgraded services.  
 Cost to GRPU:  
 40 residential or commercial services per year x \$950 service allowance = \$38,000  
 Revenue, amount over \$950 paid by customer, 10.451.0000: (15 services)x(\$1800 ea) = \$27,000 for residential. (6 commercial services)x(\$11,000 ea) = \$66,000

Expenditures	2022	2023	2024	2025	2026	Total
Labor	22,800					22,800
Contractor Labor	7,600					7,600
Inventory	7,600					7,600
<b>Total</b>	<b>38,000</b>					<b>38,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	38,000					38,000
<b>Total</b>	<b>38,000</b>					<b>38,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 30  
 Category Electric System  
 Priority 01 - Required  
 Status Active

Project # ELEC2202  
 Project Name Distribution System Dual Fuel Services

Total Project Cost: \$2,560

**Description**  
 New dual fuel services.

**Justification**  
 Account designated for the GRPUC share of new dual fuel services.  
 10 switches,

Expenditures	2022	2023	2024	2025	2026	Total
Labor	410					410
Inventory	2,000					2,000
Vehicle Usage	150					150
<b>Total</b>	<b>2,560</b>					<b>2,560</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	2,560					2,560
<b>Total</b>	<b>2,560</b>					<b>2,560</b>

**Budget Impact/Other**

Capital Improvement Plan  
Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
Contact Jeremy Goodell  
Type Unassigned  
Useful Life 30  
Category Electric System  
Priority 01 - Required  
Status Active

Project # ELEC2203  
Project Name Distribution System Security Lighting

Total Project Cost: \$61,950

**Description**  
Security light conversioni to LED and replacements.

**Justification**  
Account designated for capital expenditures for new security lights and for replacement of existing security lights at end of life. This includes replacing any non-functioning security light with LED type to extend life from 4 years to 15 years.  
Labor - \$104/light x 175 lights = \$18,200 (\$44/hr labor, two personnel, \$16/hr truck)  
Parts - \$250/light x 175 lights = \$43,750

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	43,750					43,750
Labor	18,200					18,200
<b>Total</b>	<b>61,950</b>					<b>61,950</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	61,950					61,950
<b>Total</b>	<b>61,950</b>					<b>61,950</b>

**Budget Impact/Other**

# Capital Improvement Plan

Data in Year 2022

## Grand Rapids Public Utilities Commission

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 30  
 Category Electric System  
 Priority 01 - Required  
 Status Active

Project # ELEC2204  
 Project Name Distribution System Overhead Distribution

Total Project Cost: \$25,000

### Description

Overhead distribution system replacement and maintenance.

### Justification

Account designated for small overhead distribution system replacement projects.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	10,000					10,000
Labor	15,000					15,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	25,000					25,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>

### Budget Impact/Other

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 30  
 Category Electric System  
 Priority 01 - Required  
 Status Active

Project # ELEC2205  
 Project Name Distribution System Underground Distribution

Total Project Cost: \$25,000

**Description**  
 Underground distribution system replacement and maintenance.

**Justification**  
 Account designated for small underground distribution system replacement projects. This includes premature cable failures (replace vs. multiple splice) as well as cable replace due to other construction work (road or sidewalk opened for other reasons).

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	10,000					10,000
Labor	15,000					15,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	25,000					25,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 50  
 Category Electric System  
 Priority 01 - Required  
 Status Active

Project # ELEC2206  
 Project Name Distribution System Transformers

Total Project Cost: \$91,500

**Description**  
 Transformer purchase.

**Justification**  
 Purchase of replacement and new transformers allocated for new and upgraded services, failures, and service life replacements.  
 Crystal Springs, SW 1st Ave, Maple St:  
 15 kVA (13) x (\$2000) = \$26,000  
 25 kVA (19) x (\$2500) = \$47,500  
 100 kVA (1) x (\$3000) = \$3000  
 Total = \$76,500  
 Replacements: \$15,000  
 Grand total: \$91,500

Expenditures	2022	2023	2024	2025	2026	Total
Inventory	91,500					91,500
<b>Total</b>	<b>91,500</b>					<b>91,500</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	91,500					91,500
<b>Total</b>	<b>91,500</b>					<b>91,500</b>

**Budget Impact/Other**



# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 50  
 Category Electric System  
 Priority 01 - Required  
 Status Active

Project # ELEC2207  
 Project Name Distribution System Meters

Total Project Cost: \$21,700

**Description**

Electric meters.

**Justification**

Purchase of replacement and new electric meters allocated for new and upgraded services, failures, and service life replacements.  
 2S-200 Dis: (100) x (\$185) = \$18500  
 16S: (8) x (\$400) = \$3200

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	21,700					21,700
<b>Total</b>	<b>21,700</b>					<b>21,700</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	21,700					21,700
<b>Total</b>	<b>21,700</b>					<b>21,700</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 30  
 Category Electric System  
 Priority 01 - Required  
 Status Active

Project # ELEC2210  
 Project Name Crystal Springs Conversion

Total Project Cost: \$146,000

**Description**  
 Convert Crystal Springs single phase overhead distribution to underground from existing step down transformer to end of Stony Point Road.

**Justification**  
 Reduce outages caused by trees and squirrels on overhead electric distribution system.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	54,500					54,500
Labor	46,500					46,500
Contractor Labor	45,000					45,000
<b>Total</b>	<b>146,000</b>					<b>146,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	146,000					146,000
<b>Total</b>	<b>146,000</b>					<b>146,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 20  
 Category Vehicles  
 Priority 01 - Required  
 Status Active

Project # ELEC2213  
 Project Name Replace Truck 60

Total Project Cost: \$205,000

**Description**  
 Replace small bucket truck, Truck 60

**Justification**  
 Aging vehicles require higher maintenance and no longer can be serviced.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	205,000					205,000
<b>Total</b>	<b>205,000</b>					<b>205,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	205,000					205,000
<b>Total</b>	<b>205,000</b>					<b>205,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 5  
 Category Electric System  
 Priority 01 - Required  
 Status Active

Project # ELEC2214  
 Project Name Aerial Photography for GIS

Total Project Cost: \$8,850

**Description**  
 Hire contractor to fly over and produce aerials of GRPUC service.

**Justification**  
 Updated aerials of GRPUC service area used by GIS for GRPUC, City of Grand Rapids, and outside entities.  
 \$28,950 over three years

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	8,850					8,850
<b>Total</b>	<b>8,850</b>					<b>8,850</b>

Funding Sources	2022	2023	2024	2025	2026	Total
City Contributions	4,425					4,425
Rplcmt Fund-Electric Infrastructure	4,425					4,425
<b>Total</b>	<b>8,850</b>					<b>8,850</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 30  
 Category Electric System  
 Priority 02 - Significant Need  
 Status Active

Project # ELEC2215  
 Project Name Electric System Reliability

Total Project Cost: \$29,420

**Description**  
 Increase reliability of electric distribution system

**Justification**  
 Additional switches and infrastructure needs to increase reliability of electric system.  
 Reclosers: (\$4180) x 5 = \$20,900  
 Labor: (\$44) x (4) x (4 hrs) x (5 reclosers) = \$3520  
 Conversion parts = \$5000

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	25,900					25,900
Labor	3,520					3,520
<b>Total</b>	<b>29,420</b>					<b>29,420</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	29,420					29,420
<b>Total</b>	<b>29,420</b>					<b>29,420</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 10  
 Category Equipment  
 Priority 01 - Required  
 Status Active

Project # ELEC2216  
 Project Name Gateway Backup Power Supplies

Total Project Cost: \$33,000

**Description**  
 Install battery backup systems at AMI gateways.

**Justification**  
 During power outages, AMI gateways require longer backup power sources.  
 Need 18 backup power supplies for all installed gateways.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	30,000					30,000
Labor	3,000					3,000
<b>Total</b>	<b>33,000</b>					<b>33,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	33,000					33,000
<b>Total</b>	<b>33,000</b>					<b>33,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 30  
 Category Electric System  
 Priority 01 - Required  
 Status Active

Project # ELEC2218  
 Project Name Maple Street Conversion

Total Project Cost: \$29,000

**Description**  
 Convert Maple Street from overhead to underground

**Justification**  
 Inaccessible backyard overhead lines, reduced reliability due to trees and squirrels.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	13,000					13,000
Labor	7,000					7,000
Contractor Labor	9,000					9,000
<b>Total</b>	<b>29,000</b>					<b>29,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	29,000					29,000
<b>Total</b>	<b>29,000</b>					<b>29,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

Data in Year 2022

## Grand Rapids Public Utilities Commission

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 30  
 Category Buildings  
 Priority 02 - Significant Need  
 Status Active

Project # ELEC2219  
 Project Name Replace Main Substation Building Roof

Total Project Cost: \$25,000

### Description

Replace main substation building roof.

### Justification

Existing roof has no insulation which causes ices dams in the winter and subsequent leaking into building. Roof pitch is not great enough and attic space is very small.

Expenditures	2022	2023	2024	2025	2026	Total
Contractor Labor	25,000					25,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	25,000					25,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>

### Budget Impact/Other



# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 20  
 Category Electric System  
 Priority 01 - Required  
 Status Active

Project # ELEC2220  
 Project Name AMI Gateway Replacement

Total Project Cost: \$12,488

**Description**  
 Replace failed gateways with new model AMI gateways

**Justification**  
 Failed gateways and lack of a spare gateway.  
 Antenna: (\$40) x (2) = \$80  
 Modem: (\$700) x (2) = \$1400  
 Gateway: (\$2200) x (4) = \$9600  
 Labor: (\$44) x (4 hrs ea) x 4 = \$704

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	11,784					11,784
Labor	704					704
<b>Total</b>	<b>12,488</b>					<b>12,488</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	12,488					12,488
<b>Total</b>	<b>12,488</b>					<b>12,488</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 30  
 Category Electric System  
 Priority 01 - Required  
 Status Active

Project # ELEC2221  
 Project Name SW 1st Ave Conversion

Total Project Cost: \$30,000

**Description**  
 Convert alley between SW 1st Ave and SW 2nd Ave north of SW 4th St from overhead to underground.

**Justification**  
 Significant outages on overhead line due to squirrels and trees.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	13,000					13,000
Labor	8,000					8,000
Contractor Labor	9,000					9,000
<b>Total</b>	<b>30,000</b>					<b>30,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	30,000					30,000
<b>Total</b>	<b>30,000</b>					<b>30,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

Data in Year 2022

## Grand Rapids Public Utilities Commission

Department 1-Electric  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 30  
 Category Electric System  
 Priority 01 - Required  
 Status Active

Project # ELEC2222  
 Project Name 4/0 Cable Replacement to Ace Hardware

Total Project Cost: \$20,500

**Description**  
 Replace cable from Feeder 326 switch to Ace Hardware

**Justification**  
 Old cross linked polyethylene underground cable is susceptible to premature failure.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	4,500					4,500
Labor	1,500					1,500
Contractor Labor	14,500					14,500
<b>Total</b>	<b>20,500</b>					<b>20,500</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Electric Infrastructure	20,500					20,500
<b>Total</b>	<b>20,500</b>					<b>20,500</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**Grand Rapids Public Utilities Commission**

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 50  
 Category Water System  
 Priority 04 - Minor Need  
 Status Active

Project # WATR1807  
 Project Name Watermain minor additions & replacements

Total Project Cost: \$210,000

**Description**  
 Watermain minor additions & replacements

**Justification**  
 Watermain minor additions & replacements

Expenditures	2022	2023	2024	2025	2026	Total
Contractor Labor	20,000	20,000	20,000	20,000	20,000	100,000
<b>Total</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>100,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Water Infrastructure	20,000	20,000	20,000	20,000	20,000	100,000
<b>Total</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>	<b>100,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 20  
 Category Water System  
 Priority 02 - Significant Need  
 Status Active

## Grand Rapids Public Utilities Commission

Project # WATR2005  
 Project Name High Service Pump Control Improvement

Total Project Cost: \$92,120

### Description

The clay valves used on the high service pump discharges are beyond their useful life and parts are obsolete. Installing a VFD, swing check valve and an isolation valve will improve and smooth out the performance of the system.

### Justification

Aged clay valves are causing issues with pressure control of the high service pumps and must be replaced.

Expenditures	2022	2023	2024	2025	2026	Total
Labor	30,000					30,000
<b>Total</b>	<b>30,000</b>					<b>30,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	30,000					30,000
<b>Total</b>	<b>30,000</b>					<b>30,000</b>

### Budget Impact/Other

VFD = 14920  
 Check Valve = 4917.98  
 Butterfly = 5600  
 Piping Parts = 500.00  
 Labor Setup (4 hrs @ \$151) = \$604  
 Labor Install (8 hrs @ \$106) = \$848  
 Labor Electric (40 hrs @ \$80) = \$3200  
 Contingency (5%) = \$1530

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	30,000					30,000
<b>Total</b>	<b>30,000</b>					<b>30,000</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 30  
 Category Water System  
 Priority 02 - Significant Need  
 Status Active

Project # WATR2103  
 Project Name WTP Pump Lifting Beam

Total Project Cost: \$16,000

**Description**  
 The lower part of the WTP has poor access for portable lifting devices to remove pumps, motors and equipment.

**Justification**  
 The lower part of the WTP has poor access for portable lifting devices to remove pumps, motors and equipment. It is a safety concern.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	16,000					16,000
<b>Total</b>	<b>16,000</b>					<b>16,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	16,000					16,000
<b>Total</b>	<b>16,000</b>					<b>16,000</b>

**Budget Impact/Other**  
 Engineering = (24 hrs @ \$210) = 5040  
 Materials = 5000.00  
 Labor Fab (40 hrs @ \$55) = \$2200  
 Labor Install (16hrs @ \$151) = \$2416  
 Contingency (5%) = 730

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	16,000					16,000
<b>Total</b>	<b>16,000</b>					<b>16,000</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 10  
 Category Water System  
 Priority 01 - Required  
 Status Active

Project # WATR2107  
 Project Name Mid-Tower Coating Repairs

Total Project Cost: \$150,000

**Description**  
 The mid-tower was inspected by KLM engineering October 28th. Per their report, there are some areas that will need to be repaired.

**Justification**

Expenditures	2022	2023	2024	2025	2026	Total
Contractor Labor	150,000					150,000
<b>Total</b>	<b>150,000</b>					<b>150,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	150,000					150,000
<b>Total</b>	<b>150,000</b>					<b>150,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	150,000					150,000
<b>Total</b>	<b>150,000</b>					<b>150,000</b>

# Capital Improvement Plan

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 10  
 Category Buildings  
 Priority 01 - Required  
 Status Active

## Grand Rapids Public Utilities Commission

Project # WATR2108  
 Project Name WTP Security

Total Project Cost: \$20,000

### Description

The Environmental Protection Agency risk and resilience assessment addresses security of the water treatment plant and its distribution system.

### Justification

Section 2013 of America's Water Infrastructure Act of 2018 (AWIA) requires community water systems that serve more than 3,300 people to complete a risk and resilience assessment and develop an emergency response plan. This is a big part of security of our system.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	15,000					15,000
Contractor Labor	5,000					5,000
<b>Total</b>	<b>20,000</b>					<b>20,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	20,000					20,000
<b>Total</b>	<b>20,000</b>					<b>20,000</b>

### Budget Impact/Other

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	20,000					20,000
<b>Total</b>	<b>20,000</b>					<b>20,000</b>



# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 5  
 Category Water System  
 Priority 02 - Significant Need  
 Status Active

Project # WATR2202  
 Project Name Water Leak Study

Total Project Cost: \$8,200

**Description**  
 The last water leak study was completed in 2017 for our distribution system. We are due to have another one completed in order to help with our unaccounted flow (+10%)

**Justification**  
 Annually, we account for water usage throughout the system and we report how much water was unaccounted for. The target is less than 10%. Last year we were over that target amount so a leak study is necessary to help reduce loss in the distribution system.

Expenditures	2022	2023	2024	2025	2026	Total
Outside Services	8,200					8,200
<b>Total</b>	<b>8,200</b>					<b>8,200</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Water Infrastructure	8,200					8,200
<b>Total</b>	<b>8,200</b>					<b>8,200</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	8,200					8,200
<b>Total</b>	<b>8,200</b>					<b>8,200</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 10  
 Category Water System  
 Priority 03 - Moderate Need  
 Status Active

Project # WATR2203  
 Project Name Hydrant Meters

Total Project Cost: \$8,460

**Description**  
 New water hydrant meters are necessary to be able to utilize the AMI system.

**Justification**  
 New meters will allow us to hook up a node to the hydrant meter to be able to capture data immediately versus seasonally. This will allow us to have a better handle on usage.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	8,460					8,460
<b>Total</b>	<b>8,460</b>					<b>8,460</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Water Infrastructure	8,460					8,460
<b>Total</b>	<b>8,460</b>					<b>8,460</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	8,460					8,460
<b>Total</b>	<b>8,460</b>					<b>8,460</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 10  
 Category Water System  
 Priority 02 - Significant Need  
 Status Active

Project # WATR2204  
 Project Name WTP Flow Meters

Total Project Cost: \$30,000

**Description**  
 The WTP influent and effluent flow meters are decades old and parts have become obsolete.

**Justification**  
 The influent and effluent flow need to be accurate.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	24,000					24,000
Labor	6,000					6,000
<b>Total</b>	<b>30,000</b>					<b>30,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	30,000					30,000
<b>Total</b>	<b>30,000</b>					<b>30,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	30,000					30,000
<b>Total</b>	<b>30,000</b>					<b>30,000</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 20  
 Category Water System  
 Priority 03 - Moderate Need  
 Status Active

Project # WATR2205  
 Project Name WTP Sludge Pump

Total Project Cost: \$10,000

**Description**  
 WTP Sludge pump is 33 years old and past its useful life.

**Justification**  
 It is past its useful life.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	7,500					7,500
Labor	2,500					2,500
<b>Total</b>	<b>10,000</b>					<b>10,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	10,000					10,000
<b>Total</b>	<b>10,000</b>					<b>10,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	10,000					10,000
<b>Total</b>	<b>10,000</b>					<b>10,000</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 20  
 Category Water System  
 Priority 03 - Moderate Need  
 Status Active

Project # WATR2206  
 Project Name WTP Sewage Ejector System

Total Project Cost: \$15,000

**Description**  
 WTP Sewage system (pump and tank) is 33 years old and past its useful life.

**Justification**  
 It is failing and beyond its useful life.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	11,500					11,500
Labor	3,500					3,500
<b>Total</b>	<b>15,000</b>					<b>15,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	15,000					15,000
<b>Total</b>	<b>15,000</b>					<b>15,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	15,000					15,000
<b>Total</b>	<b>15,000</b>					<b>15,000</b>

**Capital Improvement Plan**  
**Grand Rapids Public Utilities Commission**

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 20  
 Category Water System  
 Priority 03 - Moderate Need  
 Status Active

Project # WATR2207  
 Project Name WTP Turbidity Meters

Total Project Cost: \$30,000

**Description**  
 WTP Turbidity meters are obsolete. Spare parts do no exist.

**Justification**  
 WTP turbidity meters are an essential part of good quality water. They tell the operators when it is time to backwash the filters. The current ones are decades old and do not have spare parts for repair.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	27,000					27,000
Labor	3,000					3,000
<b>Total</b>	<b>30,000</b>					<b>30,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	30,000					30,000
<b>Total</b>	<b>30,000</b>					<b>30,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	30,000					30,000
<b>Total</b>	<b>30,000</b>					<b>30,000</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 20  
 Category Water System  
 Priority 03 - Moderate Need  
 Status Active

Project # WATR2208  
 Project Name WTP Aerator Media

Total Project Cost: \$11,000

**Description**  
 WTP aerator media need to be cleaned and replaced.

**Justification**  
 Having the media onhand will allow the WTP operators to clean the existing media over time rather than paying overtime to clean and install back into the aerator immediately.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	9,000					9,000
Labor	2,000					2,000
<b>Total</b>	<b>11,000</b>					<b>11,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	11,000					11,000
<b>Total</b>	<b>11,000</b>					<b>11,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	11,000					11,000
<b>Total</b>	<b>11,000</b>					<b>11,000</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 20  
 Category Water System  
 Priority 02 - Significant Need  
 Status Active

Project # WATR2209  
 Project Name Fire Hydrant Repairs

Total Project Cost: \$162,000

**Description**  
 Annual hydrant flushing allows us to not only clean out the distribution system but also monitor the performance and functionality of the hydrants.

**Justification**  
 Several hydrants need maintenance based on the inspection/use from hydrant flushing,

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	18,000	18,000	18,000	18,000	18,000	90,000
<b>Total</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>90,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Water Infrastructure	18,000	18,000	18,000	18,000	18,000	90,000
<b>Total</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>90,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	18,000	18,000	18,000	18,000	18,000	90,000
<b>Total</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>90,000</b>



**Capital Improvement Plan**  
**Grand Rapids Public Utilities Commission**

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 20  
 Category Water System  
 Priority 01 - Required  
 Status Active

Project # WATR2210  
 Project Name Well 1 Rehabilitation

Total Project Cost: \$35,000

**Description**  
 Rehabilitattion Well #1

**Justification**  
 The well has not been rehabilitated in ten years.

Expenditures	2022	2023	2024	2025	2026	Total
Contractor Labor	35,000					35,000
<b>Total</b>	<b>35,000</b>					<b>35,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	35,000					35,000
<b>Total</b>	<b>35,000</b>					<b>35,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	35,000					35,000
<b>Total</b>	<b>35,000</b>					<b>35,000</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 10  
 Category Water System  
 Priority 03 - Moderate Need  
 Status Active

Project # WATR2211  
 Project Name WTP Communication with Wells

Total Project Cost: \$15,000

**Description**  
 The communication system between the WTP and remote wells is less than ideal and is outdated.

**Justification**  
 The communication system between the remote wells and the WTP fails 3-4 times weekly causing water supply challenges. A new updated communication system will help the reliability of the water production process.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	15,000					15,000
<b>Total</b>	<b>15,000</b>					<b>15,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	15,000					15,000
<b>Total</b>	<b>15,000</b>					<b>15,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	15,000					15,000
<b>Total</b>	<b>15,000</b>					<b>15,000</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 25  
 Category Water System  
 Priority 02 - Significant Need  
 Status Active

Project # WATR2212  
 Project Name WTP Main Valve

Total Project Cost: \$22,500

**Description**  
 The main valve feeding the WTP is 33 years old and past its useful life.

**Justification**  
 This valve is showing considerable wear and is past its useful life.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	20,000					20,000
Labor	2,500					2,500
<b>Total</b>	<b>22,500</b>					<b>22,500</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	22,500					22,500
<b>Total</b>	<b>22,500</b>					<b>22,500</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	22,500					22,500
<b>Total</b>	<b>22,500</b>					<b>22,500</b>

# Capital Improvement Plan

Data in Year 2022

## Grand Rapids Public Utilities Commission

Department 2-Water  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 30  
 Category Water System  
 Priority 02 - Significant Need  
 Status Active

Project # WATR2213  
 Project Name Water Plant Renovation

Total Project Cost: \$4,620,000

### Description

The Water Plant has reached the end of its useful life. A major renovation is needed to update all the critical equipment.

### Justification

In order to meet the future supply needs of the growing community, a major renovation is necessary.

Expenditures	2022	2023	2024	2025	2026	Total
Contractor Labor	4,620,000					4,620,000
<b>Total</b>	<b>4,620,000</b>					<b>4,620,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Debt	2,120,000					2,120,000
Grants	2,500,000					2,500,000
<b>Total</b>	<b>4,620,000</b>					<b>4,620,000</b>

### Budget Impact/Other

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 3-Wastewater Collection  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 50  
 Category WW System  
 Priority 04 - Minor Need  
 Status Active

Project # WWCO1804  
 Project Name Mains and Services

Total Project Cost: \$200,000

**Description**  
 Replacement of mains, services and manholes. 2022 - There are 12 bad sections of mains that have been identified from jetting/televising

**Justification**  
 Minor replacement of mains, services and manholes.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	125,000	15,000	15,000	15,000		170,000
<b>Total</b>	<b>125,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>		<b>170,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-WWC Infrastructure	125,000	15,000	15,000	15,000		170,000
<b>Total</b>	<b>125,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>		<b>170,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	125,000	15,000	15,000	15,000		170,000
<b>Total</b>	<b>125,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>		<b>170,000</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 3-Wastewater Collection  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 20  
 Category WW System  
 Priority 02 - Significant Need  
 Status Active

Project # WWCO1805  
 Project Name Manhole Replacements

Total Project Cost: \$124,000

**Description**

Minor Manhole Repairs

**Justification**

Expenditures	2022	2023	2024	2025	2026	Total
Labor	15,500	15,500	15,500	15,500		62,000
<b>Total</b>	<b>15,500</b>	<b>15,500</b>	<b>15,500</b>	<b>15,500</b>		<b>62,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-WWC Infrastructure	15,500	15,500	15,500	15,500		62,000
<b>Total</b>	<b>15,500</b>	<b>15,500</b>	<b>15,500</b>	<b>15,500</b>		<b>62,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	15,500	15,500	15,500	15,500		62,000
<b>Total</b>	<b>15,500</b>	<b>15,500</b>	<b>15,500</b>	<b>15,500</b>		<b>62,000</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 3-Wastewater Collection  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 20  
 Category Equipment  
 Priority 01 - Required  
 Status Active

Project # WWCO2005  
 Project Name Lift Station Pumps

Total Project Cost: \$130,323

### Description

Pumps throughout the collection system are reaching the end of their useful life.

### Justification

In order to maintain the integrity of the collection system, the retirement of aged pumps are necessary. A complete collection system asset review was conducted at the end of 2019. From that review, a strategic plan was put in place to replace worn out assets with a phased approach.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	27,000	27,000				54,000
<b>Total</b>	<b>27,000</b>	<b>27,000</b>				<b>54,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-WWC Infrastructure	27,000	27,000				54,000
<b>Total</b>	<b>27,000</b>	<b>27,000</b>				<b>54,000</b>

### Budget Impact/Other

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	27,000	27,000				54,000
<b>Total</b>	<b>27,000</b>	<b>27,000</b>				<b>54,000</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 3-Wastewater Collection  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 10  
 Category WW System  
 Priority 02 - Significant Need  
 Status Active

Project # WWCO2103  
 Project Name DeltaV Secondary for Clinic Lift

Total Project Cost: \$16,999

### Description

The clinic lift only operates on the primary network for Delta V. The rest of the system has both a primary and secondary network for reliability.

### Justification

The operation of the clinic lift is critical for us to properly treat waste. The redundancy of the secondary network is the necessary to ensure operation.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	16,999					16,999
<b>Total</b>	<b>16,999</b>					<b>16,999</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-WWC Infrastructure	16,999					16,999
<b>Total</b>	<b>16,999</b>					<b>16,999</b>

### Budget Impact/Other

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	16,999					16,999
<b>Total</b>	<b>16,999</b>					<b>16,999</b>



# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 3-Wastewater Collection  
Contact Steve Mattson  
Type Unassigned  
Useful Life 50  
Category City Construction or Reconstru  
Priority 02 - Significant Need  
Status Active

Project # WWCO2205  
Project Name 7th Ave SE Overlay

Total Project Cost: \$50,000

Description  
City of Grand Rapids project 2022/2017-2

Justification

Expenditures	2022	2023	2024	2025	2026	Total
Contractor Labor	50,000					50,000
<b>Total</b>	<b>50,000</b>					<b>50,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-WWC Infrastructure	50,000					50,000
<b>Total</b>	<b>50,000</b>					<b>50,000</b>

Budget Impact/Other

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	50,000					50,000
<b>Total</b>	<b>50,000</b>					<b>50,000</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 3-Wastewater Collection  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 20  
 Category WW System  
 Priority 03 - Moderate Need  
 Status Active

Project # WWCO2207  
 Project Name Lift Station 2 - Generator and switch

Total Project Cost: \$36,490

**Description**  
 Lift station 2 is a major lift station that services all of Cohasset. This lift station does not have any backup power supply to ensure that it doesn't overflow into the Mississippi river.

**Justification**  
 The generator and switch would serve as a backup power supply to address any power outage effecting the lift station.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	36,490					36,490
<b>Total</b>	<b>36,490</b>					<b>36,490</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-WWC Infrastructure	36,490					36,490
<b>Total</b>	<b>36,490</b>					<b>36,490</b>

**Budget Impact/Other**  
 Ziegler pricing is state bid pricing through Sourcewell Contract #120617-CAT

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	36,490					36,490
<b>Total</b>	<b>36,490</b>					<b>36,490</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 3-Wastewater Collection  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 20  
 Category WW System  
 Priority 03 - Moderate Need  
 Status Active

Project # WWCO2208  
 Project Name Lift Station 3 - Generator and switch

Total Project Cost: \$32,825

**Description**  
 Lift station 2 is a major lift station that services all of the SW part of town including the new west school, hospital, clinics and the old ainsworth property. This lift station does not have any backup power supply to ensure that it doesn't overflow into the surrounding environment.

**Justification**  
 The generator and switch would serve as a backup power supply to address any power outage effecting the lift station.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	32,825					32,825
<b>Total</b>	<b>32,825</b>					<b>32,825</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-WWC Infrastructure	32,825					32,825
<b>Total</b>	<b>32,825</b>					<b>32,825</b>

**Budget Impact/Other**  
 Ziegler pricing is state bid pricing through Sourcewell Contract #120617-CAT

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	32,825					32,825
<b>Total</b>	<b>32,825</b>					<b>32,825</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 3-Wastewater Collection

Contact Steve Mattson

Type Unassigned

Useful Life 20

Category WW System

Priority 01 - Required

Status Active

Total Project Cost: \$29,500

Project # WWCO2401  
Project Name Lift Station 6 Controls Update

**Description**  
The controls for this lift station need to be updated due to outdated components.

**Justification**

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	29,500					29,500
<b>Total</b>	<b>29,500</b>					<b>29,500</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-WWC Infrastructure	29,500					29,500
<b>Total</b>	<b>29,500</b>					<b>29,500</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	29,500					29,500
<b>Total</b>	<b>29,500</b>					<b>29,500</b>

# Capital Improvement Plan

Data in Year 2022

## Grand Rapids Public Utilities Commission

Department 3-Wastewater Collection

Contact Steve Mattson

Type Unassigned

Useful Life 20

Category WW System

Priority 01 - Required

Status Active

Total Project Cost: \$30,400

Project # WWCO2601  
 Project Name Lift Station 7 Controls Update

### Description

The controls for this lift station need to be updated due to outdated components.

### Justification

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	30,400					30,400
<b>Total</b>	<b>30,400</b>					<b>30,400</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-WWC Infrastructure	30,400					30,400
<b>Total</b>	<b>30,400</b>					<b>30,400</b>

### Budget Impact/Other

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	30,400					30,400
<b>Total</b>	<b>30,400</b>					<b>30,400</b>

Capital Improvement Plan  
Grand Rapids Public Utilities Commission

Data in Year 2022

Department 4a-WWT Domestic  
Contact Steve Mattson  
Type Unassigned  
Useful Life 20  
Category Equipment  
Priority 02 - Significant Need  
Status Active

Project # WWDO1801  
Project Name Rebuild Domestic Screen

Total Project Cost: \$150,000

**Description**  
Repair the Parkson Domestic Screen to ensure good screening of domestic waste for the foreseeable future.

**Justification**  
The current screen is reaching the end of its useful life and is in need of major repairs.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	150,000					150,000
<b>Total</b>	<b>150,000</b>					<b>150,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-WWC Infrastructure	150,000					150,000
<b>Total</b>	<b>150,000</b>					<b>150,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	150,000					150,000
<b>Total</b>	<b>150,000</b>					<b>150,000</b>

# Capital Improvement Plan

Data in Year 2022

## Grand Rapids Public Utilities Commission

Department 4c-WWT Primary Plant

Contact Steve Mattson

Type Unassigned

Useful Life 20

Category Equipment

Priority 01 - Required

Status Active

Total Project Cost: \$23,000

Project # WWPP2002  
Project Name SWPPP Pond Pump

### Description

The storm water pollution prevention plan pond (SWPPP) needs to be pumped after rain events to prevent overflow into the surrounding area. This part of our Industrial storm water mulit-sector permit.

### Justification

Required per our SWPPP Industrial Stormwater Mulit-Sector Permit.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	14,500					14,500
Labor	7,000					7,000
Contractor Labor	1,500					1,500
<b>Total</b>	<b>23,000</b>					<b>23,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	23,000					23,000
<b>Total</b>	<b>23,000</b>					<b>23,000</b>

### Budget Impact/Other

Labor WW Maint (40 hrs @ 151.57) = 6100  
 Labor PUC Elec (20 hrs @ 50) = 1000  
 - \$7100  
 Contract labor-Itasca Util (430 ft @ 3.00 / ft) = 1500  
 - \$1500  
 Pump Panel = 5000  
 Wire = 2000  
 Pump = 2000  
 Piping Parts = 2000  
 Electrical parts = 1500  
 - \$12,500  
 Sub Total = \$21,100  
 Contingency @ 10% = 2100  
 Grand Total = \$23,200

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 4c-WWT Primary Plant  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 20  
 Category Equipment  
 Priority 03 - Moderate Need  
 Status Active

Project # WWPP2003  
 Project Name Painting Primary Clarifiers

Total Project Cost: \$80,000

### Description

The primary clarifiers have been in service for almost a decade. The metal parts have been showing wear and rust. In order to protect the investment the metal parts of the structure and rake arm need to be sandblasted and repainted professionally.

### Justification

The primary clarifiers have been in service for almost a decade. The metal parts have been showing wear and rust. In order to protect the investment the metal parts of the structure and rake arm need to be sandblasted and repainted professionally.

Expenditures	2022	2023	2024	2025	2026	Total
Contractor Labor	80,000					80,000
<b>Total</b>	<b>80,000</b>					<b>80,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	80,000					80,000
<b>Total</b>	<b>80,000</b>					<b>80,000</b>

### Budget Impact/Other

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	80,000					80,000
<b>Total</b>	<b>80,000</b>					<b>80,000</b>



# Capital Improvement Plan

Data in Year 2022

## Grand Rapids Public Utilities Commission

Department 4c-WWT Primary Plant  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 10  
 Category WW System  
 Priority 02 - Significant Need  
 Status Active

Project # WWPP2103  
 Project Name Sludge Screw Conveyor - Screw Replacement

Total Project Cost: \$88,535

### Description

There are five sections of screw for the custom sludge scew conveyor. In order to maintain runnability, the second and third screw should be replaced.

### Justification

There are five sections of screw for the custom sludge scew conveyor. In order to maintain runnability, the second and third screw should be replaced. The first section was replaced in 2020 which significantly improved the operation of the conveyor and reduced maintenance downtime.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	44,535					44,535
Labor	5,000					5,000
<b>Total</b>	<b>49,535</b>					<b>49,535</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	49,535					49,535
<b>Total</b>	<b>49,535</b>					<b>49,535</b>

### Budget Impact/Other

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	49,535					49,535
<b>Total</b>	<b>49,535</b>					<b>49,535</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 4c-WWT Primary Plant  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 10  
 Category WW System  
 Priority 03 - Moderate Need  
 Status Active

Project # WWPP2201  
 Project Name RST VFD Upgrade

Total Project Cost: \$17,000

### Description

The rotary screw thickeners have a manual adjustment. Transistioning to a VFD will allow the operators greater flexibility to be able to manage the ever changing solids material received from Blandin.

### Justification

The rotary screw thickeners have a manual adjustment. Transistioning to a VFD will allow the operators greater flexibility to be able to manage the ever changing solids material received from Blandin.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	13,000					13,000
Labor	4,000					4,000
<b>Total</b>	<b>17,000</b>					<b>17,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	17,000					17,000
<b>Total</b>	<b>17,000</b>					<b>17,000</b>

### Budget Impact/Other

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	17,000					17,000
<b>Total</b>	<b>17,000</b>					<b>17,000</b>

# Capital Improvement Plan

Data in Year 2022

## Grand Rapids Public Utilities Commission

Department 4c-WWT Primary Plant

Contact Steve Mattson

Type Unassigned

Useful Life 20

Category WW System

Priority 03 - Moderate Need

Status Active

Total Project Cost: \$8,500

Project #	WWPP2202
Project Name	Forks for Front End Loader

### Description

Fork attachment for the Front End loader for unloading equipment and materials.

### Justification

Forks will allow the maintenance crew to be able to safely unload/load equipment and also facilitate the installation of equipment.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	8,500					8,500
<b>Total</b>	<b>8,500</b>					<b>8,500</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	8,500					8,500
<b>Total</b>	<b>8,500</b>					<b>8,500</b>

### Budget Impact/Other

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	8,500					8,500
<b>Total</b>	<b>8,500</b>					<b>8,500</b>

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 4c-WWT Primary Plant  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 10  
 Category WW System  
 Priority 02 - Significant Need  
 Status Active

Project # WWPP2203  
 Project Name High Lift

Total Project Cost: \$12,000

**Description**  
 A high lift is necessary to access countless items/equipment at elevations throughout the entire solids process building.

**Justification**  
 There is a lot of equipment that requires maintenance at elevations where it is unsafe to do so with a ladder such as replacing lights, fans, heaters, piping, equipment, hoists and other electrical components. GRPU has been renting a similar unit over the last four years. In 2021, we have spent over \$4,000 through September.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	12,000					12,000
<b>Total</b>	<b>12,000</b>					<b>12,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	12,000					12,000
<b>Total</b>	<b>12,000</b>					<b>12,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	12,000					12,000
<b>Total</b>	<b>12,000</b>					<b>12,000</b>

# Capital Improvement Plan

Data in Year 2022

## Grand Rapids Public Utilities Commission

Department 4d-WWT Sludge Disposal

Contact Steve Mattson

Type Unassigned

Useful Life 10

Category WW System

Priority 02 - Significant Need

Status Active

Total Project Cost: \$16,000

Project #	WWSD2101
Project Name	Leachate Phase Pump

<b>Description</b>
We are required be permit to continuously pump out leachate from the sumps of nine phases in the landfill. Failure of a pump would require weeks to repair which would lead to a violation. A spare pump will allow maintenance to immediatedly address the issue.

<b>Justification</b>
We are required be permit to continuously pump out leachate from the sumps of nine phases in the landfill. Failure of a pump would require weeks to repair which would lead to a violation. A spare pump will allow maintenance to immediatedly address the issue.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	8,000					8,000
<b>Total</b>	<b>8,000</b>					<b>8,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	8,000					8,000
<b>Total</b>	<b>8,000</b>					<b>8,000</b>

<b>Budget Impact/Other</b>

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects	8,000					8,000
<b>Total</b>	<b>8,000</b>					<b>8,000</b>

# Capital Improvement Plan

Data in Year 2022

## Grand Rapids Public Utilities Commission

Department 4d-WWT Sludge Disposal

Contact Steve Mattson

Type Unassigned

Useful Life 20

Category WW System

Priority 02 - Significant Need

Status Active

Total Project Cost: \$50,000

Project # WWSD2201  
Project Name Engineering Design - Landfill Cover

**Description**  
GRPUC will need to manage leachate for the unforeseen future, possibly decades. Long term it makes sense to pump it rather than haul it in a truck.

**Justification**  
In 2022, we will start the detailed design of the leachate pipeline to the WWTP.

Expenditures	2022	2023	2024	2025	2026	Total
Outside Services	50,000					50,000
<b>Total</b>	<b>50,000</b>					<b>50,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	50,000					50,000
<b>Total</b>	<b>50,000</b>					<b>50,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 4f-WWT Secondary Treatment  
 Contact Steve Mattson  
 Type Unassigned  
 Useful Life 10  
 Category Equipment  
 Priority 01 - Required  
 Status Active

Project # WWSP1803  
 Project Name Delta V Controllers

Total Project Cost: \$20,000

**Description**  
 The MD+ controllers are no longer being supported. We need to upgrade to the MQ controllers for the secondary plant delta V system.

**Justification**

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	20,000					20,000
<b>Total</b>	<b>20,000</b>					<b>20,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-Cohasset	300					300
Customer Contributions-LaPrairie	300					300
Customer Contributions-UPM	16,000					16,000
Rplcmt Fund-WWC Infrastructure	3,400					3,400
<b>Total</b>	<b>20,000</b>					<b>20,000</b>

**Budget Impact/Other**

Budget Items	2022	2023	2024	2025	2026	Total
Capital Projects			20,000			20,000
<b>Total</b>			<b>20,000</b>			<b>20,000</b>

# Capital Improvement Plan

Data in Year 2022

## Grand Rapids Public Utilities Commission

Department 4f-WWT Secondary Treatment

Contact Steve Mattson

Type Unassigned

Useful Life 20

Category Equipment

Priority 02 - Significant Need

Status Active

Total Project Cost: \$1,000,000

Project # WWSP1804  
 Project Name Secondary Aeration Basin Mixer Repairs

### Description

The thirty-plus year old aeration basin mixers need to be overhauled in order to provide the mixing needed within our activated sludge process. This work will include rebuilding the gearbox and replacing the shaft and both lower and upper impellers of two mixers when necessary.

### Justification

Upon inspection of aeration basins, lower impellers have fallen off, mixer shafts have sheared off. Additionally the gearboxes need to be rebuilt. The project will include removing the existing gearbox, shaft and impellers and replacing with a rebuilt gearbox and a new shaft and impellers. We started this process a few years ago and our industrial partner would like us to continue to work at revamping these.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	125,000	175,000	275,000			575,000
<b>Total</b>	<b>125,000</b>	<b>175,000</b>	<b>275,000</b>			<b>575,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-Cohasset	2,820	4,011	6,418			13,249
Customer Contributions-LaPrairie	1,695	2,373	3,797			7,865
Customer Contributions-UPM	87,500	122,500	191,000			401,000
Rplcmt Fund-WWC Infrastructure	32,985	46,116	73,785			152,886
<b>Total</b>	<b>125,000</b>	<b>175,000</b>	<b>275,000</b>			<b>575,000</b>

### Budget Impact/Other

By replacing the worn components we can extend the life of the mixer for years as well as prevent the hundreds of thousands of dollars for new.



# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 5-Technology  
 Contact Tyanne Betts  
 Type Unassigned  
 Useful Life 5  
 Category Computer System  
 Priority 01 - Required  
 Status Active

Project # CITE2201  
 Project Name Router Replacement

Total Project Cost: \$8,000

**Description**  
 Replace main incoming router for CSC.

**Justification**  
 Maintenance. Replace router due to age/changes in technology to protect cybersecurity.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	8,000					8,000
<b>Total</b>	<b>8,000</b>					<b>8,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	2,000					2,000
Rplcmt Fund-Elec share/business	3,760					3,760
Rplcmt Fund-Water share/business	1,360					1,360
Rplcmt Fund-WWC share/business	880					880
<b>Total</b>	<b>8,000</b>					<b>8,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 5-Technology  
 Contact Tyanne Betts  
 Type Unassigned  
 Useful Life 5  
 Category Computer System  
 Priority 03 - Moderate Need  
 Status Active

Project # CITE2202  
 Project Name Personal Computer Replacements

Total Project Cost: \$4,000

**Description**  
 Annual replacement/upgrade of GRPUC personal computers/workstations

**Justification**  
 Maintenance. Replace personal computers due to obsolescence.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	4,000					4,000
<b>Total</b>	<b>4,000</b>					<b>4,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	1,320					1,320
Rplcmt Fund-Elec share/business	1,680					1,680
Rplcmt Fund-Water share/business	600					600
Rplcmt Fund-WWC share/business	400					400
<b>Total</b>	<b>4,000</b>					<b>4,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 5-Technology  
 Contact Tyanne Betts  
 Type Unassigned  
 Useful Life 5  
 Category Computer System  
 Priority 04 - Minor Need  
 Status Active

Project # CITE2203  
 Project Name Mobile Computers

Total Project Cost: \$4,000

**Description**  
 Purchase 2 mobile computers (laptops or tablets)

**Justification**  
 Improve efficiency. Purchase mobile computers for use by Electric, Water and Wastewater Collection field and maintenance crews for mapping and WO use. Allow better tracking of work.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	4,000					4,000
<b>Total</b>	<b>4,000</b>					<b>4,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Elec share/business	2,000					2,000
Rplcmt Fund-Water share/business	1,000					1,000
Rplcmt Fund-WWC share/business	1,000					1,000
<b>Total</b>	<b>4,000</b>					<b>4,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 5-Technology  
 Contact Jean Lane  
 Type Unassigned  
 Useful Life 10  
 Category Computer System  
 Priority 03 - Moderate Need  
 Status Active

Project # CITE2204  
 Project Name Telephone System Upgrade

Total Project Cost: \$25,000

**Description**  
 Replace CSC telephone system

**Justification**  
 Improve efficiency. Purchase new telephone system to allow better automation.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	25,000					25,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Elec share/business	15,000					15,000
Rplcmt Fund-Water share/business	5,000					5,000
Rplcmt Fund-WWC share/business	5,000					5,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 5-Technology  
 Contact Tyanne Betts  
 Type Unassigned  
 Useful Life 5  
 Category Computer System  
 Priority 03 - Moderate Need  
 Status Active

Project # CITE2206  
 Project Name Network Switch Upgrades

Total Project Cost: \$10,000

**Description**  
 Replace/upgrade DeltaV network switches

**Justification**  
 Maintenance. Scheduled replacement due to technological changes.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	10,000					10,000
<b>Total</b>	<b>10,000</b>					<b>10,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	5,700					5,700
Rplcmt Fund-Elec share/business	1,000					1,000
Rplcmt Fund-Water share/business	3,300					3,300
Rplcmt Fund-WWC share/business	0					0
<b>Total</b>	<b>10,000</b>					<b>10,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 5-Technology  
 Contact Tyanne Betts  
 Type Unassigned  
 Useful Life 5  
 Category Computer System  
 Priority 02 - Significant Need  
 Status Active

Project # CITE2208  
 Project Name Software Upgrades

Total Project Cost: \$10,000

**Description**  
 Upgrade GP Dynamics/Cogsdale to latest builds.

**Justification**  
 Maintenance. Annual business accounting software upgrade.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	10,000					10,000
<b>Total</b>	<b>10,000</b>					<b>10,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	2,500					2,500
Rplcmt Fund-Elec share/business	4,700					4,700
Rplcmt Fund-Water share/business	1,700					1,700
Rplcmt Fund-WWC share/business	1,100					1,100
<b>Total</b>	<b>10,000</b>					<b>10,000</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**Grand Rapids Public Utilities Commission**

Data in Year 2022

Department 5-Technology  
 Contact Tyanne Betts  
 Type Unassigned  
 Useful Life 5  
 Category Computer System  
 Priority 04 - Minor Need  
 Status Active

Project # CITE2209  
 Project Name Miscellaneous Computer Hardware

Total Project Cost: \$2,000

**Description**  
 Replace computer equipment, as needed.

**Justification**  
 Maintenance. Replace failed equipment..

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	2,000					2,000
<b>Total</b>	<b>2,000</b>					<b>2,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	500					500
Rplcmt Fund-Elec share/business	940					940
Rplcmt Fund-Water share/business	340					340
Rplcmt Fund-WWC share/business	220					220
<b>Total</b>	<b>2,000</b>					<b>2,000</b>

**Budget Impact/Other**

Capital Improvement Plan  
Grand Rapids Public Utilities Commission

Data in Year 2022

Department 5-Technology  
Contact Jean Lane  
Type Unassigned  
Useful Life 5  
Category Computer System  
Priority 02 - Significant Need  
Status Active

Project # CITE2211  
Project Name LaserFiche

Total Project Cost: \$10,000

**Description**  
Continue implementation of LaserFiche system.

**Justification**  
Upgrade document retention due to technology advances/greater efficiency.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	10,000					10,000
<b>Total</b>	<b>10,000</b>					<b>10,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	2,500					2,500
Rplcmt Fund-Elec share/business	4,700					4,700
Rplcmt Fund-Water share/business	1,700					1,700
Rplcmt Fund-WWC share/business	1,100					1,100
<b>Total</b>	<b>10,000</b>					<b>10,000</b>

**Budget Impact/Other**



**Capital Improvement Plan**  
**Grand Rapids Public Utilities Commission**

Data in Year 2022

Department 5-Technology  
 Contact Jean Lane  
 Type Unassigned  
 Useful Life 10  
 Category Equipment  
 Priority 02 - Significant Need  
 Status Active

Project # CITE2212  
 Project Name Radio Conversion to 800MHZ

Total Project Cost: \$25,000

**Description**  
 Radio Conversion to 800MHZ

**Justification**

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	25,000					25,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Elec share/business	15,000					15,000
Rplcmt Fund-Water share/business	5,000					5,000
Rplcmt Fund-WWC share/business	5,000					5,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**Grand Rapids Public Utilities Commission**

Data in Year 2022

Department 6-Service Center  
 Contact Julie Kennedy  
 Type Unassigned  
 Useful Life 20  
 Category Buildings  
 Priority 02 - Significant Need  
 Status Active

Project # CSCW2022  
 Project Name South Gate Replacement

Total Project Cost: \$20,000

**Description**  
 Replace north gate

**Justification**

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	15,000					15,000
Labor	5,000					5,000
<b>Total</b>	<b>20,000</b>					<b>20,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
City Contributions	8,200					8,200
Rplcmt Fund-Elec share/business	7,670					7,670
Rplcmt Fund-Water share/business	2,360					2,360
Rplcmt Fund-WWC share/business	1,770					1,770
<b>Total</b>	<b>20,000</b>					<b>20,000</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**Grand Rapids Public Utilities Commission**

Data in Year 2022

Department 6-Service Center  
 Contact Julie Kennedy  
 Type Unassigned  
 Useful Life 20  
 Category Buildings  
 Priority 03 - Moderate Need  
 Status Active

Project # CSCW2102  
 Project Name Building Security Upgrade

Total Project Cost: \$28,000

**Description**  
 Convert key system to upgraded card system.

**Justification**

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	20,000					20,000
Labor	3,000					3,000
Contractor Labor	5,000					5,000
<b>Total</b>	<b>28,000</b>					<b>28,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
City Contributions	11,480					11,480
Rplcmt Fund-Elec share/business	10,738					10,738
Rplcmt Fund-Water share/business	2,478					2,478
Rplcmt Fund-WWC share/business	3,304					3,304
<b>Total</b>	<b>28,000</b>					<b>28,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 6-Service Center  
 Contact Julie Kennedy  
 Type Unassigned  
 Useful Life 20  
 Category Buildings  
 Priority 04 - Minor Need  
 Status Active

Project # CSCW2103  
 Project Name Building Landscaping

Total Project Cost: \$10,000

**Description**  
 Plant shrubs in front of building-create sitting area for lunch and break.

**Justification**

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	5,000					5,000
Labor	2,000					2,000
Contractor Labor	3,000					3,000
<b>Total</b>	<b>10,000</b>					<b>10,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
City Contributions	4,100					4,100
Rplcmt Fund-Elec share/business	3,835					3,835
Rplcmt Fund-Water share/business	1,180					1,180
Rplcmt Fund-WWC share/business	885					885
<b>Total</b>	<b>10,000</b>					<b>10,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 6-Service Center  
 Contact Julie Kennedy  
 Type Unassigned  
 Useful Life 20  
 Category Buildings  
 Priority 02 - Significant Need  
 Status Active

Project # CSCW2201  
 Project Name North Roof Replacement

Total Project Cost: \$80,000

**Description**  
 Replace north roof

**Justification**

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	80,000					80,000
<b>Total</b>	<b>80,000</b>					<b>80,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
City Contributions	32,800					32,800
Rplcmt Fund-Elec share/business	30,680					30,680
Rplcmt Fund-Water share/business	9,440					9,440
Rplcmt Fund-WWC share/business	7,080					7,080
<b>Total</b>	<b>80,000</b>					<b>80,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 6-Service Center  
 Contact Julie Kennedy  
 Type Unassigned  
 Useful Life 25  
 Category Buildings  
 Priority 02 - Significant Need  
 Status Active

Project # CSCW2202  
 Project Name CSC Lighting Upgrades

Total Project Cost: \$17,500

**Description**

Upgrade combined service center lighting to LED fixtures. Add motion detectors to automatically turn off lights when not in use. Add dimmers where necessary.

**Justification**

Lower energy use by LED lights combined with motion detectors reduce overall energy consumption with an average of a 3 year payback.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	17,500					17,500
<b>Total</b>	<b>17,500</b>					<b>17,500</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Elec share/business	11,375					11,375
Rplcmt Fund-Water share/business	3,500					3,500
Rplcmt Fund-WWC share/business	2,625					2,625
<b>Total</b>	<b>17,500</b>					<b>17,500</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**Grand Rapids Public Utilities Commission**

Data in Year 2022

Department 6-Service Center  
 Contact Julie Kennedy  
 Type Unassigned  
 Useful Life  
 Category Buildings  
 Priority  
 Status Active

Project # CSCW2203  
 Project Name Conference Room Furniture

Total Project Cost: \$5,000

**Description**  
 New conference table for Commission meetings

**Justification**

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	5,000					5,000
<b>Total</b>	<b>5,000</b>					<b>5,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Elec share/business	3,250					3,250
Rplcmt Fund-Water share/business	1,000					1,000
Rplcmt Fund-WWC share/business	750					750
<b>Total</b>	<b>5,000</b>					<b>5,000</b>

**Budget Impact/Other**

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 6-Service Center  
 Contact Jean Lane  
 Type Unassigned  
 Useful Life 30  
 Category Buildings  
 Priority 02 - Significant Need  
 Status Active

Project # CSCW2204  
 Project Name Shelter for wire spools

Total Project Cost: \$50,000

**Description**  
 Shelter for wire spools.

**Justification**  
 Protect wire spools from the elements.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	50,000					50,000
<b>Total</b>	<b>50,000</b>					<b>50,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Rplcmt Fund-Elec share/business	50,000					50,000
<b>Total</b>	<b>50,000</b>					<b>50,000</b>

**Budget Impact/Other**



# Capital Improvement Plan

Data in Year 2022

Department 6-Service Center

## Grand Rapids Public Utilities Commission

Contact

Project # CSCW2205  
 Project Name Electric Vehicle

Type Unassigned

Useful Life

Category Vehicles

Priority

Status Active

Total Project Cost: \$50,000

Description

[Empty description box]

Justification

[Empty justification box]

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	50,000					50,000
<b>Total</b>	<b>50,000</b>					<b>50,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Customer Contributions-UPM	0					0
Rplcmt Fund-Elec share/business	50,000					50,000
Rplcmt Fund-Water share/business	0					0
Rplcmt Fund-WWC share/business	0					0
<b>Total</b>	<b>50,000</b>					<b>50,000</b>

Budget Impact/Other

[Empty budget impact box]

# Capital Improvement Plan

## Grand Rapids Public Utilities Commission

Data in Year 2022

Department 6-Service Center  
 Contact Julie Kennedy  
 Type Unassigned  
 Useful Life 20  
 Category Buildings  
 Priority 02 - Significant Need  
 Status Active

Project # CSCW2206  
 Project Name HVAC Upgrades

Total Project Cost: \$15,000

**Description**  
 Replace two heat pumps

**Justification**

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	13,000					13,000
Labor	1,000					1,000
Contractor Labor	1,000					1,000
<b>Total</b>	<b>15,000</b>					<b>15,000</b>

Funding Sources	2022	2023	2024	2025	2026	Total
City Contributions	6,150					6,150
Rplcmt Fund-Elec share/business	5,752					5,752
Rplcmt Fund-Water share/business	1,328					1,328
Rplcmt Fund-WWC share/business	1,770					1,770
<b>Total</b>	<b>15,000</b>					<b>15,000</b>

**Budget Impact/Other**

**Capital Improvement Plan**  
**Grand Rapids Public Utilities Commission**

Data in Year 2022

Department 6-Service Center  
 Contact Jeremy Goodell  
 Type Unassigned  
 Useful Life 20  
 Category Equipment  
 Priority 01 - Required  
 Status Active

Project # CSCW2207  
 Project Name Service Center Backup Generator

Total Project Cost: \$388,650

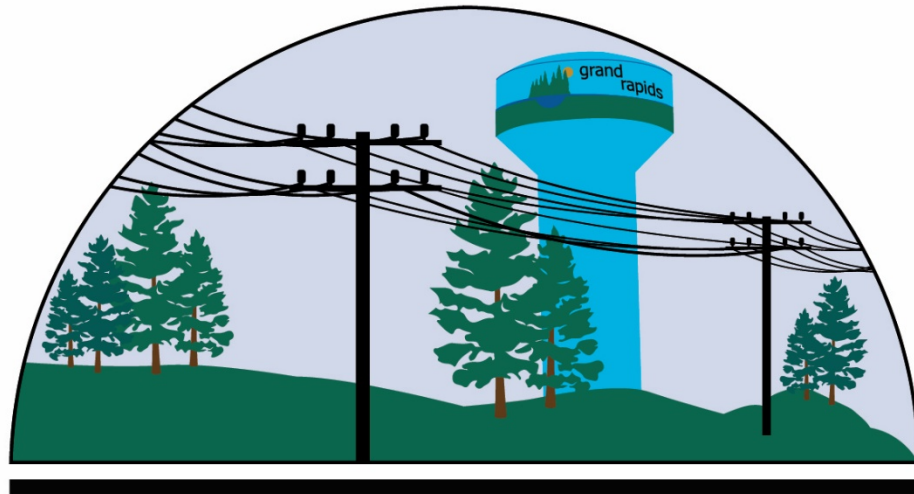
**Description**  
 Backup electrical generator for combined service center.

**Justification**  
 Service center is the emergency operations center during large outages and other events.

Expenditures	2022	2023	2024	2025	2026	Total
Purchases	238,520					238,520
Contractor Labor	150,130					150,130
<b>Total</b>	<b>388,650</b>					<b>388,650</b>

Funding Sources	2022	2023	2024	2025	2026	Total
Grants	291,487					291,487
Rplcmt Fund-Elec share/business	63,156					63,156
Rplcmt Fund-Water share/business	19,433					19,433
Rplcmt Fund-WWC share/business	14,574					14,574
<b>Total</b>	<b>388,650</b>					<b>388,650</b>

**Budget Impact/Other**



**GRAND RAPIDS  
PUBLIC UTILITIES**

*Service is Our Nature*

**FINANCIAL HEALTH INDICATORS**

**(Unaudited)**

**2011 - 2020**

# Financial Health Indicators

**Liquidity** - Measures the utilities ability to meet its short term obligations

Current ratio (current assets/current liabilities)..... 1

**Leverage** - Measures the extent to which the utilities are financed by debt.

Debt service coverage (operating income/total debt service payments) ..... 2

Debt to total assets (long-term debt/total assets)..... 3

**Activity** - Measures how effectively the utilities is using its resources

Operating ratio (operating expenses/operating revenues) ..... 4

Gross Margin (Electric)..... 5

Revenue per KWH ..... 6

Cost per KWH ..... 7

Operation and maintenance cost per kWh ..... 8

Revenue per 1,000 gallons of water sold ..... 9

Production costs per 1,000 of water produced ..... 10

Cost per 1,000 gallons of water sold ..... 11

Revenue per 1,000 gallons of domestic wastewater treated ..... 12

Cost per 1,000 gallons of domestic wastewater treated ..... 13

**Profitability** - Measures management’s overall effectiveness as shown by returns

Operating income per dollar of operating revenues ..... 14

Net income ..... 15

Net income per dollar of operating revenues..... 16

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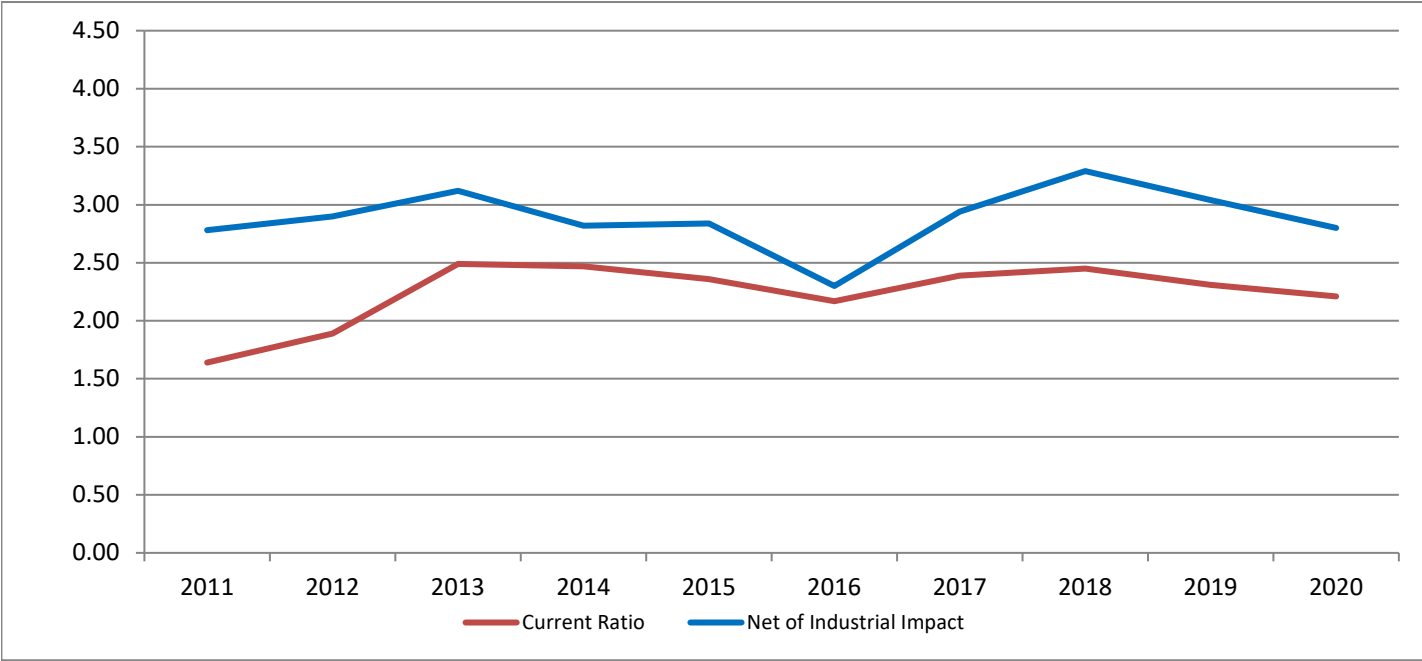
Current Ratio

Measurement - Liquidity

The ratio of total current and accrued assets to total current and accrued liabilities.

This is a measure of the utility’s short-term liquidity (the ability to pay bills). The current ratio takes a snapshot of the utility’s liquidity at a point in time and thus may vary considerably at other times of the year.

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Ten Year Average</u>	<b>2019 APPA Industry Average</b>	
1.64	1.89	2.49	2.47	2.36	2.17	2.39	2.45	2.31	2.21	2.24	3.56	Net of Industrial Impact
2.78	2.90	3.12	2.82	2.84	2.30	2.94	3.29	3.04	2.80	2.88		



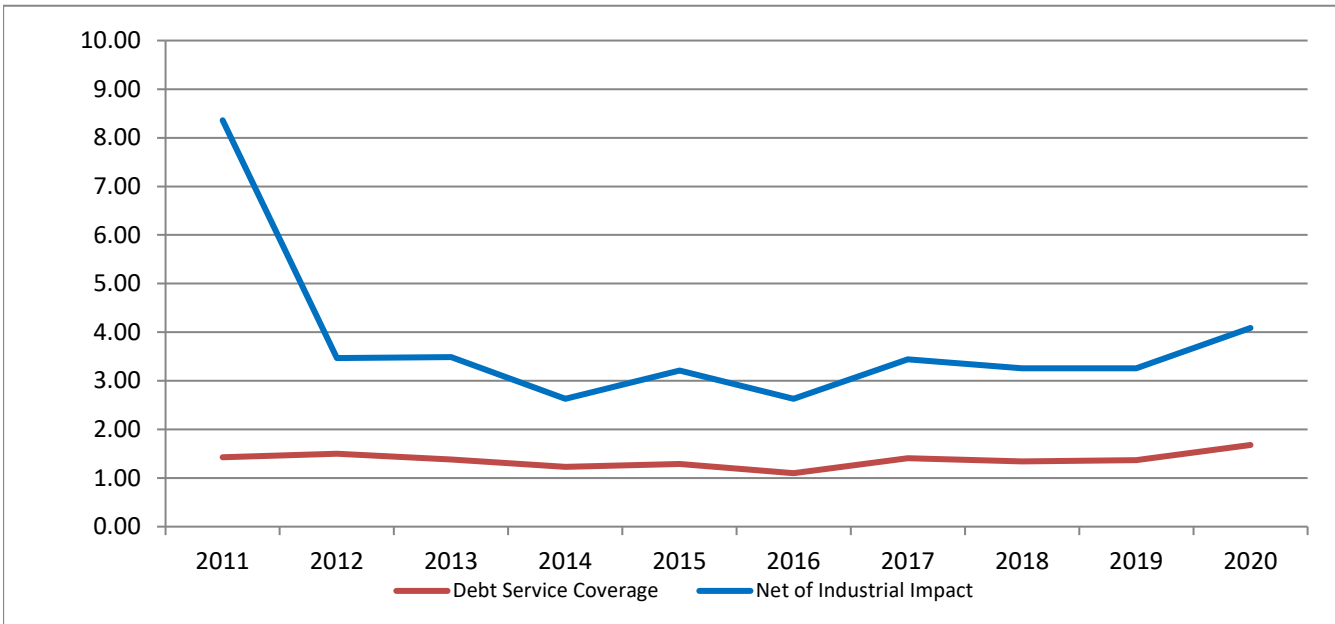
Debt Service Coverage

Measurement - Leverage

The ratio of net revenues available for debt service to total long-term debt service for the year.

This ratio measures the utility's ability to meet its annual long-term debt obligation. Net revenues available for debt service equal net utility operating income (operating revenues minus operating expenses) plus net utility non-operating income, plus depreciation. Debt service includes principal and interest payments on long-term debt. This ratio may be influenced by a utility's financial policies.

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Ten Year Average</u>	<b>2019 APPA Industry Average</b>	
1.43	1.50	1.38	1.23	1.29	1.10	1.41	1.34	1.37	1.68	1.37		
8.36	3.47	3.49	2.63	3.21	2.63	3.44	3.26	3.26	4.09	3.78	5.76	Net of Industrial Impact



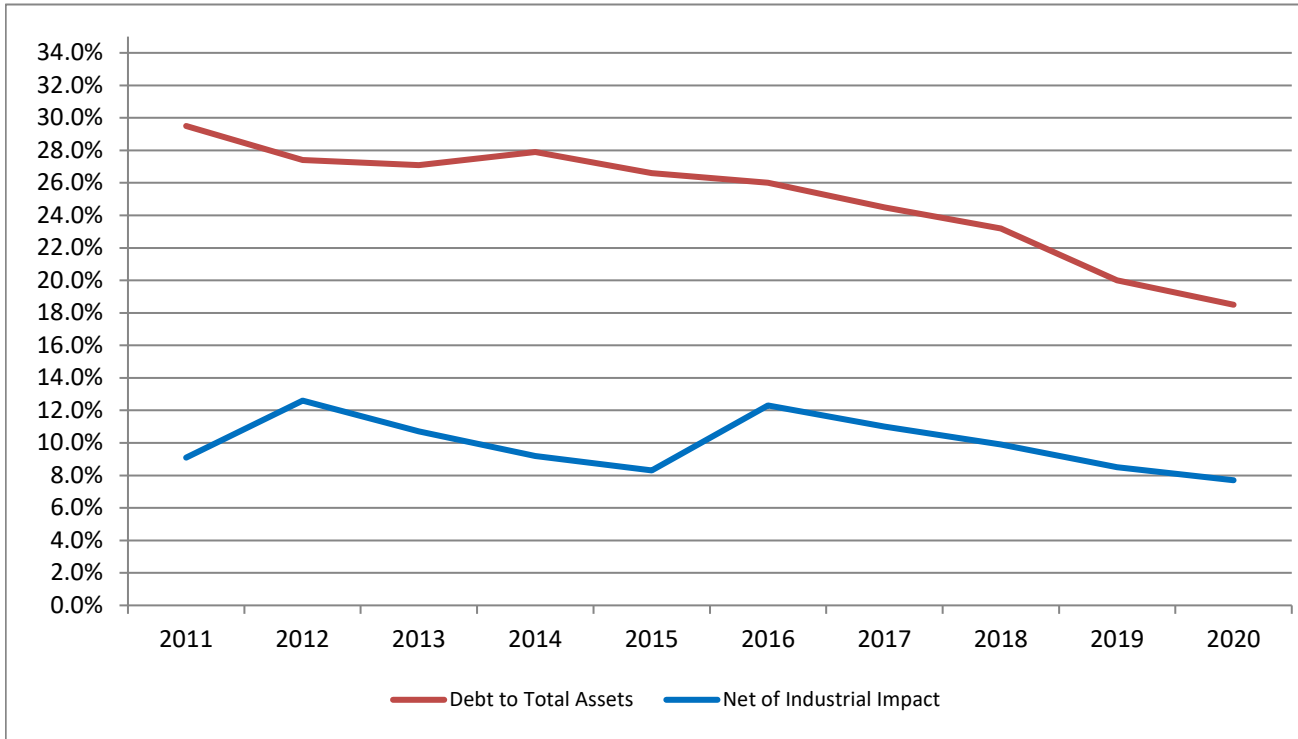
Long-term Debt to Total Assets

Measurement - Leverage

The ratio of long-term debt to total assets expressed as a percent.

This ratio measures the percentage of total funds provided by creditors.

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Ten Year Average</u>	<b>2019 APPA Industry Average</b>
29.5%	27.4%	27.1%	27.9%	26.6%	26.0%	24.5%	23.2%	20.0%	18.5%	25.1%	
9.1%	12.6%	10.7%	9.2%	8.3%	12.3%	11.0%	9.9%	8.5%	7.7%	9.9%	13.8% Net of Industrial Impact





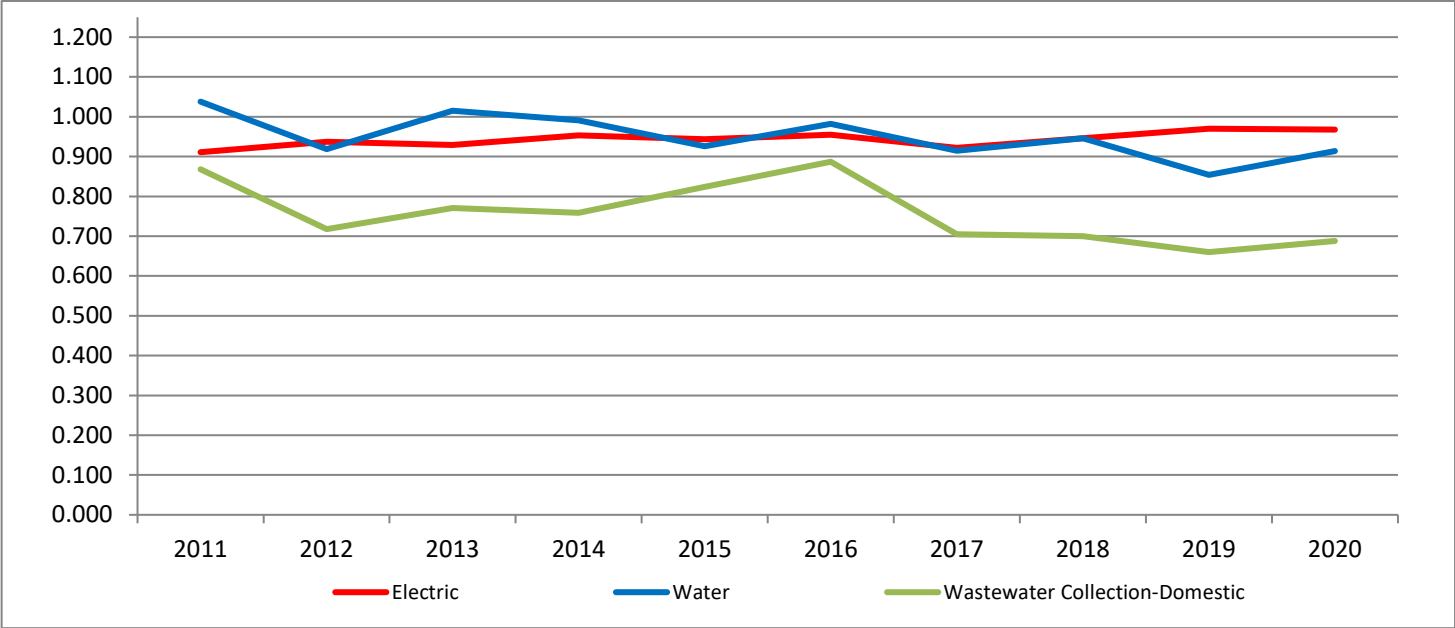
Operating Ratio:

Measurement - Activity

The ratio of total operation and maintenance expenses to total operating revenues.

This ratio measures the proportion of revenues received from sales, rate adjustments and other activities required to cover the operation and maintenance costs associated with producing and selling the utility services, and indicates the managements ability to control expenses.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Ten Year Average</u>	<u>2019 APPA Industry Average</u>
Electric	0.911	0.937	0.929	0.953	0.944	0.955	0.922	0.946	0.970	0.968	0.944	0.881
Water	1.038	0.919	1.015	0.991	0.926	0.982	0.915	0.946	0.854	0.914	0.950	
Wastewater	0.868	0.718	0.771	0.759	0.824	0.887	0.705	0.700	0.660	0.688	0.758	

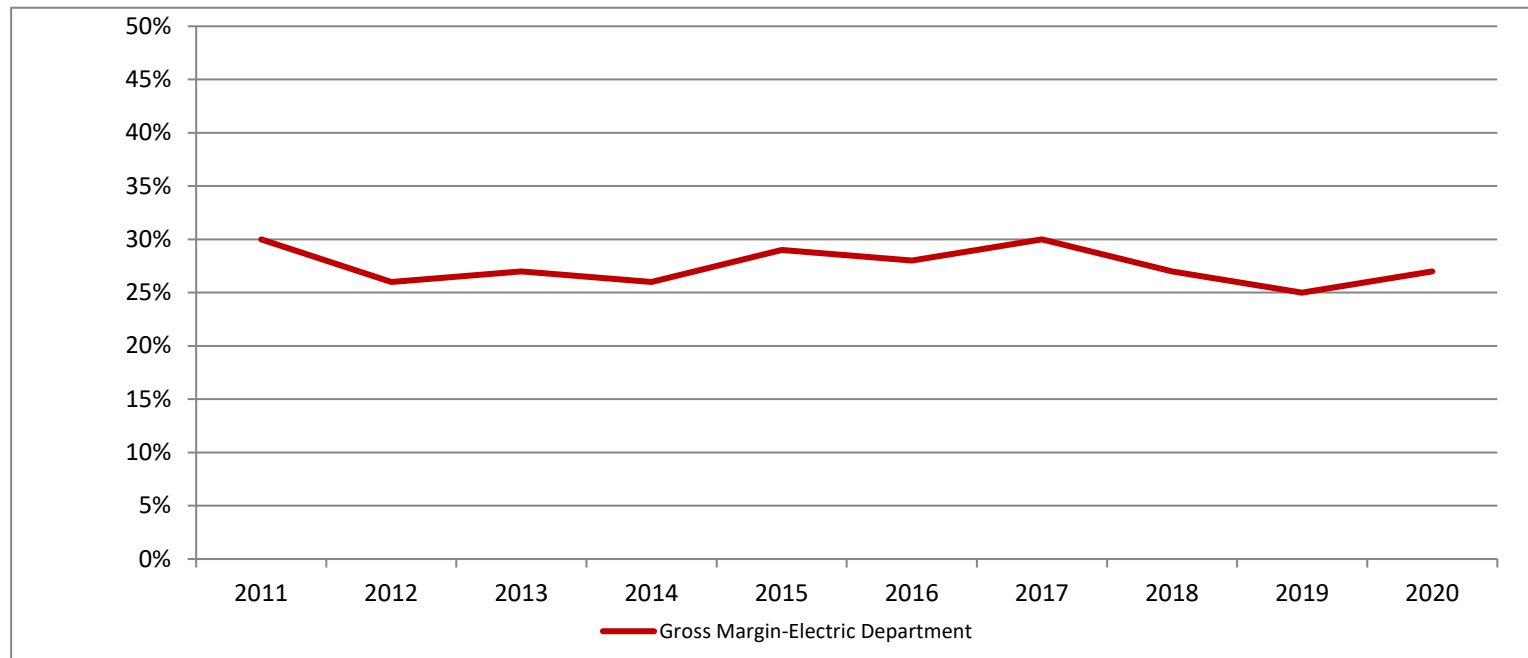


### Gross Margin-Electric Department

#### Measurement - Activity

Gross margin is a company's total sales revenue minus its cost of goods sold (COGS), divided by total sales revenue, expressed as a percentage. The gross margin represents the percent of total sales revenue that the company retains after incurring the direct costs associated with purchasing/producing the goods and services it sells. The higher the percentage, the more the company retains on each dollar of sales, to service its other costs and debt obligations.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	Ten Year Average	2019 APPA Industry Average
Electric	30%	26%	27%	26%	29%	28%	30%	27%	25%	27%	28%	N/A



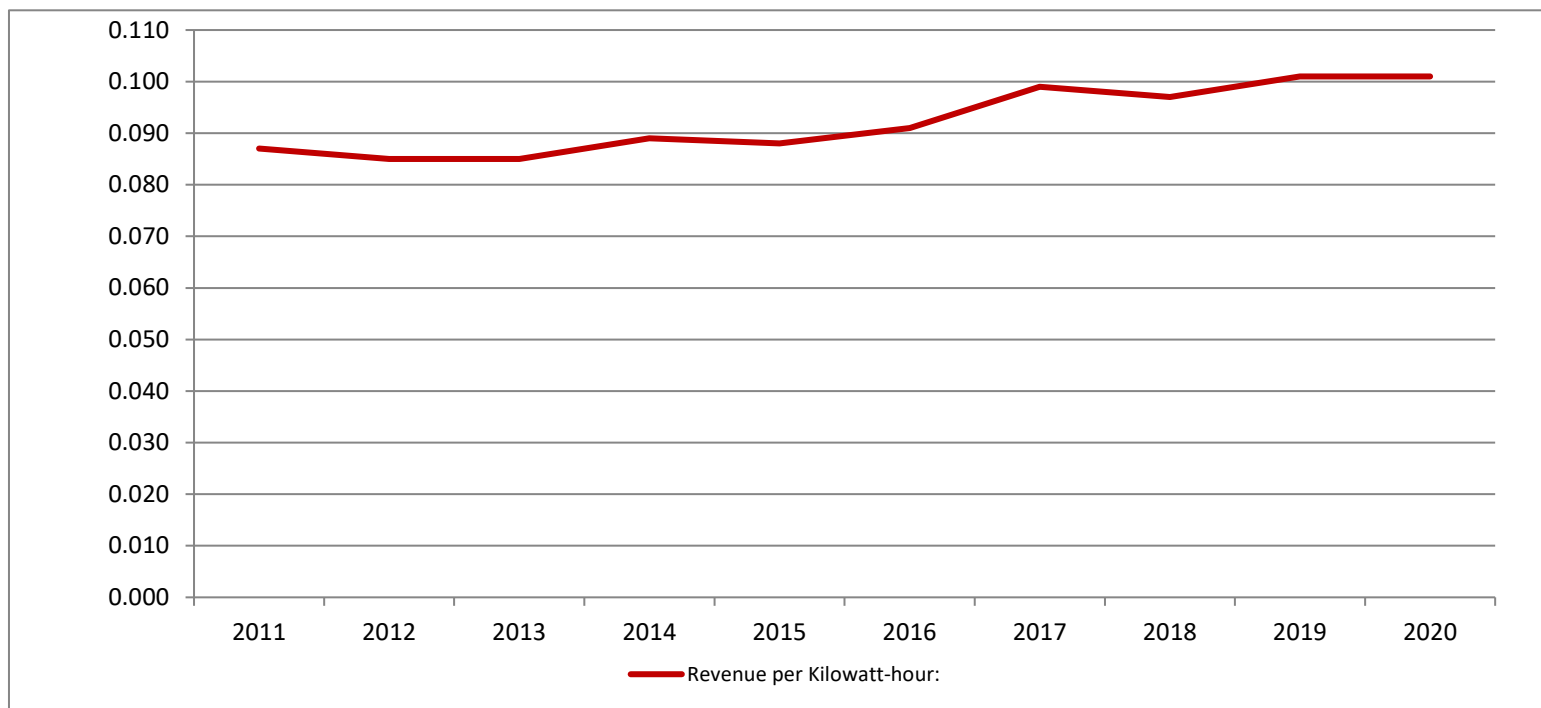
Revenue per Kilowatt-hour:

Measurement - Activity

All retail customers – The ratio of total electric operating revenues from sales to ultimate customers to total kilowatt-hour sales.

This ratio measures the amount of revenue received for each kilowatt-hour of electricity sold to all classes of customers, including residential, commercial, industrial, public street and highway lighting and other customers.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<b>Ten Year Average</b>	<b>2019 APPA Industry Average</b>
Electric	0.087	0.085	0.085	0.089	0.088	0.091	0.099	0.097	0.101	0.101	0.091	0.097



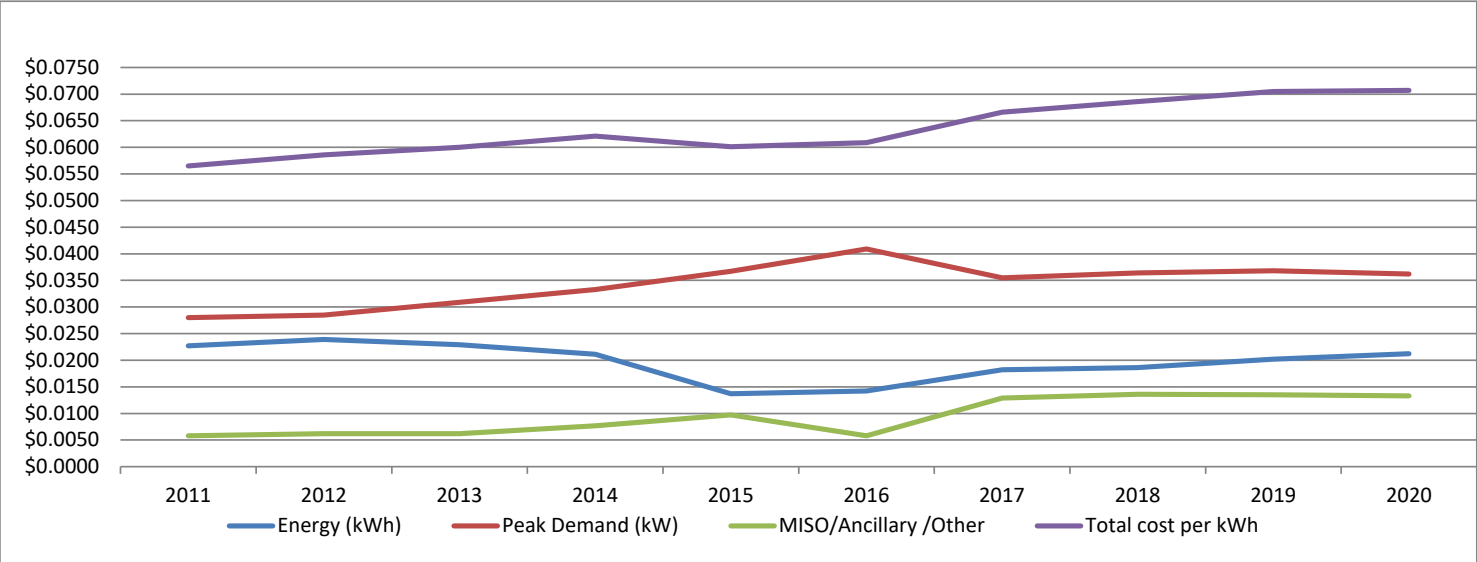
Cost in Cents per Kilo-watt Hour Purchased

Measurement - Activity

The ratio of all components comprising the purchase cost of wholesale power, including energy, power, transmission service, energy management and metering the kilo-watt hours purchased.

This ratio measures the average total cost of each kilo-watt hour purchased.

Cost per kWh:	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<b>2019 APPA Industry Average</b>
Energy (kWh)	\$ 0.0227	\$ 0.0239	\$ 0.0229	\$ 0.0211	\$ 0.0137	\$ 0.0142	\$ 0.0182	\$ 0.0186	\$ 0.0202	\$ 0.0212	
Peak Demand (kW)	\$ 0.0280	\$ 0.0285	\$ 0.0309	\$ 0.0333	\$ 0.0367	\$ 0.0409	\$ 0.0355	\$ 0.0364	\$ 0.0368	\$ 0.0362	
MISO/Ancillary /Other	\$ 0.0058	\$ 0.0062	\$ 0.0062	\$ 0.0077	\$ 0.0097	\$ 0.0058	\$ 0.0129	\$ 0.0136	\$ 0.0135	\$ 0.0133	
<b>Total cost per kWh</b>	<b>\$ 0.0565</b>	<b>\$ 0.0586</b>	<b>\$ 0.0600</b>	<b>\$ 0.0621</b>	<b>\$ 0.0601</b>	<b>\$ 0.0609</b>	<b>\$ 0.0666</b>	<b>\$ 0.0686</b>	<b>\$ 0.0705</b>	<b>\$ 0.0707</b>	<b>\$0.0640</b>



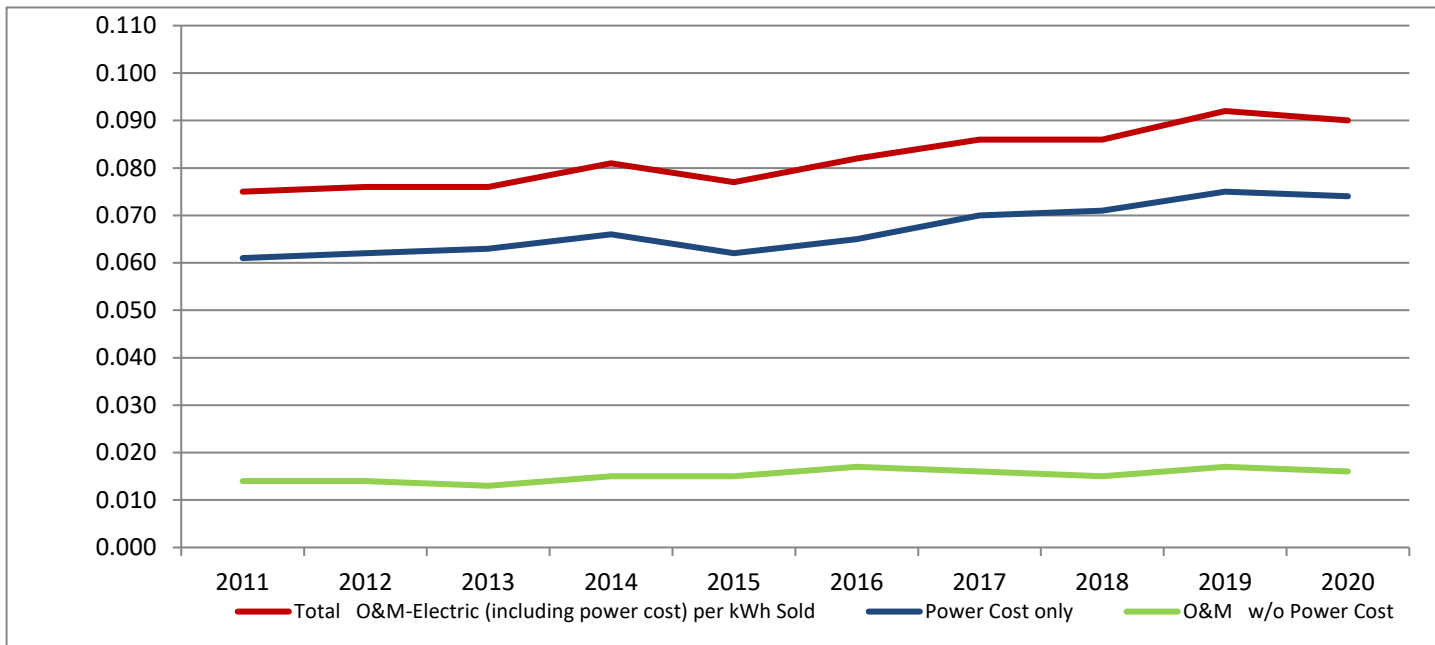
Total Operation and Maintenance Expense per Kilowatt-hour Sold:

Measurement - Profitability

The ratio of total electric utility operation and maintenance expenses, including the cost of purchased power, to total kilowatt-hour sales to ultimate customers.

This ratio measures average total operation and maintenance expenses associated with each kilowatt-hour of electricity sold to ultimate customers.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Ten Year Average</u>	<u>2019 APPA Industry Average</u>
Total	0.075	0.076	0.076	0.081	0.077	0.082	0.086	0.086	0.092	0.090	0.082	0.087
Power	0.061	0.062	0.063	0.066	0.062	0.065	0.070	0.071	0.075	0.074	0.067	0.075
O&M	0.014	0.014	0.013	0.015	0.015	0.017	0.016	0.015	0.017	0.016	0.015	0.012

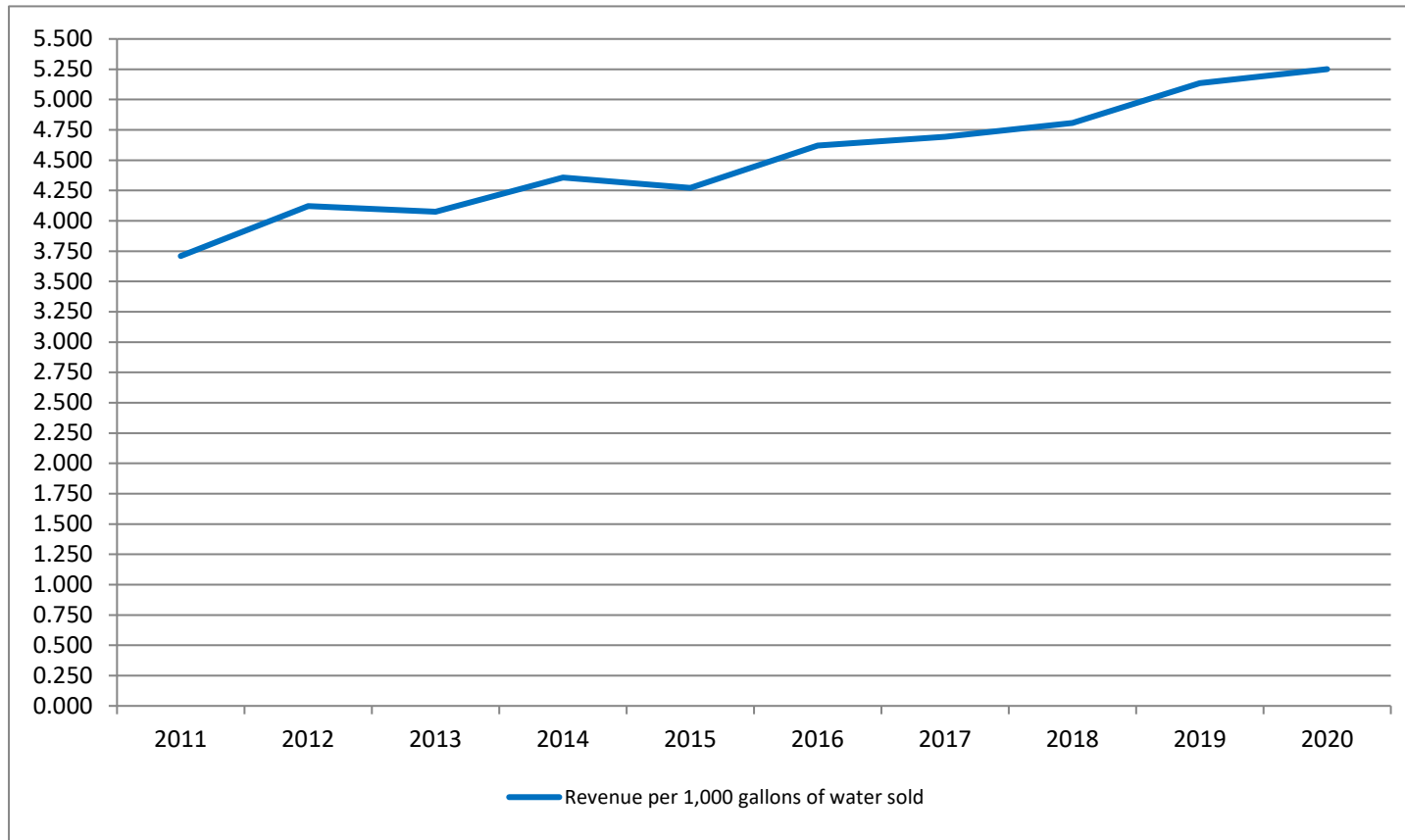


Measurement - Activity

Revenue per 1,000 gallons of water sold

The ratio of total water operating revenues from sales to ultimate customers to total gallons sold. This ratio measures the amount of revenue received for each 1,000 gallons of water sold

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Ten Year Average</u>	<u>2019 APPA Industry Average</u>
3.710	4.122	4.074	4.358	4.273	4.622	4.694	4.807	5.137	5.251	4.505	N/A

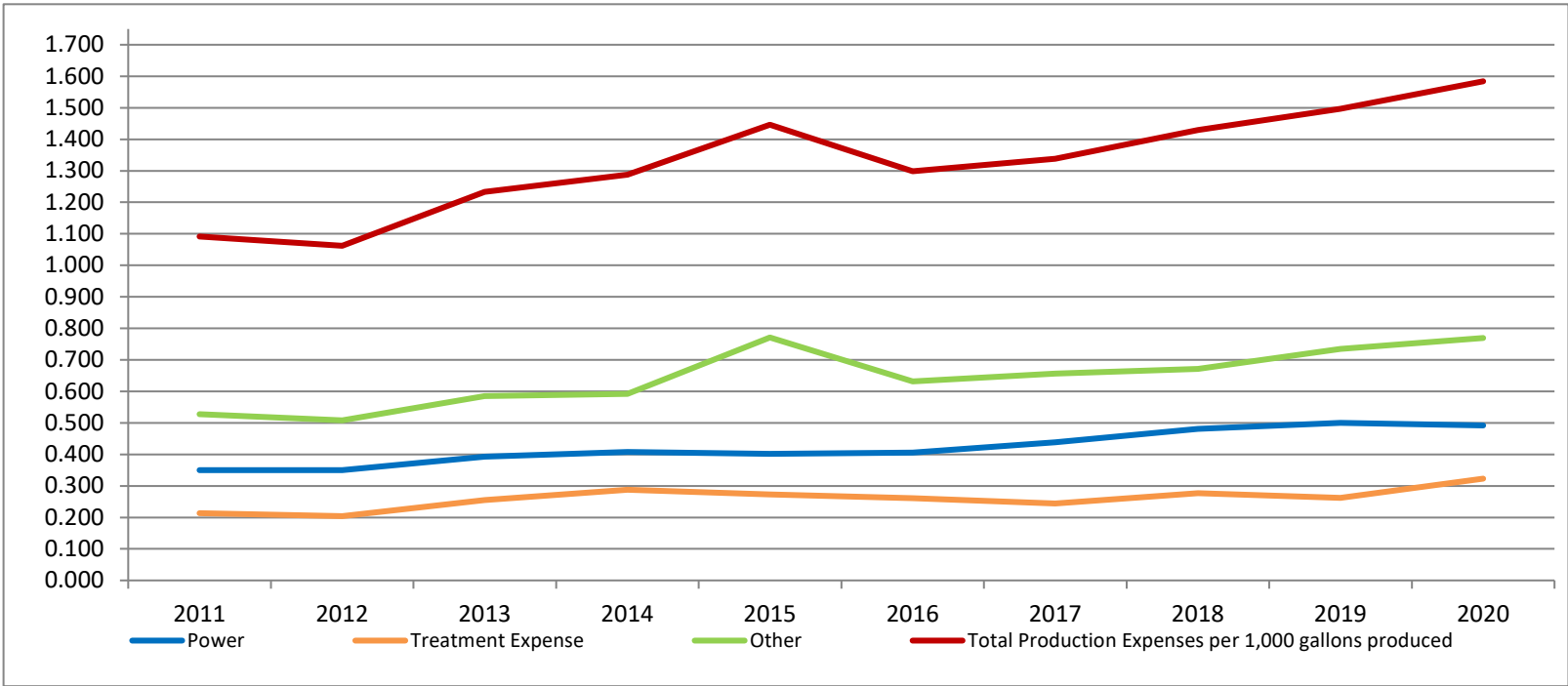


Measurement - Activity

Production Expenses per 1,000 gallons produced

The ratio of water utility production and treatment expenses to total gallons (1,000) produced. This ratio measures production and treatment expenses associated with each 1,000 gallons of water production. (Production expenses excluding other administrative, customer accounts, and depreciation expenses.)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<b>Ten Year Average</b>	<b>2019 APPA Industry Average</b>
Power	0.350	0.350	0.393	0.408	0.402	0.406	0.438	0.481	0.500	0.492	0.422	N/A
Treatment Expense	0.213	0.204	0.255	0.288	0.273	0.261	0.244	0.277	0.262	0.323	0.260	
Other	0.528	0.508	0.585	0.592	0.771	0.632	0.656	0.671	0.735	0.769	0.645	
Total Production Exp	1.091	1.062	1.233	1.288	1.446	1.299	1.338	1.429	1.497	1.584	1.327	

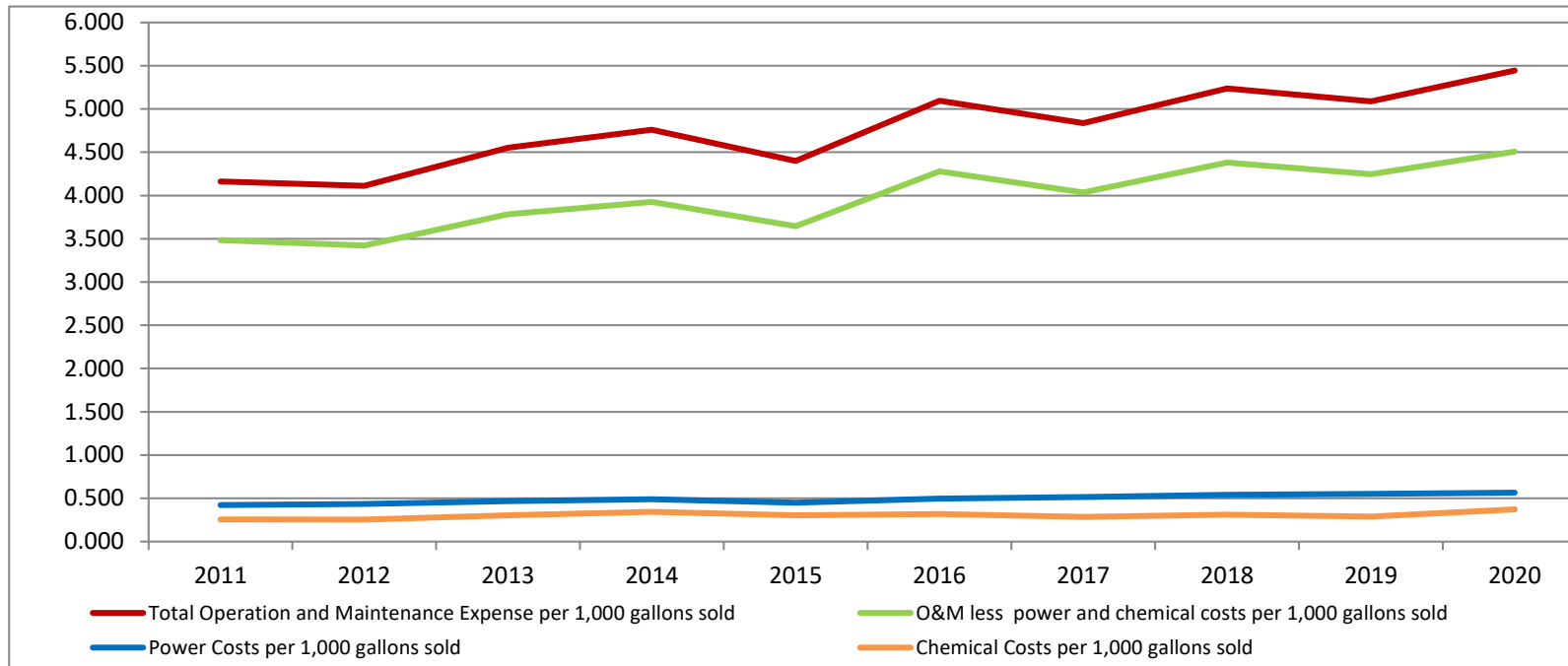


Measurement - Activity

Total Operation and Maintenance Expense per 1,000 gallons sold

The ratio of total water utility operation and maintenance expenses, including the cost of production and treatment, to total gallons (1,000) sold sales to ultimate and resale customers. This ratio measures average total operation and maintenance expenses associated with each 1,000 gallons of water sold to ultimate customers.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Ten Year Average</u>	<b>2019 APPA Industry Average</b>
Total O&M	4.163	4.112	4.551	4.762	4.398	5.097	4.838	5.237	5.090	5.445	4.769	N/A
Power	0.422	0.436	0.466	0.490	0.448	0.498	0.515	0.541	0.553	0.565	0.493	
Chemicals	0.257	0.254	0.303	0.345	0.304	0.319	0.286	0.312	0.290	0.372	0.304	
O&M less	3.484	3.422	3.783	3.926	3.645	4.280	4.036	4.383	4.247	4.508	3.971	





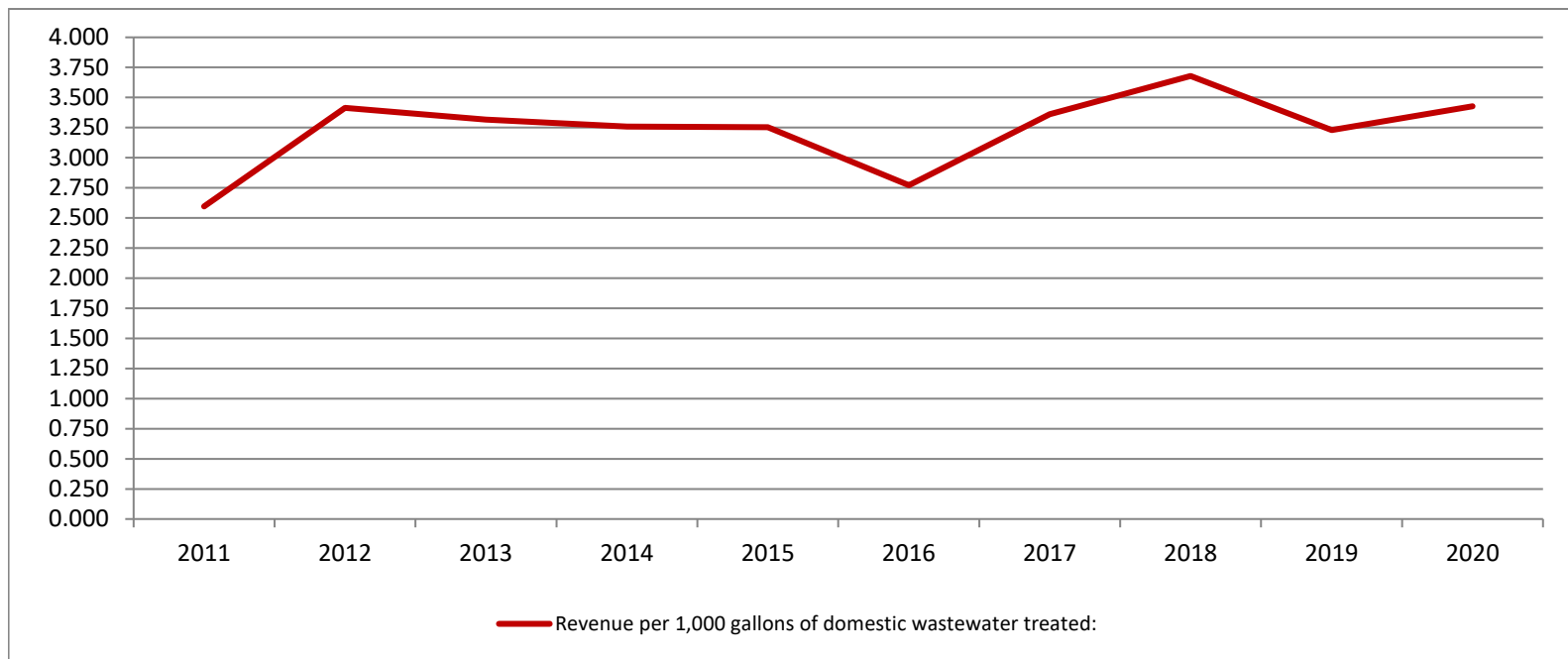
Revenue per 1,000 gallons of domestic wastewater treated:

Measurement - Activity

The ratio of total domestic wastewater operating revenues from sales to ultimate customers to total domestic gallons of wastewater treated.

This ratio measures the amount of revenue received for each 1,000 gallons of wastewater treated from all domestic classes of customers, including residential, and commercial.

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Ten Year Average</u>	<b>2019 APPA Industry Average</b>
2.596	3.414	3.317	3.259	3.253	2.771	3.361	3.679	3.231	3.427	3.231	N/A



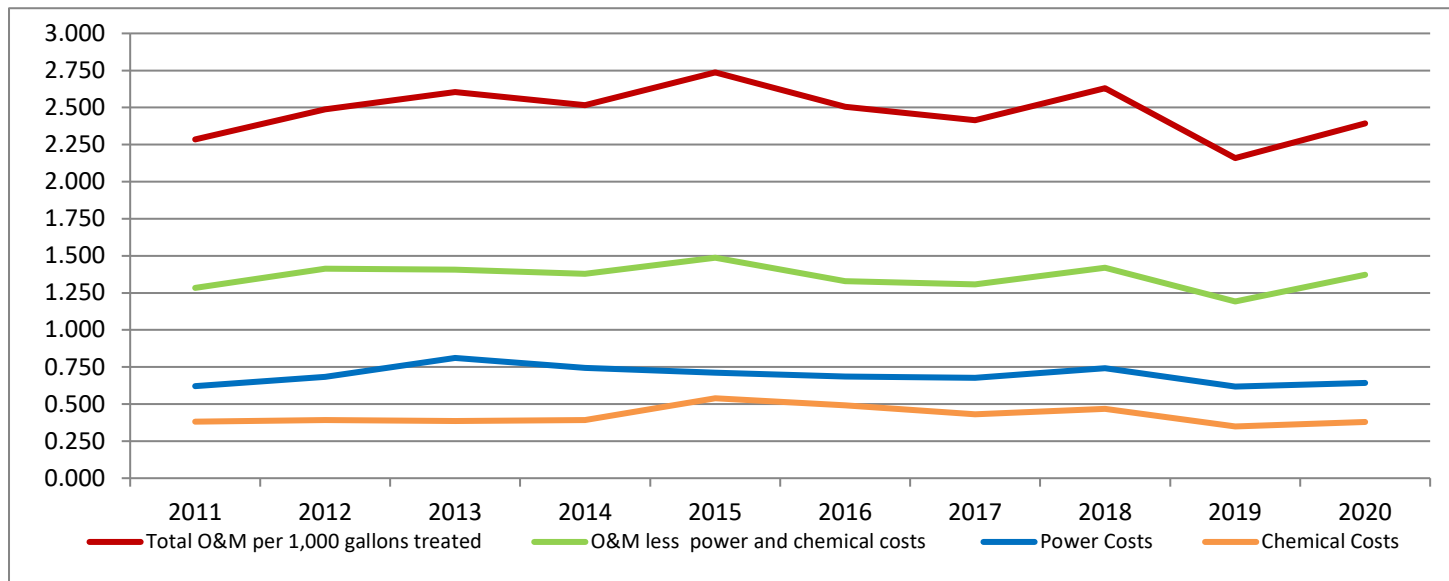
Total Operation and Maintenance Expense per 1,000 gallons of domestic wastewater treated

Measurement - Activity

The ratio of total domestic wastewater utility operation and maintenance expenses, including the cost of treatment, to total domestic gallons (1,000) treated.

This ratio measures average total operation and maintenance expenses associated with each 1,000 gallons of domestic wastewater treated.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Ten Year Average</u>	<b>2019 APPA Industry Average</b>
Total O&M	2.284	2.488	2.604	2.515	2.737	2.506	2.415	2.631	2.159	2.393	2.473	N/A
Power Cost	0.620	0.683	0.811	0.745	0.711	0.686	0.676	0.742	0.618	0.643	0.694	
Chemical C	0.381	0.393	0.386	0.392	0.539	0.492	0.431	0.468	0.349	0.379	0.421	
O&M less p	1.284	1.412	1.407	1.378	1.487	1.328	1.308	1.420	1.192	1.371	1.359	



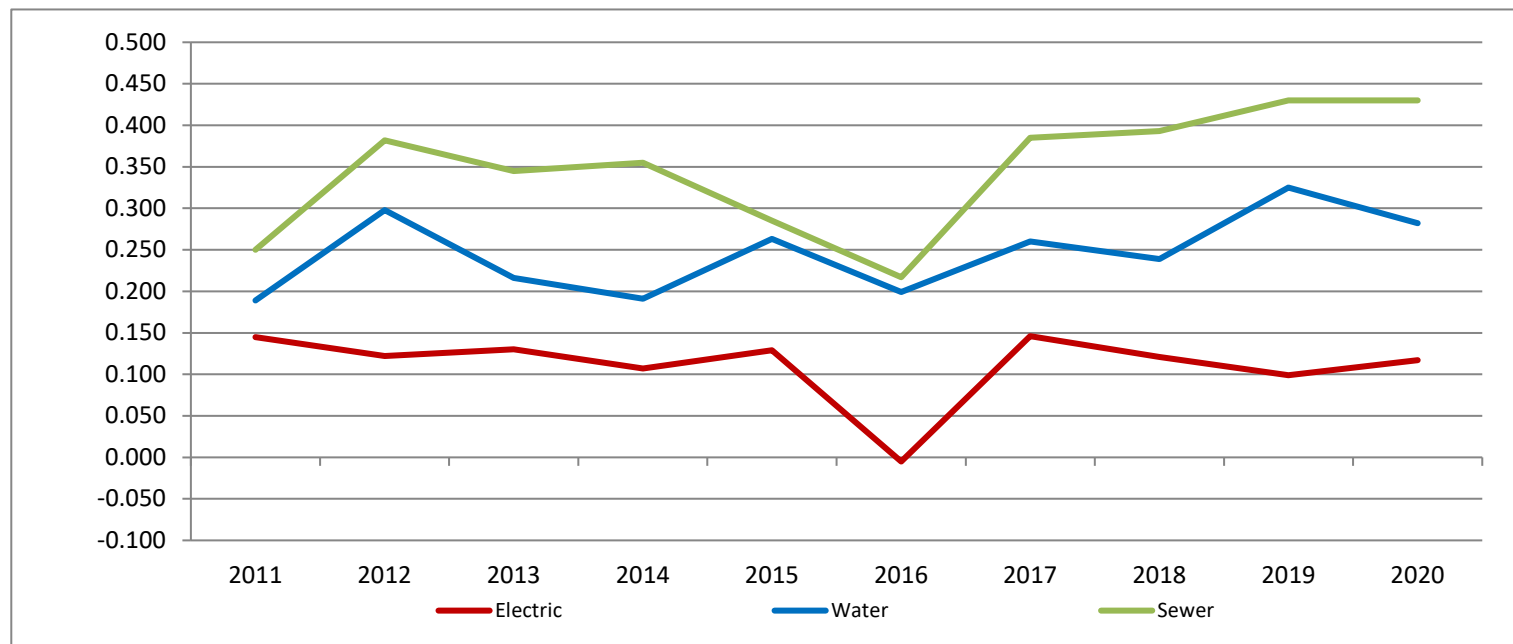
Operating Income per Revenue Dollar before taxes (PILOT):

Measurement - Profitability

The ratio of operating utility income to total operating revenues.

This ratio measures the amount of income remaining, after accounting for operation and maintenance expenses, for every dollar received from sales of the utility service.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<b>10 Year Avg.</b>	<b>2019 APPA Industry Average</b>
Electric	0.145	0.122	0.130	0.107	0.129	-0.005	0.146	0.121	0.099	0.117	0.111	N/A
Water	0.189	0.298	0.216	0.191	0.263	0.199	0.260	0.239	0.325	0.282	0.246	N/A
Sewer	0.250	0.382	0.345	0.355	0.285	0.217	0.385	0.393	0.430	0.430	0.347	N/A

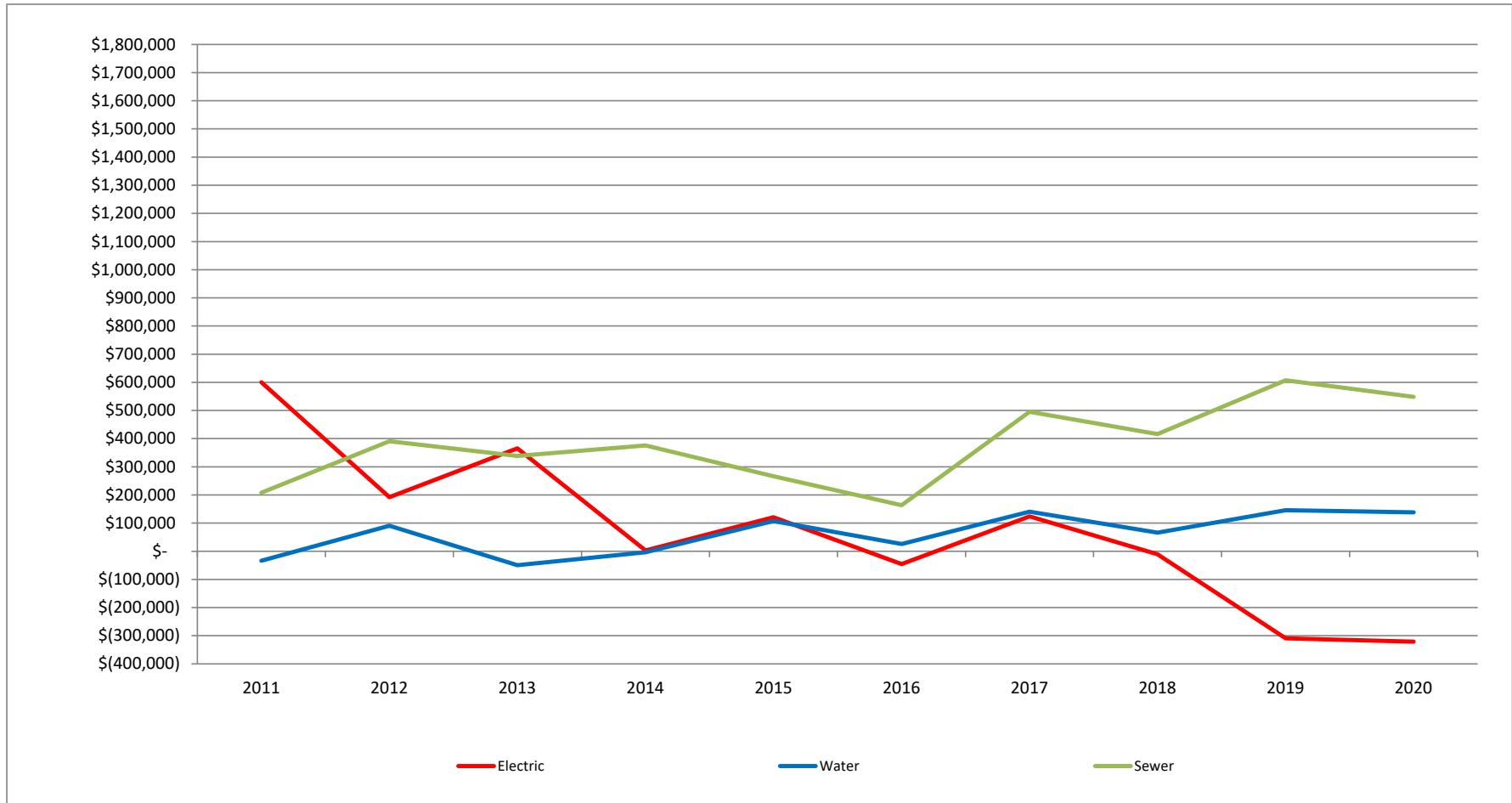


Net Income:

Measurement - Profitability

Total revenues less total expenses.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>10Yr. Avg.</u>
Electric	\$ 600,380	\$ 192,001	\$ 365,224	\$ 2,461	\$ 120,444	\$ (45,201)	\$ 124,363	\$ (10,349)	\$ (309,167)	\$ (321,075)	\$ 71,908
Water	\$ (33,453)	\$ 90,360	\$ (49,449)	\$ (3,804)	\$ 107,071	\$ 26,057	\$ 140,799	\$ 66,159	\$ 145,832	\$ 138,058	\$ 62,763
Sewer	\$ 208,146	\$ 391,198	\$ 338,599	\$ 375,975	\$ 266,772	\$ 163,567	\$ 495,763	\$ 415,970	\$ 607,251	\$ 548,349	\$ 381,159



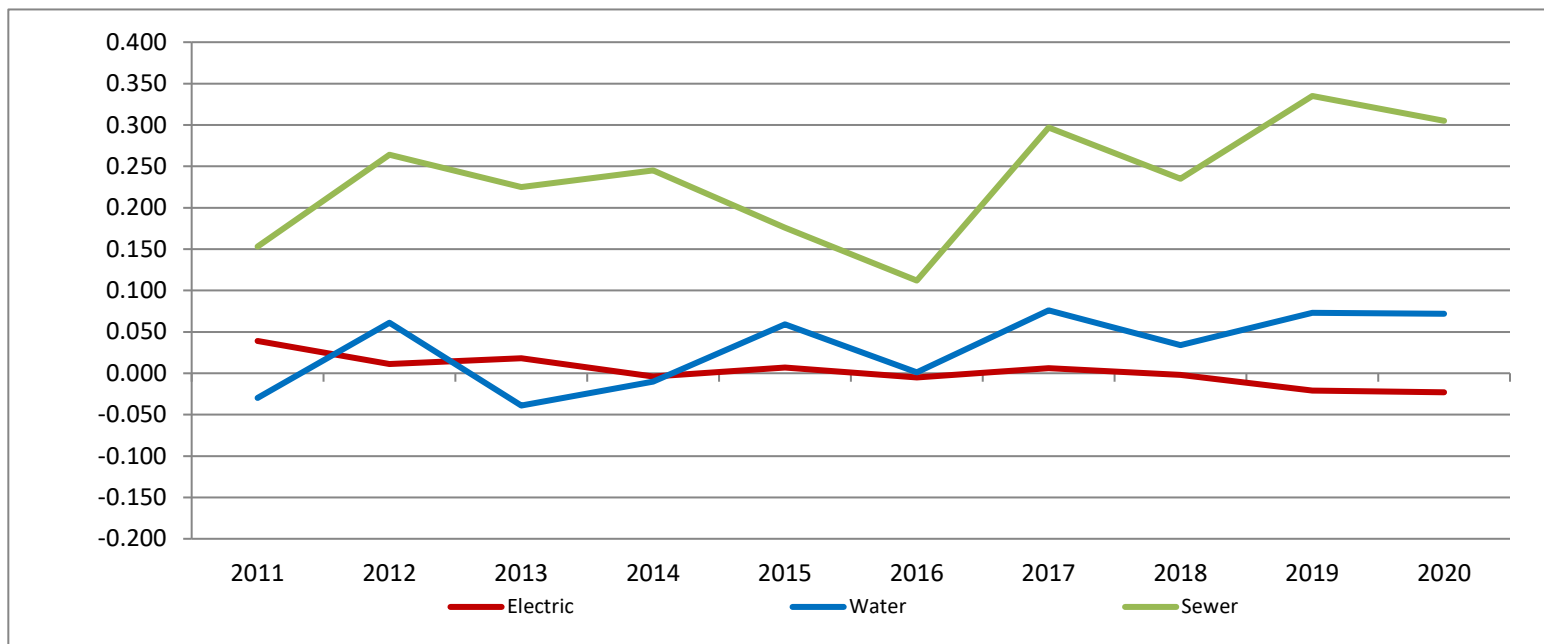
Net Income per Revenue Dollar after taxes (PILOT):

Measurement - Profitability

The ratio of net utility income to total operating revenues.

This ratio measures the amount of income remaining, after accounting for operation and maintenance expenses, depreciation, and PILOT, for every dollar received from sales of the utility service.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>10 Yr. Avg.</u>	<b>2019 APPA Industry Average</b>
Electric	0.039	0.011	0.018	-0.004	0.007	-0.005	0.006	-0.002	-0.021	-0.023	0.003	0.056
Water	-0.030	0.061	-0.039	-0.010	0.059	0.001	0.076	0.034	0.073	0.072	0.030	
Sewer	0.153	0.264	0.225	0.245	0.176	0.112	0.297	0.235	0.335	0.305	0.235	



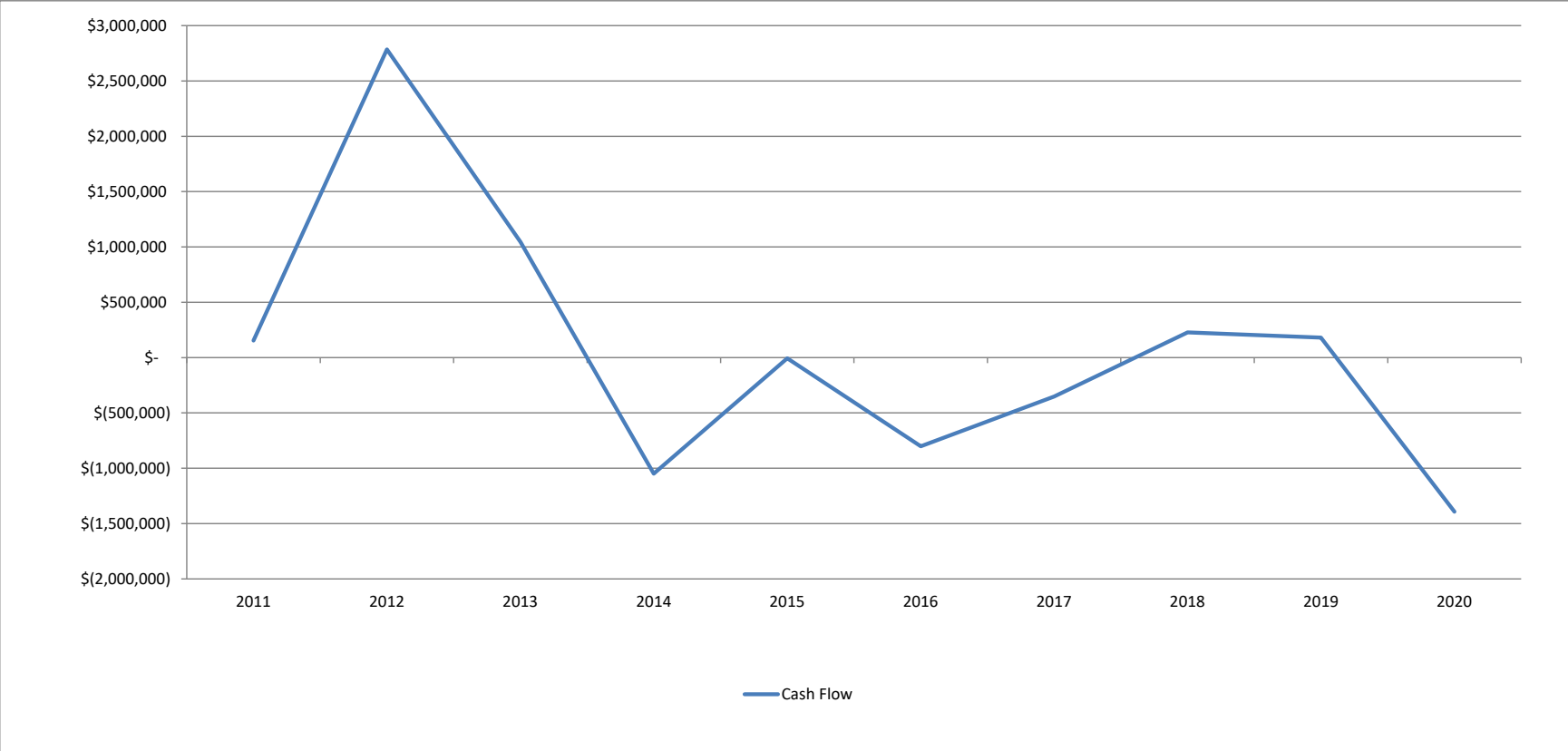
Cash Flow

Measurement - Profitability

Net income plus depreciation less capital investments.

Measuring the amount of cash generated over a defined business cycle, typically a one year period.

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>10Yr. Avg.</u>
\$ 154,398	\$ 2,785,057	\$ 1,046,156	\$ (1,048,388)	\$ (6,343)	\$ (801,543)	\$ (351,424)	\$ 228,544	\$ 180,850	\$ (1,392,339)	\$ 79,497



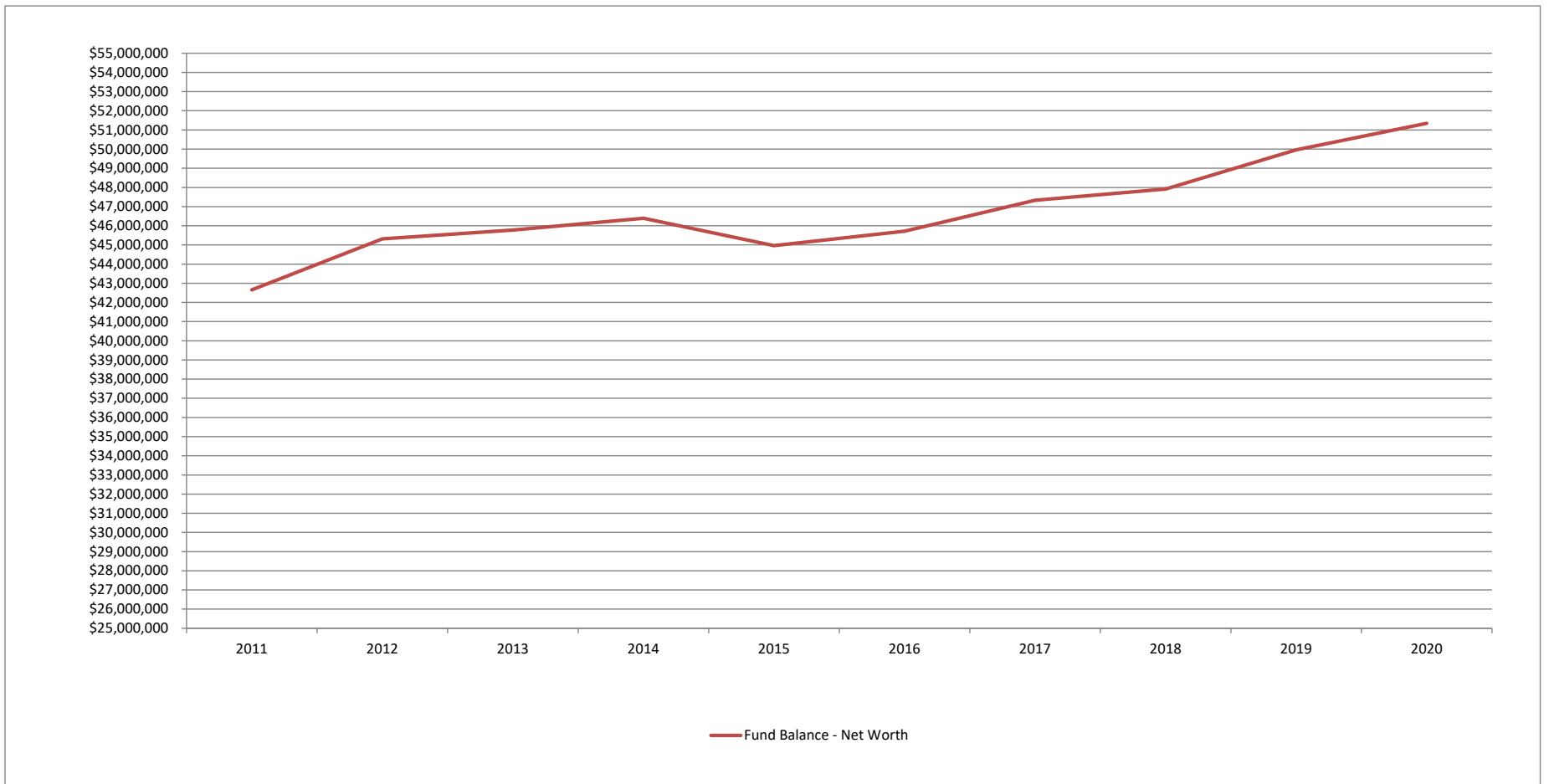
Fund Balance - Net Worth

Measurement - Profitability

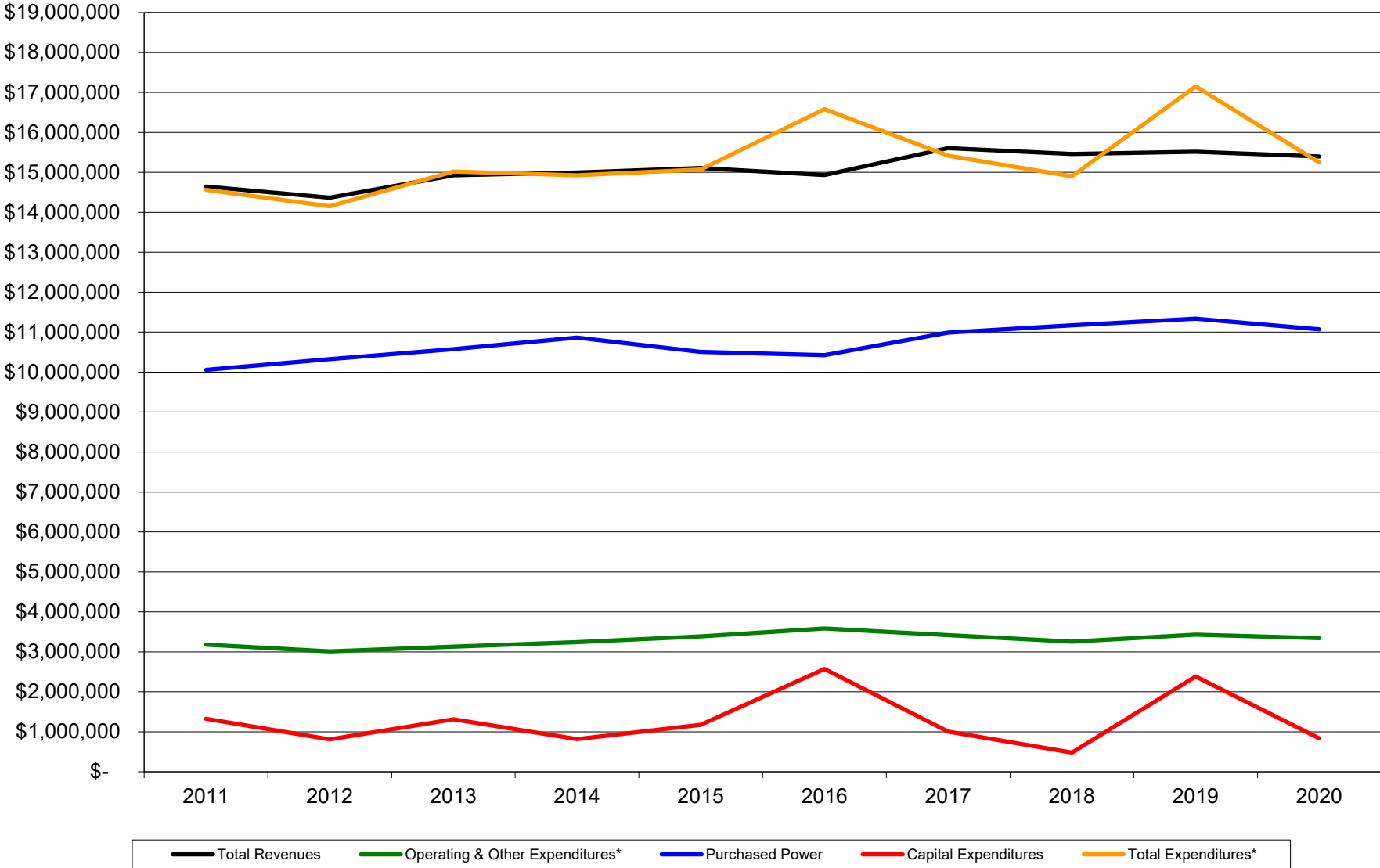
Total Assets minus Total Liabilities (Total Net Assets)

Measures the capital and surplus of the utility. Sometimes referred to as retained earnings, and is the sum of retained earnings each year throughout the utilities' history.

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>10Yr. Avg.</u>
\$ 42,656,549	\$ 45,312,286	\$ 45,776,776	\$ 46,390,197	\$ 44,962,673	\$ 45,718,612	\$ 47,332,332	\$ 47,914,040	\$ 49,956,225	\$ 51,344,789	\$ 46,736,448



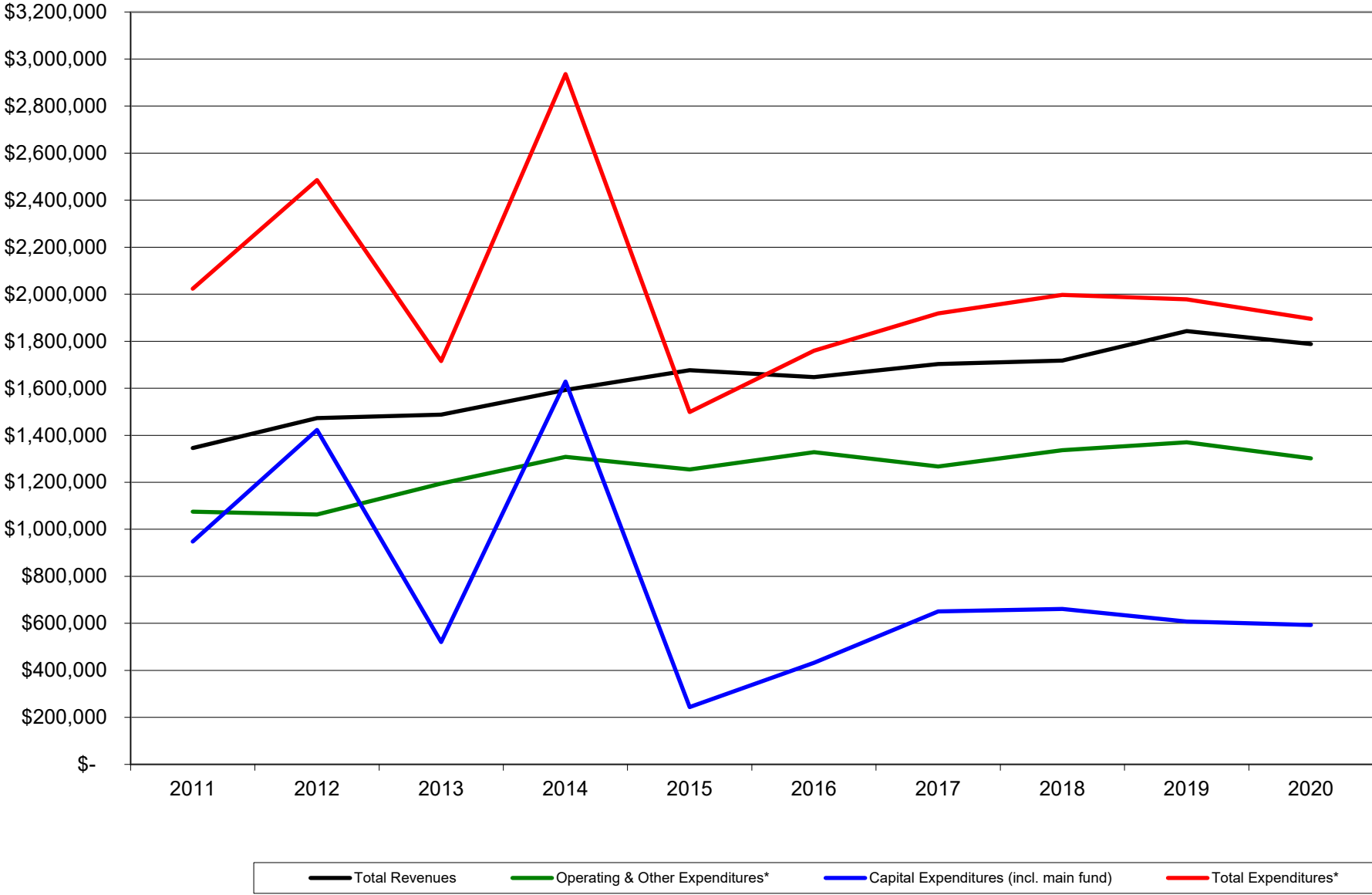
### Electric Department



\*Depreciation expense and debt service principal payments are not included in total expenditures.

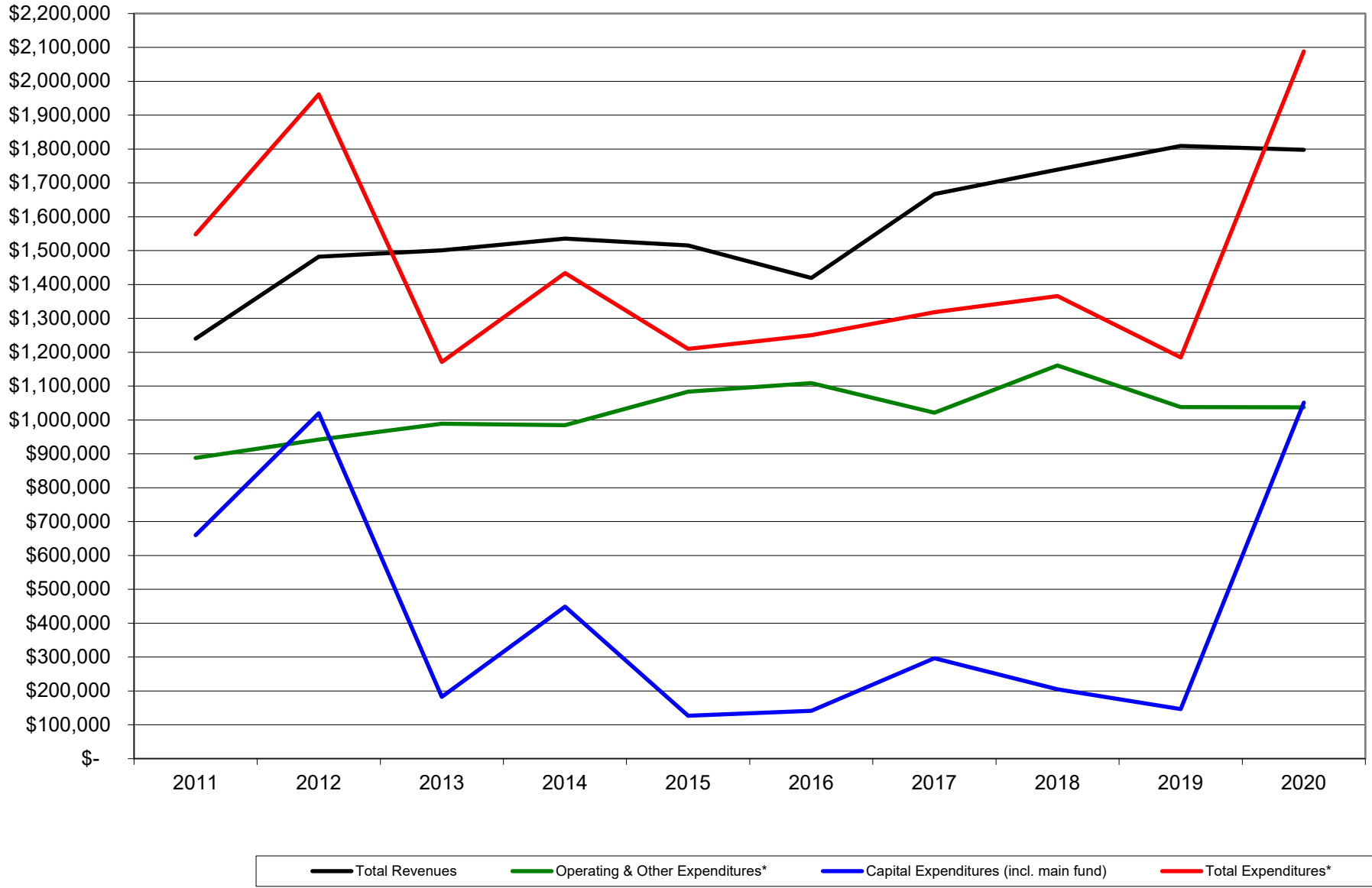


### Water Department



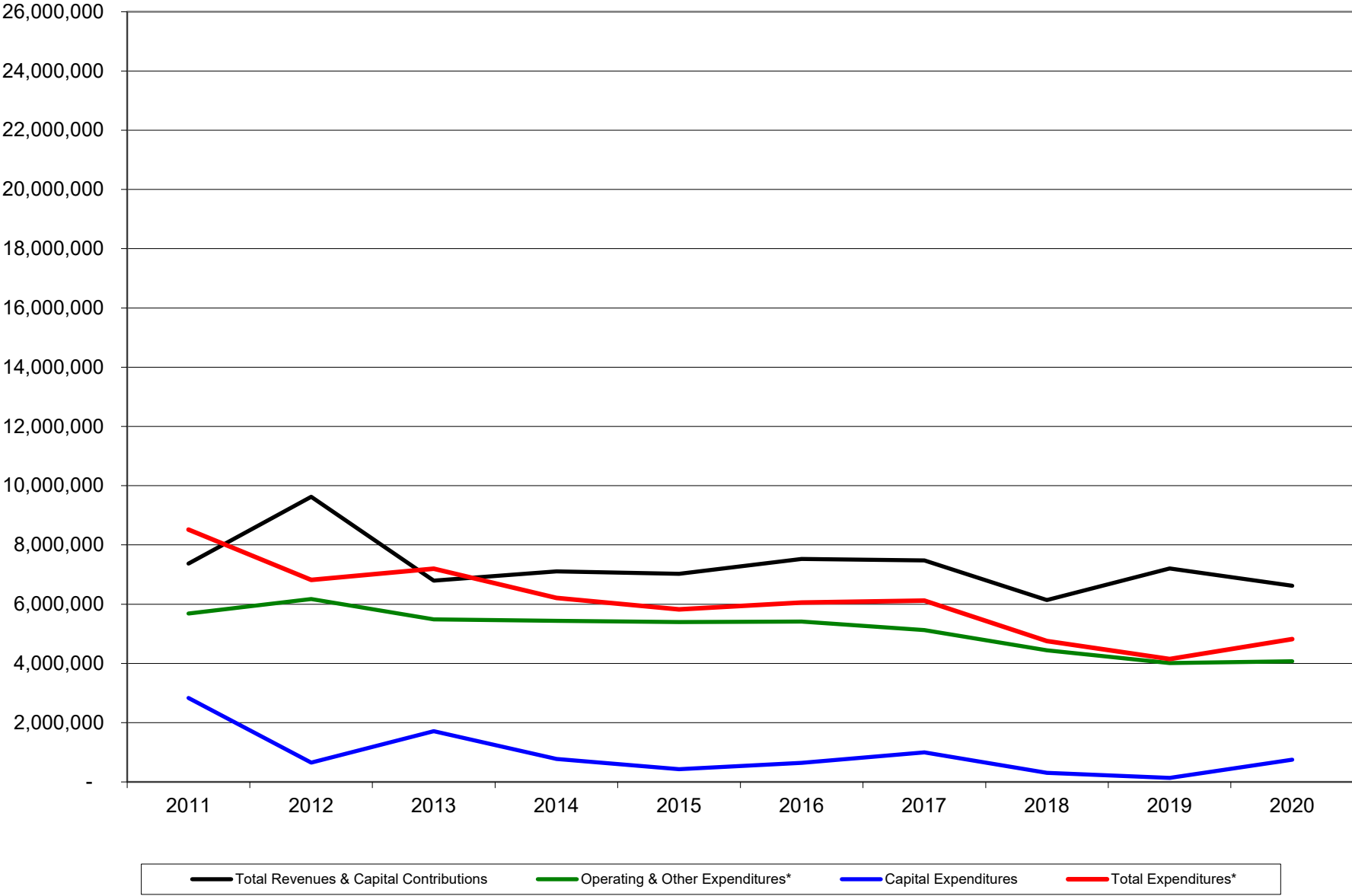
\*Depreciation expense and debt service principal payments are not included in total expenditures.

### Wastewater Collection Department



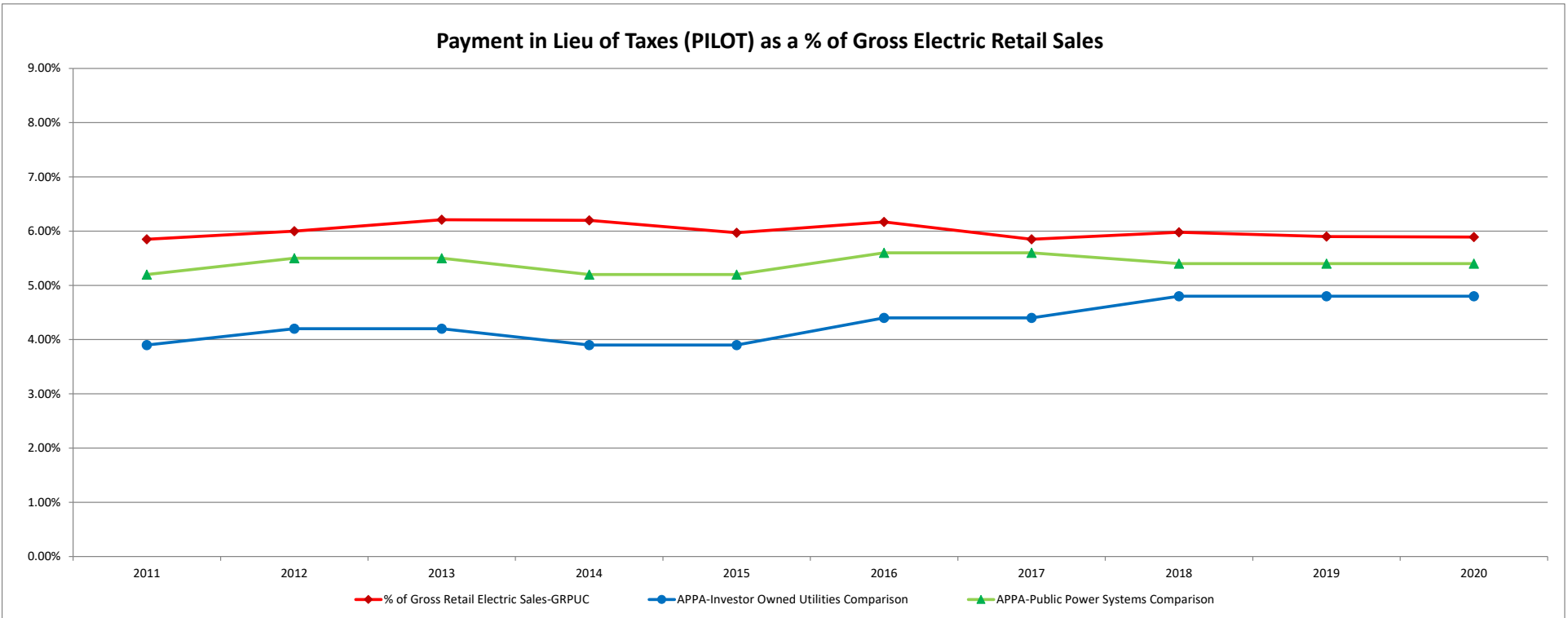
\*Depreciation expense and debt service principal payments are not included in total expenditures.

### Wastewater Treatment Department

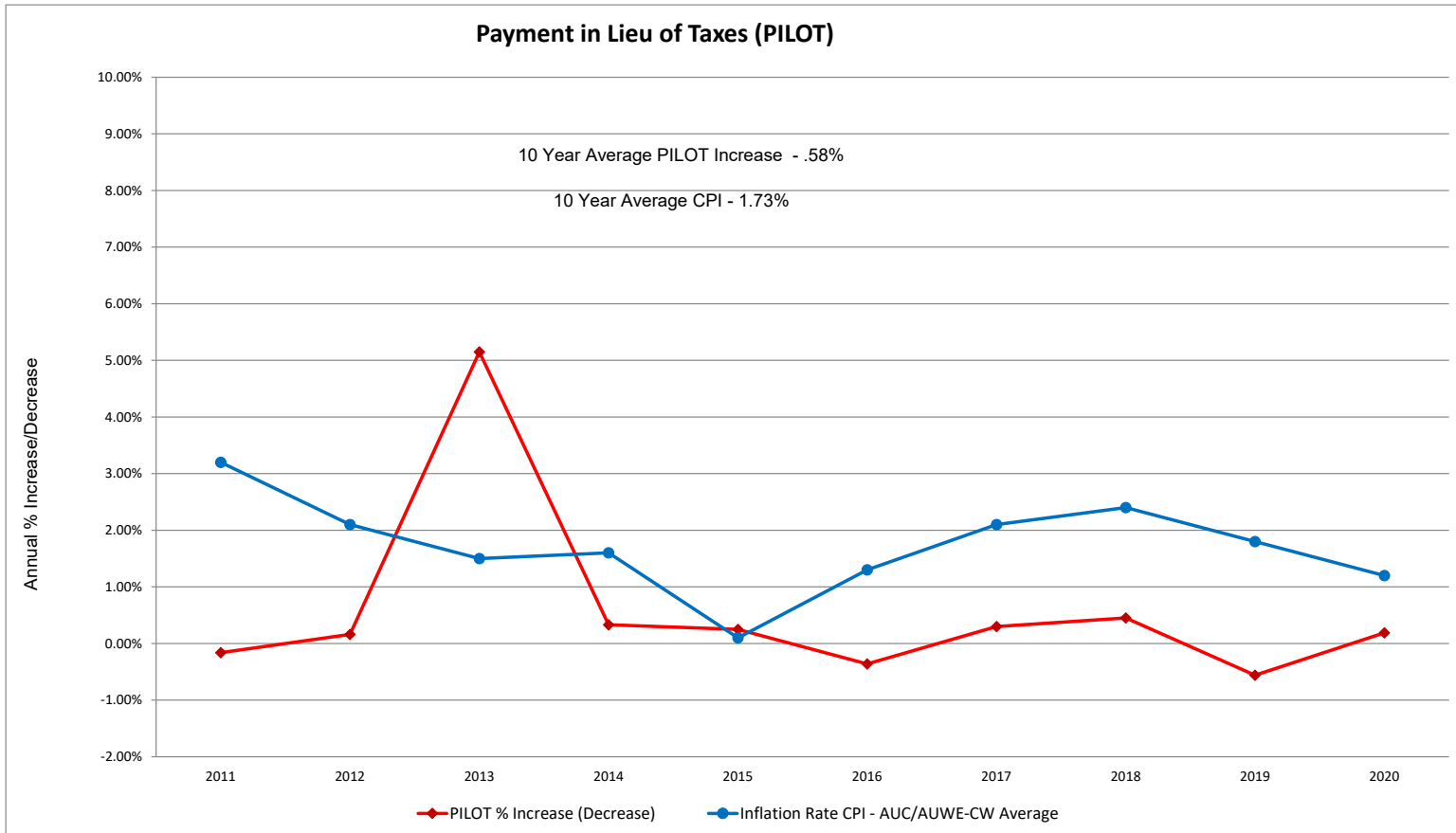


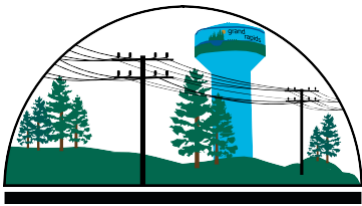
\*Depreciation expense and debt service principal payments are not included in total expenditures.

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Average
Payment in Lieu of Taxes (PILOT) to City of GR	\$ 824,487	\$ 825,766	\$ 868,320	\$ 871,167	\$ 873,374	\$ 870,255	\$ 872,898	\$ 876,832	\$ 871,916	\$ 873,537	
PILOT % Increase (Decrease)	-0.16%	0.16%	5.15%	0.33%	0.25%	-0.36%	0.30%	0.45%	-0.56%	0.19%	0.58%
Inflation Rate CPI - AUC/AUWE-CW Average *	3.20%	2.10%	1.50%	1.60%	0.10%	1.30%	2.10%	2.40%	1.80%	1.20%	1.73%
Gross Electric Retail Sales	\$ 14,095,035	\$ 13,773,569	\$ 13,982,723	\$ 14,060,424	\$ 14,620,669	\$ 14,101,119	\$ 14,913,391	\$ 14,661,267	\$ 14,777,170	\$ 14,823,180	
% of Gross Retail Electric Sales-GRPUC	5.85%	6.00%	6.21%	6.20%	5.97%	6.17%	5.85%	5.98%	5.90%	5.89%	6.00%
APPA-Investor Owned Utilities Comparison	3.90%	4.20%	4.20%	3.90%	3.90%	4.40%	4.40%	4.80%	4.80%	4.80%	4.80%
APPA-Public Power Systems Comparison	5.20%	5.50%	5.50%	5.20%	5.20%	5.60%	5.60%	5.40%	5.40%	5.40%	5.40%
City of GR Net Certified Levy	\$ 4,885,894	\$ 4,874,006	\$ 5,068,674	\$ 5,562,859	\$ 6,393,379	\$ 6,450,063	\$ 6,717,854	\$ 6,716,767	\$ 6,937,752	\$ 7,073,543	
% of City of GR Net Certified Levy	16.87%	16.94%	17.13%	15.66%	13.66%	13.49%	12.99%	13.05%	12.57%	12.35%	14.47%



	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	
Payment in Lieu of Taxes (PILOT) to City of GR	\$ 576,919	\$ 628,648	\$ 626,037	\$ 620,847	\$ 589,123	\$ 630,475	\$ 639,655	\$ 653,542	\$ 824,925	825,825	
PILOT % Increase (Decrease)	6.59%	8.97%	-0.42%	-0.83%	-5.11%	7.02%	1.46%	2.17%	26.22%	0.11%	
Inflation Rate CPI - AUC/AUWE-CW Average	2.80%	1.60%	2.30%	2.70%	3.40%	3.20%	2.80%	3.80%	-0.40%	1.60%	
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Ten Year Average</u>
Payment in Lieu of Taxes (PILOT) to City of GR	\$ 824,487	\$ 825,766	\$ 868,320	\$ 871,167	\$ 873,374	\$ 870,255	\$ 872,898	\$ 876,832	\$ 871,916	\$ 873,537	
PILOT % Increase (Decrease)	-0.16%	0.16%	5.15%	0.33%	0.25%	-0.36%	0.30%	0.45%	-0.56%	0.19%	0.58%
Inflation Rate CPI - AUC/AUWE-CW Average	3.20%	2.10%	1.50%	1.60%	0.10%	1.30%	2.10%	2.40%	1.80%	1.20%	1.73%





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## ELECTRIC DEPARTMENT MONTHLY REPORT December 2021 Commission Meeting

### **Safety**

- There were no OSHA recordable accidents last month.

### **Demand Threshold and Power Usage for past month**

- The attached graph shows the system load with demand threshold for the past month.

### **Reliability Last Month**

- The attached eReliability report shows that we had 6 outages during the month.

### **Projects Performed Last Month**

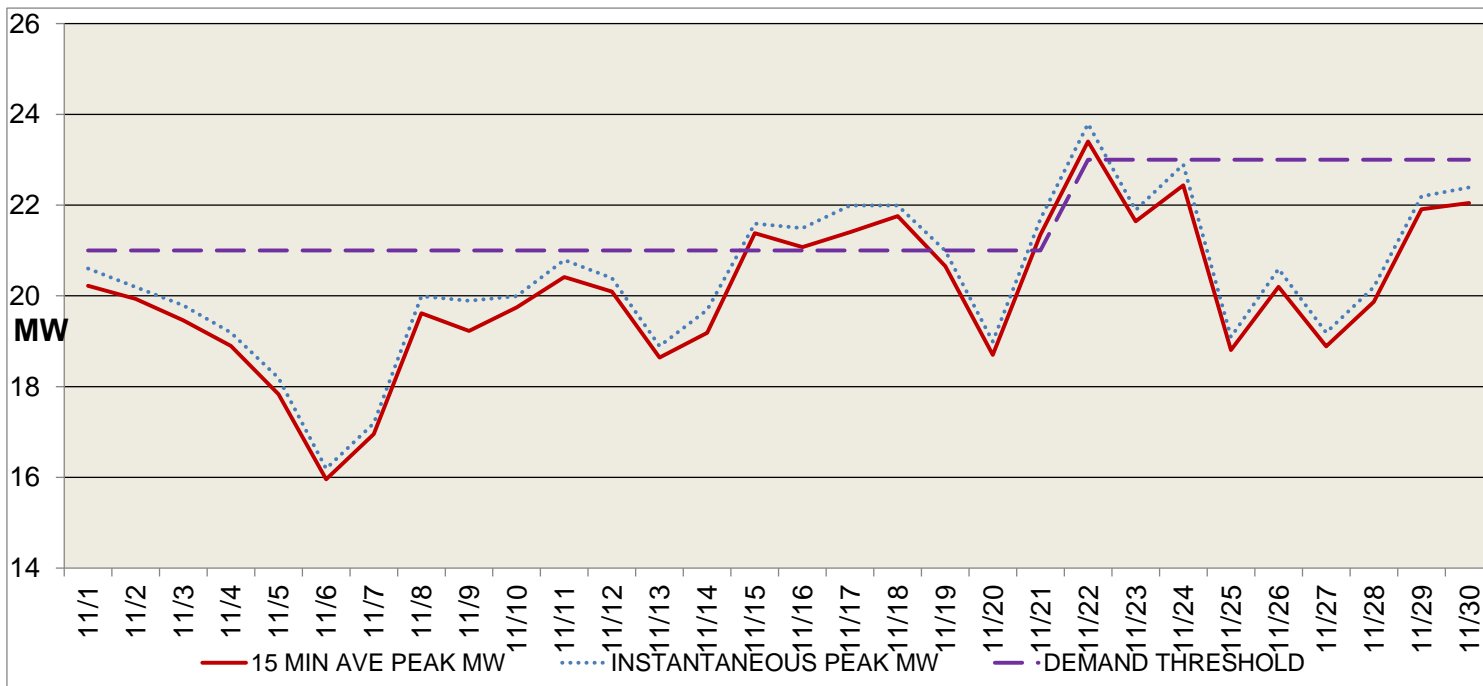
- Distributed Energy Resource discussion group with MMUA
- 2022 Budget work
- Outage Management System integration

### **Projects Scheduled for This Month**

- Policies, procedures – Electric Department Rules, metering procedures
- Automated Metering Infrastructure – worked through various issues with gateways and meters
- Solar plus Battery Storage project
  - Working through delays due to equipment delivery issues
  - Battery delivery tentatively planned for December 17th
  - First test energy, power onto GRPU grid – January 14th
  - Anti-islanding test – January 14th
  - Solar and battery testing – mid to late January
  - System commissioning – end of January
  - Test and commission battery in one financial quarter – tax and financial implications
  - GRPU interface – Power BI – working through direct access to solar and battery data including reporting information

GRAND RAPIDS PUBLIC UTILITIES COMMISSION				
NOVEMBER 2021 LOAD MANAGEMENT SYSTEM REPORT				
Nov-21	INST PK MW	15 MIN AVE PK MW	MW DEMAND THRESHOLD	CONTROLLED DAYS
Minimum	16.19	15.96	21.00	
Maximum	23.79	23.40	23.00	
Average	20.40	20.06	21.60	
Total				3

Savings due to active load management system for month of November 2021 estimated at \$22,920



**GRAND RAPIDS PUBLIC UTILITIES COMMISSION**  
**DAILY POWER USAGE**

Nov-21	INST PK MW	15 MIN AVE PK MW	MW DEMAND THRESHOLD	CONTROLLED DAYS
11/1	20.60	20.22	21.00	-0.8
11/2	20.19	19.93	21.00	-1.1
11/3	19.79	19.46	21.00	-1.5
11/4	19.19	18.90	21.00	-2.1
11/5	18.19	17.83	21.00	-3.2
11/6	16.19	15.96	21.00	-5.0
11/7	17.19	16.95	21.00	-4.0
11/8	19.99	19.62	21.00	-1.4
11/9	19.89	19.23	21.00	-1.8
11/10	19.99	19.75	21.00	-1.3
11/11	20.79	20.41	21.00	-0.6
11/12	20.39	20.09	21.00	-0.9
11/13	18.89	18.64	21.00	-2.4
11/14	19.69	19.19	21.00	-1.8
11/15	21.59	21.38	21.00	0.4
11/16	21.49	21.07	21.00	0.1
11/17	21.99	21.40	21.00	0.4
11/18	21.99	21.76	21.00	0.8
11/19	20.99	20.65	21.00	-0.3
11/20	18.99	18.70	21.00	-2.3
11/21	21.69	21.35	21.00	0.4
11/22	23.79	23.40	23.00	0.4
11/23	21.89	21.64	23.00	-1.4
11/24	22.89	22.44	23.00	-0.6
11/25	19.09	18.81	23.00	-4.2
11/26	20.59	20.20	23.00	-2.8
11/27	19.19	18.89	23.00	-4.1
11/28	20.19	19.87	23.00	-3.1
11/29	22.19	21.91	23.00	-1.1
11/30	22.39	22.05	23.00	-1.0
Minimum	16.19	15.96	21.00	
Maximum	23.79	23.40	23.00	
Average	20.40	20.06	21.60	
Total				3
		Peak Demand Day		Controlled Day



# Monthly Report - Grand Rapids Public Utilities Commission

# Grand Rapids Public Utilities Commission

<b>Year</b> 2021	<b>Minimum duration</b> 	<b>Substation</b> -----
<b>Month</b> 11 - November	<b>Maximum duration</b> 	<b>Circuit</b> -----
<b>Annual Report?</b> <input type="radio"/> Yes <input checked="" type="radio"/> No	<b>Top-level Cause</b> -----	<b>Remove Major Events?</b> -----

## IEEE 1366 Statistics

Metric	Nov 2021	Nov 2020
SAIDI	1.874	5.301
SAIFI	0.0269	0.0624
CAIDI	69.643	84.991
ASAI	99.9955%	99.9873%
Momentary Interruptions	0	0
Sustained Interruptions	6	4

## Circuit Ranking - Worst Performing

## Ranked by Outage Count

Circuit	Substation	Number of Outages
ES06	East Substation	2
Feeder 320	Main Substation	2
ES07	East Substation	1

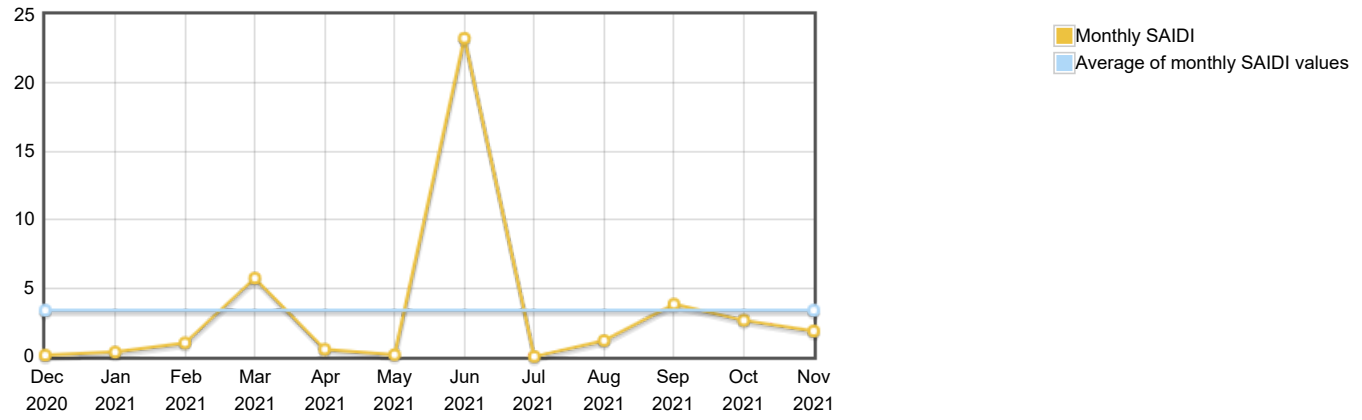
## Ranked by Customer Interruptions

Circuit	Substation	Customer Interruptions
Feeder 320	Main Substation	194
ES06	East Substation	6
ES07	East Substation	1

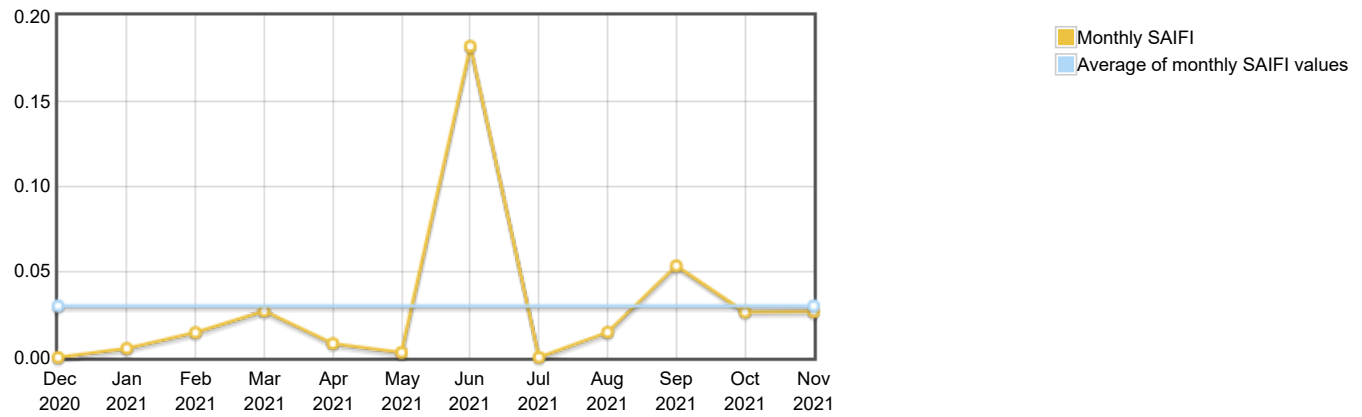
## Ranked by Customer Minutes of Duration

Circuit	Substation	Customer Minutes of Duration
Feeder 320	Main Substation	13,468
ES06	East Substation	420
ES08	East Substation	120

Historical Monthly SAIDI Chart



Historical Monthly SAIFI Chart



### Causes Ranked by Count



Cause	Count
Tree	3
Unknown	2
Squirrel	1

### Causes Ranked by Duration



Cause	Duration
Tree	11,640
Squirrel	2,068
Unknown	360

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Top 6 Outages for the Month

Address	Customers Interrupted	Duration	Customer Minutes of Interruption	Cause	Start Date
7th ST & 7th AVE SW WO# 184236	190	60	11,400	Tree	11/19/2021
405 SW 4th ST WO# 183744	4	517	2,068	Squirrel	11/15/2021
1320 E HWY 169	5	60	300	Unknown	11/21/2021
101 NE 7th ST WO# 183742	1	120	120	Tree	11/12/2021
322 NE 10th AVE WO# 183740	1	120	120	Tree	11/11/2021
2207 NE 27th AVE WO# 182972	1	60	60	Unknown	11/11/2021

Total Customers Affected for the Month:	<b>202</b>
Average Customers Affected per Outage:	<b>33.666667</b>





## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** December 15, 2021

**AGENDA ITEM:** Consider a motion to approve the Electric Service Agreement with Minnesota Power for 2022 to 2029 and authorize the Commission President to sign the Agreement, along with Attachment D specific to Grand Rapids.

**PREPARED BY:** Julie Kennedy, General Manager

### **BACKGROUND:**

Grand Rapids currently has an Electric Service Agreement (ESA) that is effective through 2029, with a clause extending it through 2034 under specific circumstances regarding new growth at the Eco Industrial Park.

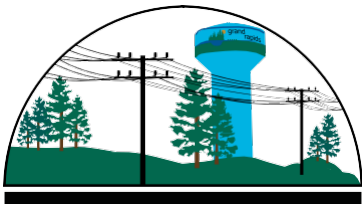
In 2018, the Commission authorized membership into the Northeastern Minnesota Municipal Power Agency (NEMMPA) along with 15 other municipal electric service providers. In early 2021, thirteen of the municipalities within NEMMPA, including GRPUC, began negotiations with MP on a new ESA.

Dave Berg of DBE Consulting and Kaela Brennan of McGrann Shea Carnival assisted NEMPPA throughout the negotiations. The term sheet from the negotiations was discussed with the Commissioners at the November 3 and November 30 work sessions. The complete ESA has been provided to the Commissioners.

Staff recommends approving the 2022-2029 ESA along with Attachment D.

### **RECOMMENDATION:**

Consider a motion to approve the Electric Service Agreement with Minnesota Power for 2022 to 2029 and authorize the Commission President to sign the Agreement, along with Attachment D specific to Grand Rapids.



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## WATER & WASTEWATER DEPARTMENT MONTHLY REPORT December 2021 Commission Meeting

### Safety

There were no OSHA recordable accidents last month.

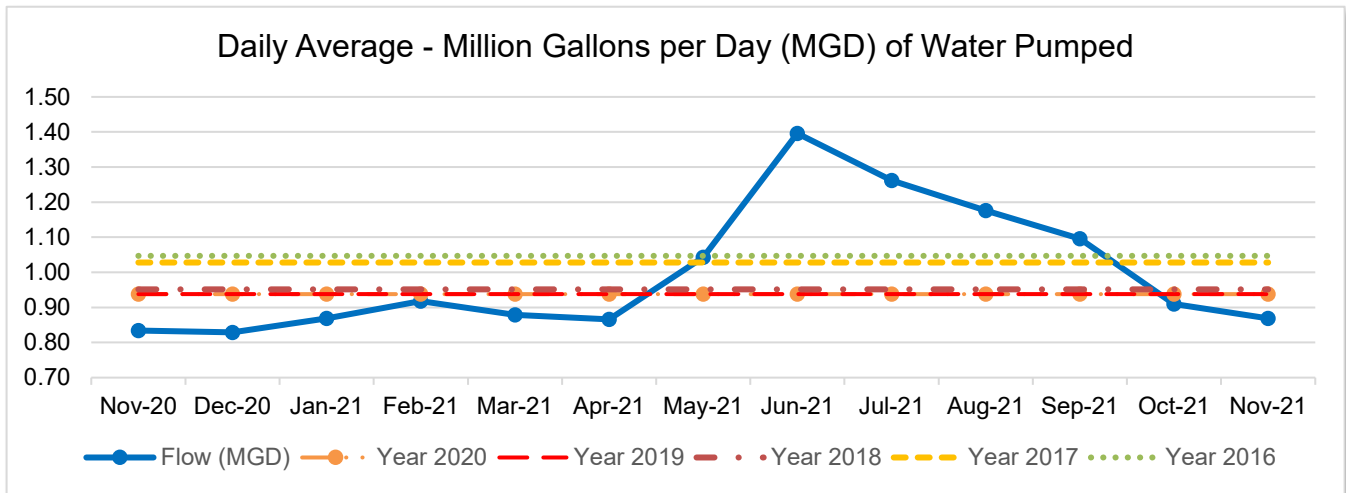
### Topic of the Month

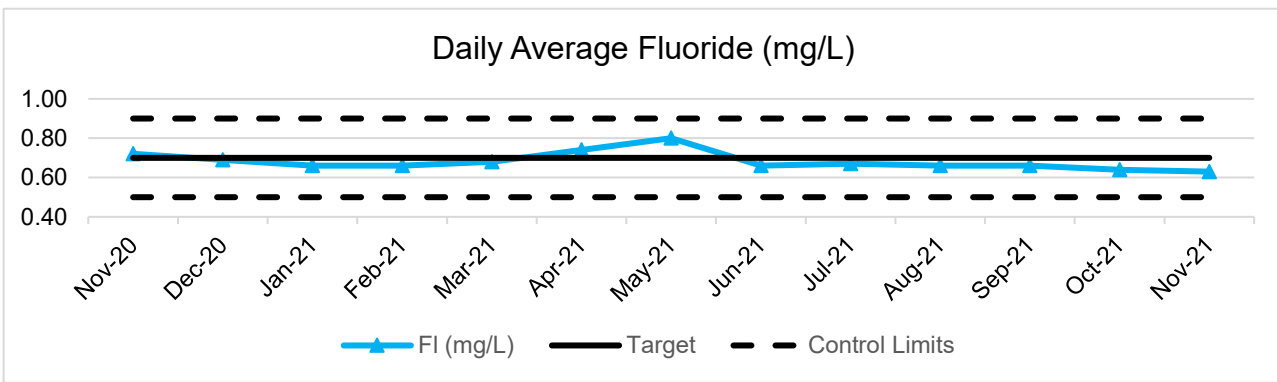
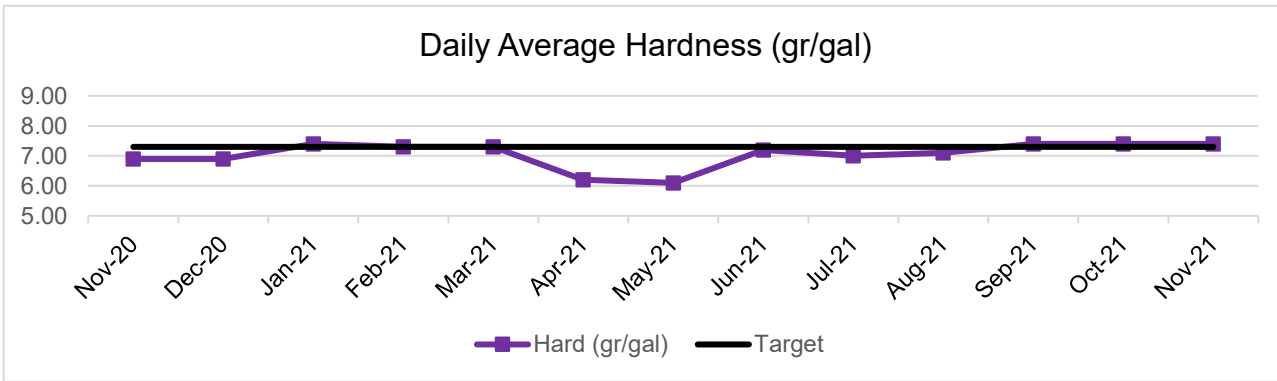
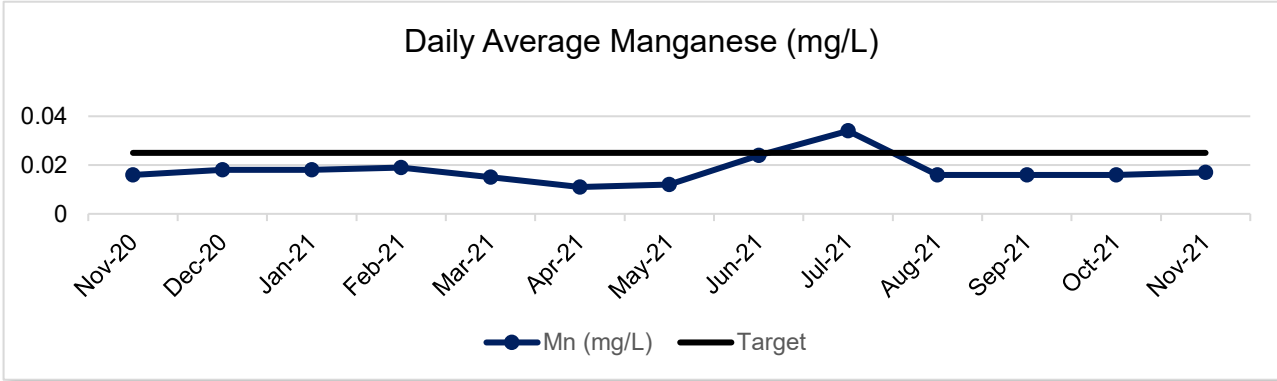
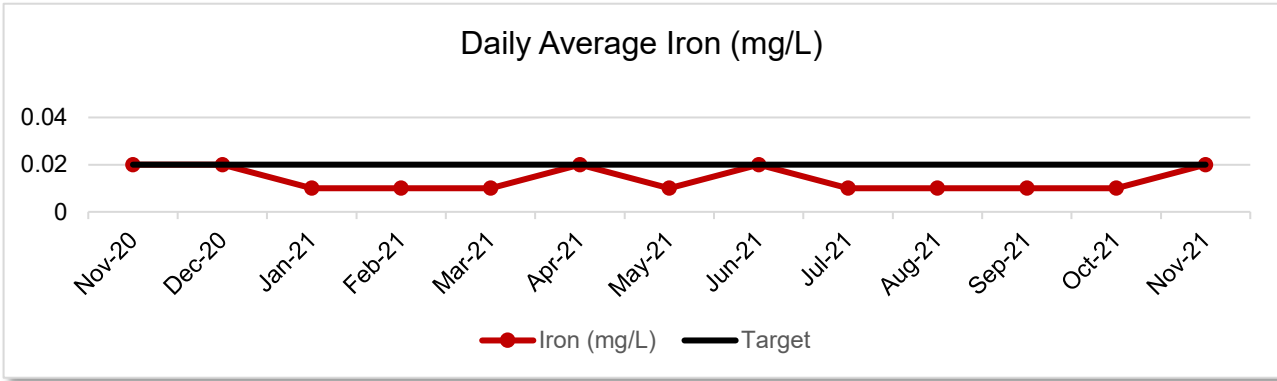
AMI – Water node installation project update

### WTP Operations

The water plant pumped an average of 0.87 million gallons of water per day (MGD) with a peak of 1.19 million gallons during last month.

Water main break near Grand Village – lost 100,000 gallons

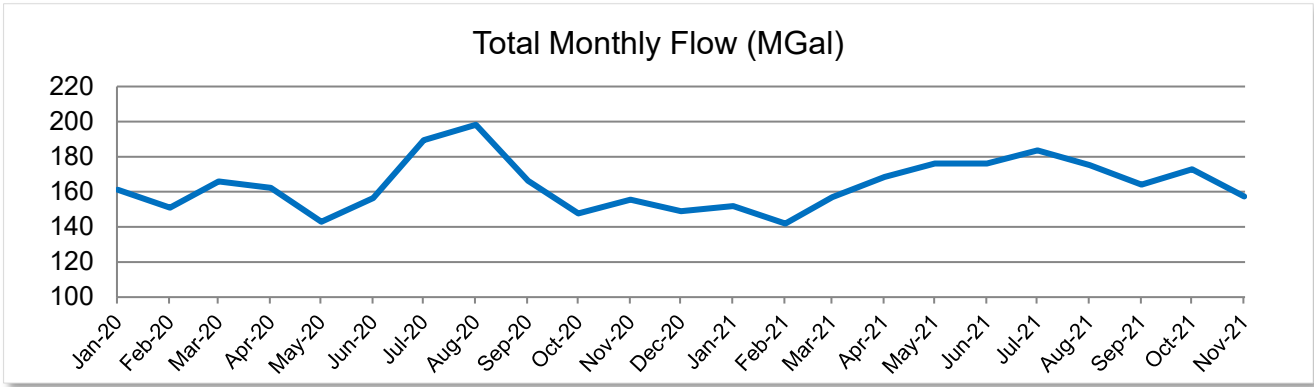




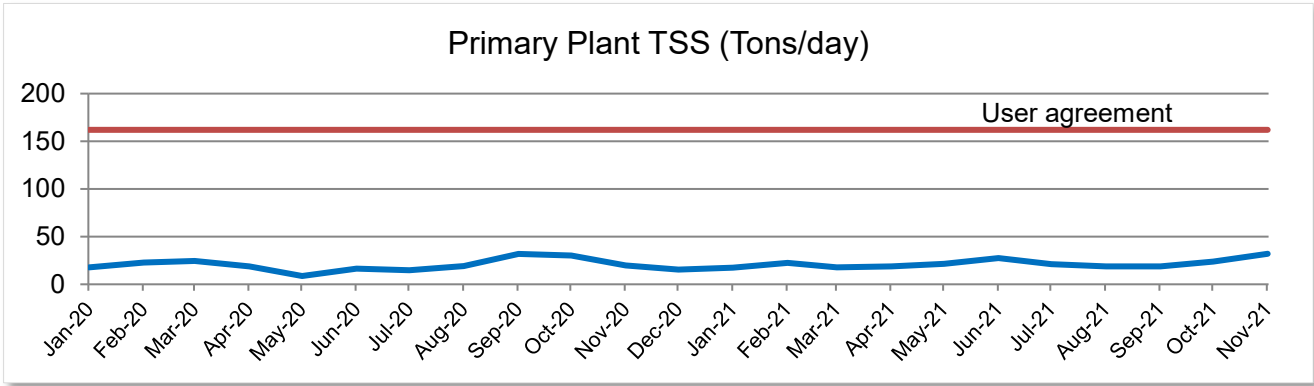
## WWTP Operations

The Wastewater Treatment Plant (WWTP) met all National Pollutant Discharge Elimination System (NPDES) permit requirements last month. We treated 157 million gallons of water removing 98.4% of the Total Suspended Solids (TSS) and 97.6% Biochemical Oxygen Demand (cBOD).

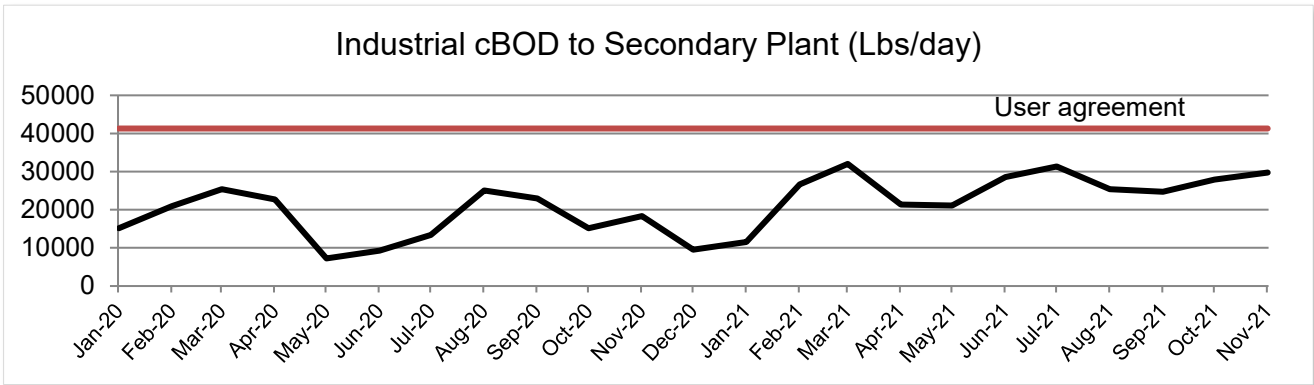


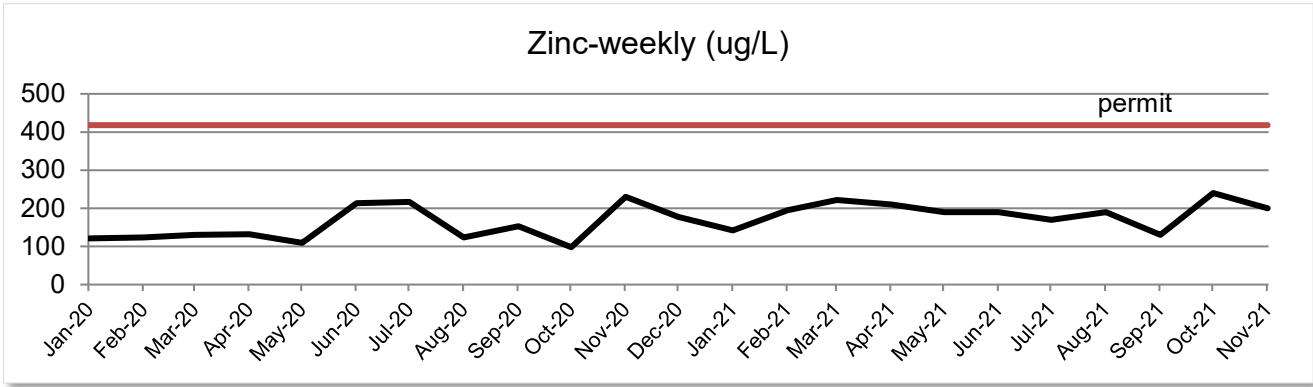


	Design Limits (monthly AVG)	Actual Results
<b>Primary Plant</b>		
Flow (MGD)	13.25	4.1
TSS (Tons/day)	162	32.0
TSS Peak (Tons/Day)	284	174.3

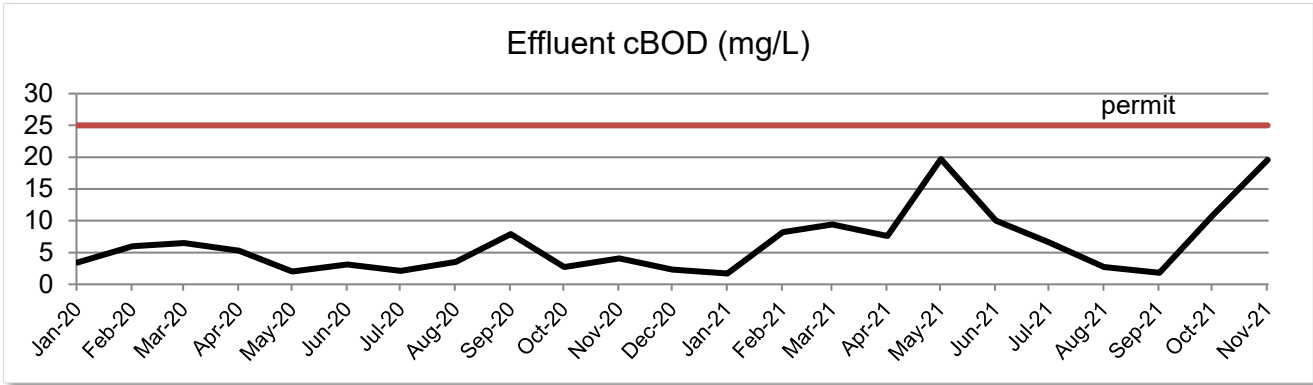
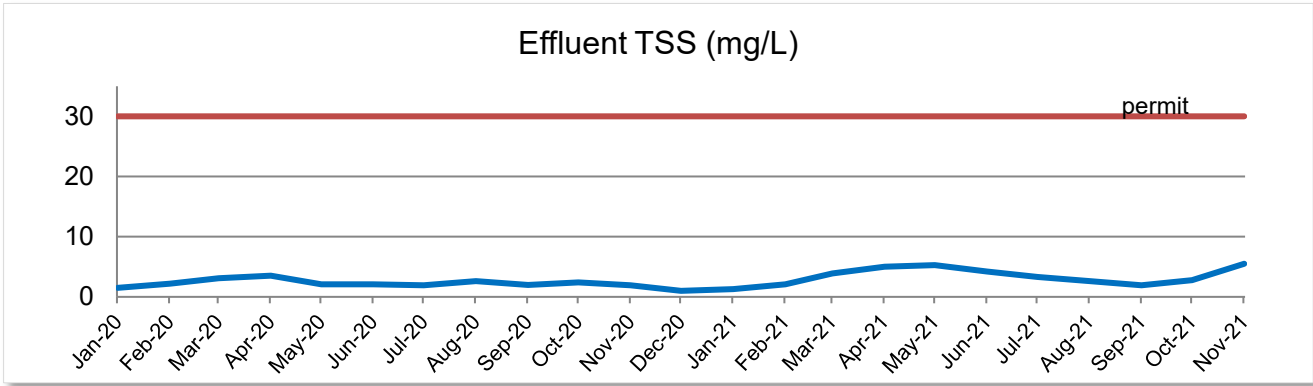


	Design Limits (monthly AVG)	Actual Results
<b>Secondary Plant</b>		
Flow (MGD)	15.25	5.2
cBOD (lbs/Day)	41,300	32,384
Peak cBOD (lbs/Day)	57,350	40,779
Zinc-weekly (ug/L)	418	200
% GRPUC		22.6%



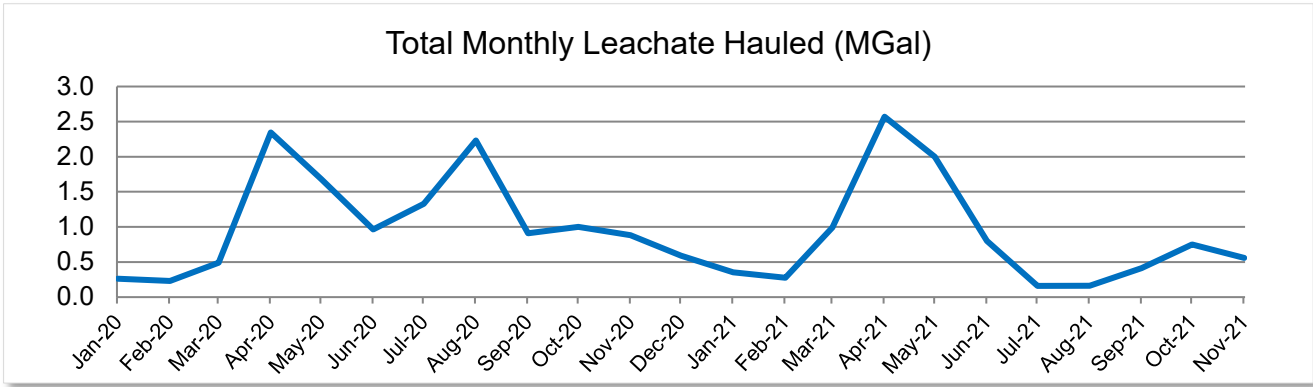


	Permit Limits (monthly AVG)	Actual Results
<u>Effluent</u>		
TSS (mg/L) – monthly average	30	5.5
cBOD (mg/L) – monthly average	25	19.6
Dissolved Oxygen (mg/L)	>1.0	5.1



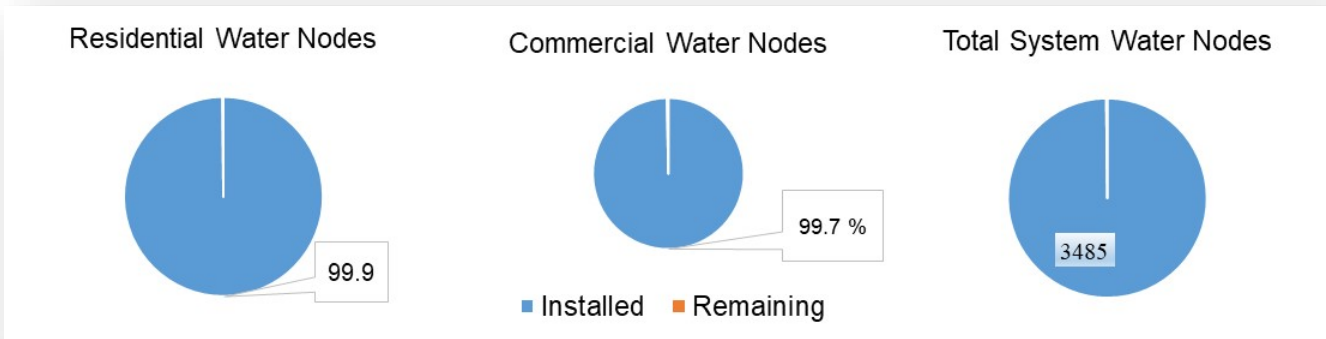
### Sludge Landfill Operations

- 0.56 million gallons of leachate were hauled last month
- 4,404 cubic yards of sludge solids were hauled to the landfill



**AMI Water Install Last Month**

We installed 1 water nodes and/or meters in residential routes. We currently have 3485 (99%) active water nodes installed in the system.



**Projects Performed Last Month**

- Installed new lift pump in number 1 lift station
- Installed new KMnO4 pump at WTP
- Rebuilt lift station 1 pump (for spare)

**Projects Scheduled for This Month**

- Install Sumotomo blower at the WTP for filters
- Repair EWS check valves at the WWTP Secondary
- Rebuild screen house pump



## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

---

**AGENDA DATE:** December 15, 2021

**AGENDA ITEM:** Consider a motion to award the contract for 2022 Sludge Placement to JRadtke Trucking in the amount of \$64,240 and authorize the Commission President to sign the contract.

**PREPARED BY:** Steve Mattson, Water/Wastewater Manager

---

### **BACKGROUND:**

JRadtke Trucking is a responsible bidder and has won this contract for the last decade.

### **RECOMMENDATION:**

Consider a motion to award the contract for 2022 Sludge Placement to JRadtke Trucking in the amount of \$64,240 and authorize the Commission President to sign the contract.



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**ACCEPTANCE OF QUOTE FOR  
2022 Sludge Placement**

Pursuant to an advertisement for the - 2022 Sludge Placement - project, which includes the placing of hauled sludge into the open landfill of Phases 5-8 with a bulldozer, quotes were requested, received, and tabulated, and the following quotes were received complying with the advertisement:

<u>Bidder</u>	<u>Base Bid</u>
Engineer’s Estimate	\$64,000
JRadtke Trucking	\$64,240

The Water Wastewater Manager is recommending the Base Bid be awarded to JRadtke Trucking (Jim Radtke) who appears to be a responsible bidder.

NOW, THEREFORE, THE GRAND RAPIDS PUBLIC UTILITIES COMMISSION:

Now therefore, the Grand Rapids Public Utilities Commission hereby authorizes and directs the President and Secretary to enter into a contract with JRadtke Trucking in the name of the Grand Rapids Public Utilities Commission for a total contract amount of \$1.46 / cubic yard (estimated to be \$64,240 for 2022) and in accordance to the plans and specifications therefore approved by the Grand Rapids Public Utilities Commission.

**2022 Sludge Placement**  
**Grand Rapids Public Utilities Industrial Sludge Landfill**  
**December 15, 2021**

TABLE OF CONTENTS

Number	Document
	<b>Introductory Information</b>
00 01 10	Table of Contents
	<b>Contract Forms</b>
00 43 38	List of Contractor's Equipment
00 52 00	Standard Form of Agreement
	<b>Conditions of the Contract</b>
00 72 00	Standard General Conditions
00 73 00	Supplementary Conditions

**DIVISION 1 - GENERAL REQUIREMENTS**

	<b>Summary</b>
01 77 00	Closeout Procedures

**DIVISION 2 - EXISTING CONDITIONS**

02 12 00	Sludge Placement
----------	------------------

**DOCUMENT 00 43 38**

**LIST OF CONTRACTOR'S EQUIPMENT**

Please list all equipment to be used on this project.

Sludge Placement

2003 New Holland DC150 Low Ground Pressure dozer  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**PROJECT REFERENCES**

Below is a listing of one reference of previous experience for a project of a similar nature to this project which we have completed.

1. Contracting Agency \_\_\_\_\_  
Description of Work \_\_\_\_\_  
Agency Representative \_\_\_\_\_  
Title \_\_\_\_\_ Phone \_\_\_\_\_ Date of Contract \_\_\_\_\_

Name of Bidder \_\_\_\_\_

By \_\_\_\_\_

**STANDARD FORM OF AGREEMENT  
BETWEEN OWNER AND CONTRACTOR  
ON THE BASIS OF A STIPULATED PRICE**

**THIS AGREEMENT** is by and between the Grand Rapids Public Utilities Commission  
(Owner) and James Radtke Trucking (Contractor).

Owner and Contractor hereby agree as follows:

**ARTICLE 1 – WORK**

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows: 2022 Sludge Placement.

**ARTICLE 2 – THE PROJECT**

2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows: Sludge Placement.

**ARTICLE 3 – ENGINEER**

3.01 The Project has been designed by Grand Rapids Public Utilities Commission.

**ARTICLE 4 – CONTRACT TIMES**

4.01 *Time of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Contract Times: Dates*

A. The Work will be completed in monthly increments after the date when the Contract Times commence January 1, 2022 and end on December 31, 2022.

4.03 *Liquidated Damages*

A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial loss if the Work is not completed within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with the Contract. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):

1. Substantial Completion: Contractor shall pay Owner \$ 0.00 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.02.A above for Substantial Completion until the Work is substantially complete.
2. Completion of Remaining Work: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner \$ 0.00 for each day that expires after such time until the Work is completed and ready for final payment.

**ARTICLE 5 – CONTRACT PRICE**

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to adjustment under the Contract:

- A. For all Unit Price Work, an amount equal to the sum of the established unit price for each separately identified item of Unit Price Work times the actual quantity of that item as indicated in Contractor's Bid.

The Bid Prices for Unit Price Work set forth as of the Effective Date of the Agreement are based on estimated quantities. As provided in Paragraph 13.03 of the General Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by Engineer as provided in Paragraph 10.06 of the General Conditions.

The Estimated Total of All Unit Price Work is: \$ 64,240

- B. For all Unit Price Work, an amount equal to the sum of the extended prices (established for each separately identified item of Unit Price Work by multiplying the unit price times the actual quantity of that item).

Unit Price Work					
Item No.	Description	Unit	Estimated Quantity	Unit Price	Extended Price
	Sludge Placement	CY	44,000	\$1.46	\$64,240
Total of all Extended Prices for Unit Price Work (subject to final adjustment based on actual quantities)					\$64,240

**ARTICLE 6 – PAYMENT PROCEDURES**

6.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

- A. Subject to the provisions of SC-15.01.C, Owner shall make monthly progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications of Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract:
  - 1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract:
    - a. Five (5) percent of Work completed (with the balance being retainage).

6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work in accordance with Paragraph 15.06 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 15.06.

**ARTICLE 7 – INTEREST**

7.01 All amounts not paid when due shall bear interest at the rate of five (5) percent per annum.

**ARTICLE 8 – CONTRACTOR'S REPRESENTATIONS**

8.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:

- A. Contractor has examined and carefully studied the Contract Documents, and any data and reference items identified in the Contract Documents.
- B. Contractor has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.
- E. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor's safety precautions and programs.
- F. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
- G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
- J. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

**ARTICLE 9 – CONTRACT DOCUMENTS**

9.01 *Contents*

- A. The Contract Documents consist of the following:
  1. This Agreement (pages 00 52 00-1 to 00 52 00-6, inclusive).
  2. General Conditions (pages 00 72 00-1 to 00 72 00-65, inclusive).
  3. Supplementary Conditions (pages 00 73 00-1 to 00 73 00-4, inclusive).

4. Specifications as listed in the table of contents of the Quotation Packet.
  5. Exhibits to this Agreement (enumerated as follows).
    - a. Contractor's Quotation Form.
    - b. Documentation submitted by Contractor prior to Notice of Award (pages \_\_\_ to \_\_\_, inclusive).
    - c. Certificate of Insurance.
  6. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
    - a. Notice to Proceed.
    - b. Field Order(s).
    - c. Work Change Directive(s).
    - d. Change Order(s).
- B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 9.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

## ARTICLE 10 – MISCELLANEOUS

### 10.01 *Terms*

- A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

### 10.02 *Assignment of Contract*

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

### 10.03 *Successors and Assigns*

- A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

### 10.04 *Severability*

- A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

### 10.05 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely influence the action of a public official in the bidding process or in the Contract execution;
2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on January 1, 2022 (which is the Effective Date of the Contract).

OWNER:

Grand Rapids Public Utilities

By: \_\_\_\_\_

Title: Thomas Stanley, President

[CORPORATE SEAL]

Attest: \_\_\_\_\_

Title: Kathy Kooda, Secretary

Address for Giving Notices:

500 SE 4<sup>th</sup> Street

Grand Rapids, MN 55744

(If Owner is a corporation, attach evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of Owner-Contractor Agreement).

Designated Representative:

Name: Julie Kennedy

Title: General Manager

Address: 500 SE 4<sup>th</sup> Street

Grand Rapids, MN 55744

Phone: 218-326-7687

Facsimile: 218-326-7499

CONTRACTOR:

JRadtke Trucking

By: \_\_\_\_\_

Title: James Radtke, OWNER

[CORPORATE SEAL]

Attest: \_\_\_\_\_

Title: \_\_\_\_\_

Address for Giving Notices:

4457 Hwy 99

Aurora, MN 55705

License No. \_\_\_\_\_  
(Where Applicable)

Agent for service of process: \_\_\_\_\_

(If Contractor is a corporation or a partnership, attach evidence of authority to sign.)

Designated Representative:

Name: James Radtke

Title: OWNER

Address 4457 Hwy 99

Aurora, MN 55705

Phone: 218.780.2213

Facsimile: \_\_\_\_\_

This document has important legal consequences; consultation with an attorney is encouraged with respect to its use or modification. This document should be adapted to the particular circumstances of the contemplated Project and the controlling Laws and Regulations.

## STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

Prepared by



Issued and Published Jointly by





These General Conditions have been prepared for use with the Agreement Between Owner and Contractor for Construction Contract (EJCDC® C-520, Stipulated Sum, or C-525, Cost-Plus, 2013 Editions). Their provisions are interrelated and a change in one may necessitate a change in the other.

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## ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

### 1.01 *Defined Terms*

- A. Wherever used in the Bidding Requirements or Contract Documents, a term printed with initial capital letters, including the term's singular and plural forms, will have the meaning indicated in the definitions below. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.
1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.
  2. *Agreement*—The written instrument, executed by Owner and Contractor, that sets forth the Contract Price and Contract Times, identifies the parties and the Engineer, and designates the specific items that are Contract Documents.
  3. *Application for Payment*—The form acceptable to Engineer which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
  4. *Bid*—The offer of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.
  5. *Bidder*—An individual or entity that submits a Bid to Owner.
  6. *Bidding Documents*—The Bidding Requirements, the proposed Contract Documents, and all Addenda.
  7. *Bidding Requirements*—The advertisement or invitation to bid, Instructions to Bidders, Bid Bond or other Bid security, if any, the Bid Form, and the Bid with any attachments.
  8. *Change Order*—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Times, or other revision to the Contract, issued on or after the Effective Date of the Contract.
  9. *Change Proposal*—A written request by Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment in Contract Price or Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Contract.
  10. *Claim*—(a) A demand or assertion by Owner directly to Contractor, duly submitted in compliance with the procedural requirements set forth herein: seeking an adjustment of Contract Price or Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; contesting Engineer's decision regarding a Change Proposal; seeking resolution of a contractual issue that Engineer has declined to address; or seeking other relief with respect to the terms of the Contract; or (b) a demand or assertion by Contractor directly to Owner, duly submitted in compliance with the procedural requirements set forth herein, contesting Engineer's decision regarding a Change Proposal; or seeking resolution of a contractual issue that Engineer

has declined to address. A demand for money or services by a third party is not a Claim.

11. *Constituent of Concern*—Asbestos, petroleum, radioactive materials, polychlorinated biphenyls (PCBs), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. (“CERCLA”); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§5501 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. (“RCRA”); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; or (g) any other federal, state, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.
12. *Contract*—The entire and integrated written contract between the Owner and Contractor concerning the Work.
13. *Contract Documents*—Those items so designated in the Agreement, and which together comprise the Contract.
14. *Contract Price*—The money that Owner has agreed to pay Contractor for completion of the Work in accordance with the Contract Documents. .
15. *Contract Times*—The number of days or the dates by which Contractor shall: (a) achieve Milestones, if any; (b) achieve Substantial Completion; and (c) complete the Work.
16. *Contractor*—The individual or entity with which Owner has contracted for performance of the Work.
17. *Cost of the Work*—See Paragraph 13.01 for definition.
18. *Drawings*—The part of the Contract that graphically shows the scope, extent, and character of the Work to be performed by Contractor.
19. *Effective Date of the Contract*—The date, indicated in the Agreement, on which the Contract becomes effective.
20. *Engineer*—The individual or entity named as such in the Agreement.
21. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but does not change the Contract Price or the Contract Times.
22. *Hazardous Environmental Condition*—The presence at the Site of Constituents of Concern in such quantities or circumstances that may present a danger to persons or property exposed thereto. The presence at the Site of materials that are necessary for the execution of the Work, or that are to be incorporated in the Work, and that are controlled and contained pursuant to industry practices, Laws and Regulations, and the requirements of the Contract, does not establish a Hazardous Environmental Condition.
23. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.



24. *Liens*—Charges, security interests, or encumbrances upon Contract-related funds, real property, or personal property.
25. *Milestone*—A principal event in the performance of the Work that the Contract requires Contractor to achieve by an intermediate completion date or by a time prior to Substantial Completion of all the Work.
26. *Notice of Award*—The written notice by Owner to a Bidder of Owner’s acceptance of the Bid.
27. *Notice to Proceed*—A written notice by Owner to Contractor fixing the date on which the Contract Times will commence to run and on which Contractor shall start to perform the Work.
28. *Owner*—The individual or entity with which Contractor has contracted regarding the Work, and which has agreed to pay Contractor for the performance of the Work, pursuant to the terms of the Contract.
29. *Progress Schedule*—A schedule, prepared and maintained by Contractor, describing the sequence and duration of the activities comprising the Contractor’s plan to accomplish the Work within the Contract Times.
30. *Project*—The total undertaking to be accomplished for Owner by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the Work to be performed under the Contract Documents is a part.
31. *Project Manual*—The written documents prepared for, or made available for, procuring and constructing the Work, including but not limited to the Bidding Documents or other construction procurement documents, geotechnical and existing conditions information, the Agreement, bond forms, General Conditions, Supplementary Conditions, and Specifications. The contents of the Project Manual may be bound in one or more volumes.
32. *Resident Project Representative*—The authorized representative of Engineer assigned to assist Engineer at the Site. As used herein, the term Resident Project Representative or “RPR” includes any assistants or field staff of Resident Project Representative.
33. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
34. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements for Engineer’s review of the submittals and the performance of related construction activities.
35. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor’s Applications for Payment.
36. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Contract Documents.

37. *Site*—Lands or areas indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements, and such other lands furnished by Owner which are designated for the use of Contractor.
38. *Specifications*—The part of the Contract that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.
39. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.
40. *Substantial Completion*—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms “substantially complete” and “substantially completed” as applied to all or part of the Work refer to Substantial Completion thereof.
41. *Successful Bidder*—The Bidder whose Bid the Owner accepts, and to which the Owner makes an award of contract, subject to stated conditions.
42. *Supplementary Conditions*—The part of the Contract that amends or supplements these General Conditions.
43. *Supplier*—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.
44. *Technical Data*—Those items expressly identified as Technical Data in the Supplementary Conditions, with respect to either (a) subsurface conditions at the Site, or physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities) or (b) Hazardous Environmental Conditions at the Site. If no such express identifications of Technical Data have been made with respect to conditions at the Site, then the data contained in boring logs, recorded measurements of subsurface water levels, laboratory test results, and other factual, objective information regarding conditions at the Site that are set forth in any geotechnical or environmental report prepared for the Project and made available to Contractor are hereby defined as Technical Data with respect to conditions at the Site under Paragraphs 5.03, 5.04, and 5.06.
45. *Underground Facilities*—All underground pipelines, conduits, ducts, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or attachments, and any encasements containing such facilities, including but not limited to those that convey electricity, gases, steam, liquid petroleum products, telephone or other communications, fiber optic transmissions, cable television, water, wastewater, storm water, other liquids or chemicals, or traffic or other control systems.
46. *Unit Price Work*—Work to be paid for on the basis of unit prices.
47. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning, all as required by the Contract Documents.

48. *Work Change Directive*—A written directive to Contractor issued on or after the Effective Date of the Contract, signed by Owner and recommended by Engineer, ordering an addition, deletion, or revision in the Work.

## 1.02 Terminology

- A. The words and terms discussed in the following paragraphs are not defined but, when used in the Bidding Requirements or Contract Documents, have the indicated meaning.
- B. *Intent of Certain Terms or Adjectives:*
1. The Contract Documents include the terms “as allowed,” “as approved,” “as ordered,” “as directed” or terms of like effect or import to authorize an exercise of professional judgment by Engineer. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory,” or adjectives of like effect or import are used to describe an action or determination of Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective is not intended to and shall not be effective to assign to Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Article 10 or any other provision of the Contract Documents.
- C. *Day:*
1. The word “day” means a calendar day of 24 hours measured from midnight to the next midnight.
- D. *Defective:*
1. The word “defective,” when modifying the word “Work,” refers to Work that is unsatisfactory, faulty, or deficient in that it:
    - a. does not conform to the Contract Documents; or
    - b. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
    - c. has been damaged prior to Engineer’s recommendation of final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion in accordance with Paragraph 15.03 or 15.04).
- E. *Furnish, Install, Perform, Provide:*
1. The word “furnish,” when used in connection with services, materials, or equipment, shall mean to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.
  2. The word “install,” when used in connection with services, materials, or equipment, shall mean to put into use or place in final position said services, materials, or equipment complete and ready for intended use.

3. The words “perform” or “provide,” when used in connection with services, materials, or equipment, shall mean to furnish and install said services, materials, or equipment complete and ready for intended use.
  4. If the Contract Documents establish an obligation of Contractor with respect to specific services, materials, or equipment, but do not expressly use any of the four words “furnish,” “install,” “perform,” or “provide,” then Contractor shall furnish and install said services, materials, or equipment complete and ready for intended use.
- F. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

## ARTICLE 2 – PRELIMINARY MATTERS

### 2.01 *Delivery of Bonds and Evidence of Insurance*

- A. *Bonds*: When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner such bonds as Contractor may be required to furnish.
- B. *Evidence of Contractor’s Insurance*: When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner, with copies to each named insured and additional insured (as identified in the Supplementary Conditions or elsewhere in the Contract), the certificates and other evidence of insurance required to be provided by Contractor in accordance with Article 6.
- C. *Evidence of Owner’s Insurance*: After receipt of the executed counterparts of the Agreement and all required bonds and insurance documentation, Owner shall promptly deliver to Contractor, with copies to each named insured and additional insured (as identified in the Supplementary Conditions or otherwise), the certificates and other evidence of insurance required to be provided by Owner under Article 6.

### 2.02 *Copies of Documents*

- A. Owner shall furnish to Contractor four printed copies of the Contract (including one fully executed counterpart of the Agreement), and one copy in electronic portable document format (PDF). Additional printed copies will be furnished upon request at the cost of reproduction.
- B. Owner shall maintain and safeguard at least one original printed record version of the Contract, including Drawings and Specifications signed and sealed by Engineer and other design professionals. Owner shall make such original printed record version of the Contract available to Contractor for review. Owner may delegate the responsibilities under this provision to Engineer.

### 2.03 *Before Starting Construction*

- A. *Preliminary Schedules*: Within 10 days after the Effective Date of the Contract (or as otherwise specifically required by the Contract Documents), Contractor shall submit to Engineer for timely review:
  1. a preliminary Progress Schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract;
  2. a preliminary Schedule of Submittals; and

3. a preliminary Schedule of Values for all of the Work which includes quantities and prices of items which when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.

2.04 *Preconstruction Conference; Designation of Authorized Representatives*

- A. Before any Work at the Site is started, a conference attended by Owner, Contractor, Engineer, and others as appropriate will be held to establish a working understanding among the parties as to the Work and to discuss the schedules referred to in Paragraph 2.03.A, procedures for handling Shop Drawings, Samples, and other submittals, processing Applications for Payment, electronic or digital transmittals, and maintaining required records.
- B. At this conference Owner and Contractor each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit and receive information, render decisions relative to the Contract, and otherwise act on behalf of each respective party.

2.05 *Initial Acceptance of Schedules*

- A. At least 10 days before submission of the first Application for Payment a conference, attended by Contractor, Engineer, and others as appropriate, will be held to review for acceptability to Engineer as provided below the schedules submitted in accordance with Paragraph 2.03.A. Contractor shall have an additional 10 days to make corrections and adjustments and to complete and resubmit the schedules. No progress payment shall be made to Contractor until acceptable schedules are submitted to Engineer.
  1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the Contract Times. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.
  2. Contractor's Schedule of Submittals will be acceptable to Engineer if it provides a workable arrangement for reviewing and processing the required submittals.
  3. Contractor's Schedule of Values will be acceptable to Engineer as to form and substance if it provides a reasonable allocation of the Contract Price to the component parts of the Work.

2.06 *Electronic Transmittals*

- A. Except as otherwise stated elsewhere in the Contract, the Owner, Engineer, and Contractor may transmit, and shall accept, Project-related correspondence, text, data, documents, drawings, information, and graphics, including but not limited to Shop Drawings and other submittals, in electronic media or digital format, either directly, or through access to a secure Project website.
- B. If the Contract does not establish protocols for electronic or digital transmittals, then Owner, Engineer, and Contractor shall jointly develop such protocols.
- C. When transmitting items in electronic media or digital format, the transmitting party makes no representations as to long term compatibility, usability, or readability of the items resulting from the recipient's use of software application packages, operating systems, or

computer hardware differing from those used in the drafting or transmittal of the items, or from those established in applicable transmittal protocols.

### ARTICLE 3 – DOCUMENTS: INTENT, REQUIREMENTS, REUSE

#### 3.01 *Intent*

- A. The Contract Documents are complementary; what is required by one is as binding as if required by all.
- B. It is the intent of the Contract Documents to describe a functionally complete project (or part thereof) to be constructed in accordance with the Contract Documents.
- C. Unless otherwise stated in the Contract Documents, if there is a discrepancy between the electronic or digital versions of the Contract Documents (including any printed copies derived from such electronic or digital versions) and the printed record version, the printed record version shall govern.
- D. The Contract supersedes prior negotiations, representations, and agreements, whether written or oral.
- E. Engineer will issue clarifications and interpretations of the Contract Documents as provided herein.

#### 3.02 *Reference Standards*

- A. Standards Specifications, Codes, Laws and Regulations
  - 1. Reference in the Contract Documents to standard specifications, manuals, reference standards, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, shall mean the standard specification, manual, reference standard, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Contract if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.
  - 2. No provision of any such standard specification, manual, reference standard, or code, or any instruction of a Supplier, shall be effective to change the duties or responsibilities of Owner, Contractor, or Engineer, or any of their subcontractors, consultants, agents, or employees, from those set forth in the part of the Contract Documents prepared by or for Engineer. No such provision or instruction shall be effective to assign to Owner, Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, any duty or authority to supervise or direct the performance of the Work or any duty or authority to undertake responsibility inconsistent with the provisions of the part of the Contract Documents prepared by or for Engineer.

#### 3.03 *Reporting and Resolving Discrepancies*

- A. *Reporting Discrepancies:*
  - 1. *Contractor's Verification of Figures and Field Measurements:* Before undertaking each part of the Work, Contractor shall carefully study the Contract Documents, and check and verify pertinent figures and dimensions therein, particularly with respect to applicable field measurements. Contractor shall promptly report in writing to Engineer any conflict, error, ambiguity, or discrepancy that Contractor discovers, or has actual knowledge of, and shall not proceed with any Work affected thereby until the conflict,

error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract Documents issued pursuant to Paragraph 11.01.

2. *Contractor's Review of Contract Documents:* If, before or during the performance of the Work, Contractor discovers any conflict, error, ambiguity, or discrepancy within the Contract Documents, or between the Contract Documents and (a) any applicable Law or Regulation, (b) actual field conditions, (c) any standard specification, manual, reference standard, or code, or (d) any instruction of any Supplier, then Contractor shall promptly report it to Engineer in writing. Contractor shall not proceed with the Work affected thereby (except in an emergency as required by Paragraph 7.15) until the conflict, error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract Documents issued pursuant to Paragraph 11.01.
3. Contractor shall not be liable to Owner or Engineer for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

B. *Resolving Discrepancies:*

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the part of the Contract Documents prepared by or for Engineer shall take precedence in resolving any conflict, error, ambiguity, or discrepancy between such provisions of the Contract Documents and:
  - a. the provisions of any standard specification, manual, reference standard, or code, or the instruction of any Supplier (whether or not specifically incorporated by reference as a Contract Document); or
  - b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).

3.04 *Requirements of the Contract Documents*

- A. During the performance of the Work and until final payment, Contractor and Owner shall submit to the Engineer all matters in question concerning the requirements of the Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Contract Documents, as soon as possible after such matters arise. Engineer will be the initial interpreter of the requirements of the Contract Documents, and judge of the acceptability of the Work thereunder.
- B. Engineer will, with reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Contract Documents. Engineer's written clarification, interpretation, or decision will be final and binding on Contractor, unless it appeals by submitting a Change Proposal, and on Owner, unless it appeals by filing a Claim.
- C. If a submitted matter in question concerns terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work under the Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly give written notice to Owner and Contractor that Engineer is unable to provide a decision or interpretation. If Owner and Contractor are unable to agree on resolution of such a matter in question, either party may pursue resolution as provided in Article 12.

### 3.05 *Reuse of Documents*

- A. Contractor and its Subcontractors and Suppliers shall not:
1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its consultants, including electronic media editions, or reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of Owner and Engineer and specific written verification or adaptation by Engineer; or
  2. have or acquire any title or ownership rights in any other Contract Documents, reuse any such Contract Documents for any purpose without Owner's express written consent, or violate any copyrights pertaining to such Contract Documents.
- B. The prohibitions of this Paragraph 3.05 will survive final payment, or termination of the Contract. Nothing herein shall preclude Contractor from retaining copies of the Contract Documents for record purposes.

## **ARTICLE 4 – COMMENCEMENT AND PROGRESS OF THE WORK**

### 4.01 *Commencement of Contract Times; Notice to Proceed*

- A. The Contract Times will commence to run on the thirtieth day after the Effective Date of the Contract or, if a Notice to Proceed is given, on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Contract. In no event will the Contract Times commence to run later than the sixtieth day after the day of Bid opening or the thirtieth day after the Effective Date of the Contract, whichever date is earlier.

### 4.02 *Starting the Work*

- A. Contractor shall start to perform the Work on the date when the Contract Times commence to run. No Work shall be done at the Site prior to such date.

### 4.03 *Reference Points*

- A. Owner shall provide engineering surveys to establish reference points for construction which in Engineer's judgment are necessary to enable Contractor to proceed with the Work. Contractor shall be responsible for laying out the Work, shall protect and preserve the established reference points and property monuments, and shall make no changes or relocations without the prior written approval of Owner. Contractor shall report to Engineer whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

### 4.04 *Progress Schedule*

- A. Contractor shall adhere to the Progress Schedule established in accordance with Paragraph 2.05 as it may be adjusted from time to time as provided below.
1. Contractor shall submit to Engineer for acceptance (to the extent indicated in Paragraph 2.05) proposed adjustments in the Progress Schedule that will not result in changing the Contract Times.



2. Proposed adjustments in the Progress Schedule that will change the Contract Times shall be submitted in accordance with the requirements of Article 11.

B. Contractor shall carry on the Work and adhere to the Progress Schedule during all disputes or disagreements with Owner. No Work shall be delayed or postponed pending resolution of any disputes or disagreements, or during any appeal process, except as permitted by Paragraph 16.04, or as Owner and Contractor may otherwise agree in writing.

#### 4.05 *Delays in Contractor's Progress*

A. If Owner, Engineer, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Work, then Contractor shall be entitled to an equitable adjustment in the Contract Times and Contract Price. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.

B. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for delay, disruption, or interference caused by or within the control of Contractor. Delay, disruption, and interference attributable to and within the control of a Subcontractor or Supplier shall be deemed to be within the control of Contractor.

C. If Contractor's performance or progress is delayed, disrupted, or interfered with by unanticipated causes not the fault of and beyond the control of Owner, Contractor, and those for which they are responsible, then Contractor shall be entitled to an equitable adjustment in Contract Times. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times. Such an adjustment shall be Contractor's sole and exclusive remedy for the delays, disruption, and interference described in this paragraph. Causes of delay, disruption, or interference that may give rise to an adjustment in Contract Times under this paragraph include but are not limited to the following:

1. severe and unavoidable natural catastrophes such as fires, floods, epidemics, and earthquakes;
2. abnormal weather conditions;
3. acts or failures to act of utility owners (other than those performing other work at or adjacent to the Site by arrangement with the Owner, as contemplated in Article 8); and
4. acts of war or terrorism.

D. Delays, disruption, and interference to the performance or progress of the Work resulting from the existence of a differing subsurface or physical condition, an Underground Facility that was not shown or indicated by the Contract Documents, or not shown or indicated with reasonable accuracy, and those resulting from Hazardous Environmental Conditions, are governed by Article 5.

E. Paragraph 8.03 governs delays, disruption, and interference to the performance or progress of the Work resulting from the performance of certain other work at or adjacent to the Site.

F. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for any delay, disruption, or interference if such delay is concurrent with a delay, disruption, or interference caused by or within the control of Contractor.

- G. Contractor must submit any Change Proposal seeking an adjustment in Contract Price or Contract Times under this paragraph within 30 days of the commencement of the delaying, disrupting, or interfering event.

**ARTICLE 5 – AVAILABILITY OF LANDS; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS**

5.01 *Availability of Lands*

- A. Owner shall furnish the Site. Owner shall notify Contractor of any encumbrances or restrictions not of general application but specifically related to use of the Site with which Contractor must comply in performing the Work.
- B. Upon reasonable written request, Owner shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which permanent improvements are to be made and Owner's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws and Regulations.
- C. Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

5.02 *Use of Site and Other Areas*

A. *Limitation on Use of Site and Other Areas:*

1. Contractor shall confine construction equipment, temporary construction facilities, the storage of materials and equipment, and the operations of workers to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and such other adjacent areas with construction equipment or other materials or equipment. Contractor shall assume full responsibility for (a) damage to the Site; (b) damage to any such other adjacent areas used for Contractor's operations; (c) damage to any other adjacent land or areas; and (d) for injuries and losses sustained by the owners or occupants of any such land or areas; provided that such damage or injuries result from the performance of the Work or from other actions or conduct of the Contractor or those for which Contractor is responsible.
2. If a damage or injury claim is made by the owner or occupant of any such land or area because of the performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible, Contractor shall (a) take immediate corrective or remedial action as required by Paragraph 7.12, or otherwise; (b) promptly attempt to settle the claim as to all parties through negotiations with such owner or occupant, or otherwise resolve the claim by arbitration or other dispute resolution proceeding, or at law; and (c) to the fullest extent permitted by Laws and Regulations, indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claim, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Engineer, or any other party indemnified hereunder to the extent caused directly or indirectly, in whole or in part

by, or based upon, Contractor's performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible.

- B. *Removal of Debris During Performance of the Work:* During the progress of the Work the Contractor shall keep the Site and other adjacent areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris shall conform to applicable Laws and Regulations.
- C. *Cleaning:* Prior to Substantial Completion of the Work Contractor shall clean the Site and the Work and make it ready for utilization by Owner. At the completion of the Work Contractor shall remove from the Site and adjacent areas all tools, appliances, construction equipment and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.
- D. *Loading of Structures:* Contractor shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent structures or land to stresses or pressures that will endanger them.

### 5.03 *Subsurface and Physical Conditions*

- A. *Reports and Drawings:* The Supplementary Conditions identify:
  1. those reports known to Owner of explorations and tests of subsurface conditions at or adjacent to the Site;
  2. those drawings known to Owner of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities); and
  3. Technical Data contained in such reports and drawings.
- B. *Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely upon the accuracy of the Technical Data (as defined in Article 1) contained in any geotechnical or environmental report prepared for the Project and made available to Contractor. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:
  1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto; or
  2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
  3. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions, or information.

#### 5.04 *Differing Subsurface or Physical Conditions*

- A. *Notice by Contractor:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed at the Site either:
1. is of such a nature as to establish that any Technical Data on which Contractor is entitled to rely as provided in Paragraph 5.03 is materially inaccurate; or
  2. is of such a nature as to require a change in the Drawings or Specifications; or
  3. differs materially from that shown or indicated in the Contract Documents; or
  4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except with respect to an emergency) until receipt of a written statement permitting Contractor to do so.

- B. *Engineer's Review:* After receipt of written notice as required by the preceding paragraph, Engineer will promptly review the subsurface or physical condition in question; determine the necessity of Owner's obtaining additional exploration or tests with respect to the condition; conclude whether the condition falls within any one or more of the differing site condition categories in Paragraph 5.04.A above; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the subsurface or physical condition in question and the need for any change in the Drawings or Specifications; and advise Owner in writing of Engineer's findings, conclusions, and recommendations.
- C. *Owner's Statement to Contractor Regarding Site Condition:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the subsurface or physical condition in question, addressing the resumption of Work in connection with such condition, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations, in whole or in part.
- D. *Possible Price and Times Adjustments:*
1. Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times, or both, to the extent that the existence of a differing subsurface or physical condition, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:
    - a. such condition must fall within any one or more of the categories described in Paragraph 5.04.A;
    - b. with respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03; and,

- c. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.
2. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times with respect to a subsurface or physical condition if:
    - a. Contractor knew of the existence of such condition at the time Contractor made a commitment to Owner with respect to Contract Price and Contract Times by the submission of a Bid or becoming bound under a negotiated contract, or otherwise; or
    - b. the existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas expressly required by the Bidding Requirements or Contract Documents to be conducted by or for Contractor prior to Contractor's making such commitment; or
    - c. Contractor failed to give the written notice as required by Paragraph 5.04.A.
  3. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, or both, then any such adjustment shall be set forth in a Change Order.
  4. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, or both, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the subsurface or physical condition in question.

#### 5.05 *Underground Facilities*

- A. *Contractor's Responsibilities:* The information and data shown or indicated in the Contract Documents with respect to existing Underground Facilities at or adjacent to the Site is based on information and data furnished to Owner or Engineer by the owners of such Underground Facilities, including Owner, or by others. Unless it is otherwise expressly provided in the Supplementary Conditions:
  1. Owner and Engineer do not warrant or guarantee the accuracy or completeness of any such information or data provided by others; and
  2. the cost of all of the following will be included in the Contract Price, and Contractor shall have full responsibility for:
    - a. reviewing and checking all information and data regarding existing Underground Facilities at the Site;
    - b. locating all Underground Facilities shown or indicated in the Contract Documents as being at the Site;
    - c. coordination of the Work with the owners (including Owner) of such Underground Facilities, during construction; and
    - d. the safety and protection of all existing Underground Facilities at the Site, and repairing any damage thereto resulting from the Work.
- B. *Notice by Contractor:* If Contractor believes that an Underground Facility that is uncovered or revealed at the Site was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy, then Contractor shall, promptly after

becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), identify the owner of such Underground Facility and give written notice to that owner and to Owner and Engineer.

- C. *Engineer's Review:* Engineer will promptly review the Underground Facility and conclude whether such Underground Facility was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the Underground Facility in question; determine the extent, if any, to which a change is required in the Drawings or Specifications to reflect and document the consequences of the existence or location of the Underground Facility; and advise Owner in writing of Engineer's findings, conclusions, and recommendations. During such time, Contractor shall be responsible for the safety and protection of such Underground Facility.
- D. *Owner's Statement to Contractor Regarding Underground Facility:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the Underground Facility in question, addressing the resumption of Work in connection with such Underground Facility, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations in whole or in part.
- E. *Possible Price and Times Adjustments:*
1. Contractor shall be entitled to an equitable adjustment in the Contract Price or Contract Times, or both, to the extent that any existing Underground Facility at the Site that was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:
    - a. Contractor did not know of and could not reasonably have been expected to be aware of or to have anticipated the existence or actual location of the Underground Facility in question;
    - b. With respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03;
    - c. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times; and
    - d. Contractor gave the notice required in Paragraph 5.05.B.
  2. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, or both, then any such adjustment shall be set forth in a Change Order.
  3. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, or both, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the Underground Facility in question.

5.06 *Hazardous Environmental Conditions at Site*

- A. *Reports and Drawings*: The Supplementary Conditions identify:
1. those reports and drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site; and
  2. Technical Data contained in such reports and drawings.
- B. *Reliance by Contractor on Technical Data Authorized*: Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely on the accuracy of the Technical Data (as defined in Article 1) contained in any geotechnical or environmental report prepared for the Project and made available to Contractor. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:
1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences and procedures of construction to be employed by Contractor and safety precautions and programs incident thereto; or
  2. other data, interpretations, opinions and information contained in such reports or shown or indicated in such drawings; or
  3. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions or information.
- C. Contractor shall not be responsible for removing or remediating any Hazardous Environmental Condition encountered, uncovered, or revealed at the Site unless such removal or remediation is expressly identified in the Contract Documents to be within the scope of the Work.
- D. Contractor shall be responsible for controlling, containing, and duly removing all Constituents of Concern brought to the Site by Contractor, Subcontractors, Suppliers, or anyone else for whom Contractor is responsible, and for any associated costs; and for the costs of removing and remediating any Hazardous Environmental Condition created by the presence of any such Constituents of Concern.
- E. If Contractor encounters, uncovers, or reveals a Hazardous Environmental Condition whose removal or remediation is not expressly identified in the Contract Documents as being within the scope of the Work, or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, then Contractor shall immediately: (1) secure or otherwise isolate such condition; (2) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 7.15); and (3) notify Owner and Engineer (and promptly thereafter confirm such notice in writing). Owner shall promptly consult with Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Engineer, Owner shall take such actions as are necessary to permit Owner to timely obtain required permits and provide Contractor the written notice required by Paragraph 5.06.F. If Contractor or anyone for whom Contractor is responsible created the Hazardous Environmental Condition in question, then Owner may remove and remediate the Hazardous Environmental Condition, and impose a set-off against payments to account for the associated costs.

- F. Contractor shall not resume Work in connection with such Hazardous Environmental Condition or in any affected area until after Owner has obtained any required permits related thereto, and delivered written notice to Contractor either (1) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work, or (2) specifying any special conditions under which such Work may be resumed safely.
- G. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times, or both, as a result of such Work stoppage or such special conditions under which Work is agreed to be resumed by Contractor, then within 30 days of Owner's written notice regarding the resumption of Work, Contractor may submit a Change Proposal, or Owner may impose a set-off.
- H. If after receipt of such written notice Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special conditions, then Owner may order the portion of the Work that is in the area affected by such condition to be deleted from the Work, following the contractual change procedures in Article 11. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 8.
- I. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition (1) was not shown or indicated in the Drawings, Specifications, or other Contract Documents, identified as Technical Data entitled to limited reliance pursuant to Paragraph 5.06.B, or identified in the Contract Documents to be included within the scope of the Work, and (2) was not created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.H shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- J. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the failure to control, contain, or remove a Constituent of Concern brought to the Site by Contractor or by anyone for whom Contractor is responsible, or to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.J shall obligate Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- K. The provisions of Paragraphs 5.03, 5.04, and 5.05 do not apply to the presence of Constituents of Concern or to a Hazardous Environmental Condition uncovered or revealed at the Site.



## ARTICLE 6 – BONDS AND INSURANCE

### 6.01 *Performance, Payment, and Other Bonds*

- A. Contractor shall furnish a performance bond and a payment bond, each in an amount at least equal to the Contract Price, as security for the faithful performance and payment of all of Contractor's obligations under the Contract. These bonds shall remain in effect until one year after the date when final payment becomes due or until completion of the correction period specified in Paragraph 15.08, whichever is later, except as provided otherwise by Laws or Regulations, the Supplementary Conditions, or other specific provisions of the Contract. Contractor shall also furnish such other bonds as are required by the Supplementary Conditions or other specific provisions of the Contract.
- B. All bonds shall be in the form prescribed by the Contract except as provided otherwise by Laws or Regulations, and shall be executed by such sureties as are named in "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (as amended and supplemented) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury. A bond signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual's authority to bind the surety. The evidence of authority shall show that it is effective on the date the agent or attorney-in-fact signed the accompanying bond.
- C. Contractor shall obtain the required bonds from surety companies that are duly licensed or authorized in the jurisdiction in which the Project is located to issue bonds in the required amounts.
- D. If the surety on a bond furnished by Contractor is declared bankrupt or becomes insolvent, or its right to do business is terminated in any state or jurisdiction where any part of the Project is located, or the surety ceases to meet the requirements above, then Contractor shall promptly notify Owner and Engineer and shall, within 20 days after the event giving rise to such notification, provide another bond and surety, both of which shall comply with the bond and surety requirements above.
- E. If Contractor has failed to obtain a required bond, Owner may exclude the Contractor from the Site and exercise Owner's termination rights under Article 16.
- F. Upon request, Owner shall provide a copy of the payment bond to any Subcontractor, Supplier, or other person or entity claiming to have furnished labor or materials used in the performance of the Work.

### 6.02 *Insurance—General Provisions*

- A. Owner and Contractor shall obtain and maintain insurance as required in this Article and in the Supplementary Conditions.
- B. All insurance required by the Contract to be purchased and maintained by Owner or Contractor shall be obtained from insurance companies that are duly licensed or authorized, in the state or jurisdiction in which the Project is located, to issue insurance policies for the required limits and coverages. Unless a different standard is indicated in the Supplementary Conditions, all companies that provide insurance policies required under this Contract shall have an A.M. Best rating of A-VII or better.
- C. Contractor shall deliver to Owner, with copies to each named insured and additional insured (as identified in this Article, in the Supplementary Conditions, or elsewhere in the Contract), certificates of insurance establishing that Contractor has obtained and is

maintaining the policies, coverages, and endorsements required by the Contract. Upon request by Owner or any other insured, Contractor shall also furnish other evidence of such required insurance, including but not limited to copies of policies and endorsements, and documentation of applicable self-insured retentions and deductibles. Contractor may block out (redact) any confidential premium or pricing information contained in any policy or endorsement furnished under this provision.

- D. Owner shall deliver to Contractor, with copies to each named insured and additional insured (as identified in this Article, the Supplementary Conditions, or elsewhere in the Contract), certificates of insurance establishing that Owner has obtained and is maintaining the policies, coverages, and endorsements required of Owner by the Contract (if any). Upon request by Contractor or any other insured, Owner shall also provide other evidence of such required insurance (if any), including but not limited to copies of policies and endorsements, and documentation of applicable self-insured retentions and deductibles. Owner may block out (redact) any confidential premium or pricing information contained in any policy or endorsement furnished under this provision.
- E. Failure of Owner or Contractor to demand such certificates or other evidence of the other party's full compliance with these insurance requirements, or failure of Owner or Contractor to identify a deficiency in compliance from the evidence provided, shall not be construed as a waiver of the other party's obligation to obtain and maintain such insurance.
- F. If either party does not purchase or maintain all of the insurance required of such party by the Contract, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage.
- G. If Contractor has failed to obtain and maintain required insurance, Owner may exclude the Contractor from the Site, impose an appropriate set-off against payment, and exercise Owner's termination rights under Article 16.
- H. Without prejudice to any other right or remedy, if a party has failed to obtain required insurance, the other party may elect to obtain equivalent insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and the Contract Price shall be adjusted accordingly.
- I. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect Contractor or Contractor's interests.
- J. The insurance and insurance limits required herein shall not be deemed as a limitation on Contractor's liability under the indemnities granted to Owner and other individuals and entities in the Contract.

### 6.03 Contractor's Insurance

- A. *Workers' Compensation:* Contractor shall purchase and maintain workers' compensation and employer's liability insurance for:
  1. claims under workers' compensation, disability benefits, and other similar employee benefit acts.
  2. United States Longshoreman and Harbor Workers' Compensation Act and Jones Act coverage (if applicable).
  3. claims for damages because of bodily injury, occupational sickness or disease, or death of Contractor's employees (by stop-gap endorsement in monopolist worker's compensation states).

4. Foreign voluntary worker compensation (if applicable).
- B. *Commercial General Liability—Claims Covered:* Contractor shall purchase and maintain commercial general liability insurance, covering all operations by or on behalf of Contractor, on an occurrence basis, against:
1. claims for damages because of bodily injury, sickness or disease, or death of any person other than Contractor's employees.
  2. claims for damages insured by reasonably available personal injury liability coverage.
  3. claims for damages, other than to the Work itself, because of injury to or destruction of tangible property wherever located, including loss of use resulting therefrom.
- C. *Commercial General Liability—Form and Content:* Contractor's commercial liability policy shall be written on a 1996 (or later) ISO commercial general liability form (occurrence form) and include the following coverages and endorsements:
1. Products and completed operations coverage:
    - a. Such insurance shall be maintained for three years after final payment.
    - b. Contractor shall furnish Owner and each other additional insured (as identified in the Supplementary Conditions or elsewhere in the Contract) evidence of continuation of such insurance at final payment and three years thereafter.
  2. Blanket contractual liability coverage, to the extent permitted by law, including but not limited to coverage of Contractor's contractual indemnity obligations in Paragraph 7.18.
  3. Broad form property damage coverage.
  4. Severability of interest.
  5. Underground, explosion, and collapse coverage.
  6. Personal injury coverage.
  7. Additional insured endorsements that include both ongoing operations and products and completed operations coverage through ISO Endorsements CG 20 10 10 01 and CG 20 37 10 01 (together); or CG 20 10 07 04 and CG 20 37 07 04 (together); or their equivalent.
  8. For design professional additional insureds, ISO Endorsement CG 20 32 07 04, "Additional Insured—Engineers, Architects or Surveyors Not Engaged by the Named Insured" or its equivalent.
- D. *Automobile liability:* Contractor shall purchase and maintain automobile liability insurance against claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance, or use of any motor vehicle. The automobile liability policy shall be written on an occurrence basis.
- E. *Umbrella or excess liability:* Contractor shall purchase and maintain umbrella or excess liability insurance written over the underlying employer's liability, commercial general liability, and automobile liability insurance described in the paragraphs above. Subject to industry-standard exclusions, the coverage afforded shall follow form as to each and every one of the underlying policies.

- F. *Contractor's pollution liability insurance*: Contractor shall purchase and maintain a policy covering third-party injury and property damage claims, including clean-up costs, as a result of pollution conditions arising from Contractor's operations and completed operations. This insurance shall be maintained for no less than three years after final completion.
- G. *Additional insureds*: The Contractor's commercial general liability, automobile liability, umbrella or excess, and pollution liability policies shall include and list as additional insureds Owner and Engineer, and any individuals or entities identified in the Supplementary Conditions; include coverage for the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of all such additional insureds; and the insurance afforded to these additional insureds shall provide primary coverage for all claims covered thereby (including as applicable those arising from both ongoing and completed operations) on a non-contributory basis. Contractor shall obtain all necessary endorsements to support these requirements.
- H. *Contractor's professional liability insurance*: If Contractor will provide or furnish professional services under this Contract, through a delegation of professional design services or otherwise, then Contractor shall be responsible for purchasing and maintaining applicable professional liability insurance. This insurance shall provide protection against claims arising out of performance of professional design or related services, and caused by a negligent error, omission, or act for which the insured party is legally liable. It shall be maintained throughout the duration of the Contract and for a minimum of two years after Substantial Completion. If such professional design services are performed by a Subcontractor, and not by Contractor itself, then the requirements of this paragraph may be satisfied through the purchasing and maintenance of such insurance by such Subcontractor.
- I. *General provisions*: The policies of insurance required by this Paragraph 6.03 shall:
1. include at least the specific coverages provided in this Article.
  2. be written for not less than the limits of liability provided in this Article and in the Supplementary Conditions, or required by Laws or Regulations, whichever is greater.
  3. contain a provision or endorsement that the coverage afforded will not be canceled, materially changed, or renewal refused until at least 10 days prior written notice has been given to Contractor. Within three days of receipt of any such written notice, Contractor shall provide a copy of the notice to Owner, Engineer, and each other insured under the policy.
  4. remain in effect at least until final payment (and longer if expressly required in this Article) and at all times thereafter when Contractor may be correcting, removing, or replacing defective Work as a warranty or correction obligation, or otherwise, or returning to the Site to conduct other tasks arising from the Contract Documents.
  5. be appropriate for the Work being performed and provide protection from claims that may arise out of or result from Contractor's performance of the Work and Contractor's other obligations under the Contract Documents, whether it is to be performed by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable.
- J. The coverage requirements for specific policies of insurance must be met by such policies, and not by reference to excess or umbrella insurance provided in other policies.

#### 6.04 *Owner's Liability Insurance*

- A. In addition to the insurance required to be provided by Contractor under Paragraph 6.03, Owner, at Owner's option, may purchase and maintain at Owner's expense Owner's own liability insurance as will protect Owner against claims which may arise from operations under the Contract Documents.
- B. Owner's liability policies, if any, operate separately and independently from policies required to be provided by Contractor, and Contractor cannot rely upon Owner's liability policies for any of Contractor's obligations to the Owner, Engineer, or third parties.

#### 6.05 *Property Insurance*

- A. *Builder's Risk*: Unless otherwise provided in the Supplementary Conditions, Contractor shall purchase and maintain builder's risk insurance upon the Work on a completed value basis, in the amount of the full insurable replacement cost thereof (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). This insurance shall:
  - 1. include the Owner and Contractor as named insureds, and all Subcontractors, and any individuals or entities required by the Supplementary Conditions to be insured under such builder's risk policy, as insureds or named insureds. For purposes of the remainder of this Paragraph 6.05, Paragraphs 6.06 and 6.07, and any corresponding Supplementary Conditions, the parties required to be insured shall collectively be referred to as "insureds."
  - 2. be written on a builder's risk "all risk" policy form that shall at least include insurance for physical loss or damage to the Work, temporary buildings, falsework, and materials and equipment in transit, and shall insure against at least the following perils or causes of loss: fire; lightning; windstorm; riot; civil commotion; terrorism; vehicle impact; aircraft; smoke; theft; vandalism and malicious mischief; mechanical breakdown, boiler explosion, and artificially generated electric current; earthquake; volcanic activity, and other earth movement; flood; collapse; explosion; debris removal; demolition occasioned by enforcement of Laws and Regulations; water damage (other than that caused by flood); and such other perils or causes of loss as may be specifically required by the Supplementary Conditions. If insurance against mechanical breakdown, boiler explosion, and artificially generated electric current; earthquake; volcanic activity, and other earth movement; or flood, are not commercially available under builder's risk policies, by endorsement or otherwise, such insurance may be provided through other insurance policies acceptable to Owner and Contractor.
  - 3. cover, as insured property, at least the following: (a) the Work and all materials, supplies, machinery, apparatus, equipment, fixtures, and other property of a similar nature that are to be incorporated into or used in the preparation, fabrication, construction, erection, or completion of the Work, including Owner-furnished or assigned property; (b) spare parts inventory required within the scope of the Contract; and (c) temporary works which are not intended to form part of the permanent constructed Work but which are intended to provide working access to the Site, or to the Work under construction, or which are intended to provide temporary support for the Work under construction, including scaffolding, form work, fences, shoring, falsework, and temporary structures.
  - 4. cover expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of engineers and architects).

5. extend to cover damage or loss to insured property while in temporary storage at the Site or in a storage location outside the Site (but not including property stored at the premises of a manufacturer or Supplier).
  6. extend to cover damage or loss to insured property while in transit.
  7. allow for partial occupation or use of the Work by Owner, such that those portions of the Work that are not yet occupied or used by Owner shall remain covered by the builder's risk insurance.
  8. allow for the waiver of the insurer's subrogation rights, as set forth below.
  9. provide primary coverage for all losses and damages caused by the perils or causes of loss covered.
  10. not include a co-insurance clause.
  11. include an exception for ensuing losses from physical damage or loss with respect to any defective workmanship, design, or materials exclusions.
  12. include performance/hot testing and start-up.
  13. be maintained in effect, subject to the provisions herein regarding Substantial Completion and partial occupancy or use of the Work by Owner, until the Work is complete.
- B. *Notice of Cancellation or Change:* All the policies of insurance (and the certificates or other evidence thereof) required to be purchased and maintained in accordance with this Paragraph 6.05 will contain a provision or endorsement that the coverage afforded will not be canceled or materially changed or renewal refused until at least 10 days prior written notice has been given to the purchasing policyholder. Within three days of receipt of any such written notice, the purchasing policyholder shall provide a copy of the notice to each other insured.
- C. *Deductibles:* The purchaser of any required builder's risk or property insurance shall pay for costs not covered because of the application of a policy deductible.
- D. *Partial Occupancy or Use by Owner:* If Owner will occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work as provided in Paragraph 15.04, then Owner (directly, if it is the purchaser of the builder's risk policy, or through Contractor) will provide notice of such occupancy or use to the builder's risk insurer. The builder's risk insurance shall not be canceled or permitted to lapse on account of any such partial use or occupancy; rather, those portions of the Work that are occupied or used by Owner may come off the builder's risk policy, while those portions of the Work not yet occupied or used by Owner shall remain covered by the builder's risk insurance.
- E. *Additional Insurance:* If Contractor elects to obtain other special insurance to be included in or supplement the builder's risk or property insurance policies provided under this Paragraph 6.05, it may do so at Contractor's expense.
- F. *Insurance of Other Property:* If the express insurance provisions of the Contract do not require or address the insurance of a property item or interest, such as tools, construction equipment, or other personal property owned by Contractor, a Subcontractor, or an employee of Contractor or a Subcontractor, then the entity or individual owning such property item will be responsible for deciding whether to insure it, and if so in what amount.

## 6.06 Waiver of Rights

- A. All policies purchased in accordance with Paragraph 6.05, expressly including the builder's risk policy, shall contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any insureds thereunder, or against Engineer or its consultants, or their officers, directors, members, partners, employees, agents, consultants, or subcontractors. Owner and Contractor waive all rights against each other and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Engineer, its consultants, all Subcontractors, all individuals or entities identified in the Supplementary Conditions as insureds, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, under such policies for losses and damages so caused. None of the above waivers shall extend to the rights that any party making such waiver may have to the proceeds of insurance held by Owner or Contractor as trustee or fiduciary, or otherwise payable under any policy so issued.
- B. Owner waives all rights against Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, for:
1. loss due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property or the Work caused by, arising out of, or resulting from fire or other perils whether or not insured by Owner; and
  2. loss or damage to the completed Project or part thereof caused by, arising out of, or resulting from fire or other insured peril or cause of loss covered by any property insurance maintained on the completed Project or part thereof by Owner during partial occupancy or use pursuant to Paragraph 15.04, after Substantial Completion pursuant to Paragraph 15.03, or after final payment pursuant to Paragraph 15.06.
- C. Any insurance policy maintained by Owner covering any loss, damage or consequential loss referred to in Paragraph 6.06.B shall contain provisions to the effect that in the event of payment of any such loss, damage, or consequential loss, the insurers will have no rights of recovery against Contractor, Subcontractors, or Engineer, or the officers, directors, members, partners, employees, agents, consultants, or subcontractors of each and any of them.
- D. Contractor shall be responsible for assuring that the agreement under which a Subcontractor performs a portion of the Work contains provisions whereby the Subcontractor waives all rights against Owner, Contractor, all individuals or entities identified in the Supplementary Conditions as insureds, the Engineer and its consultants, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, relating to, or resulting from any of the perils or causes of loss covered by builder's risk insurance and any other property insurance applicable to the Work.

#### 6.07 *Receipt and Application of Property Insurance Proceeds*

- A. Any insured loss under the builder's risk and other policies of insurance required by Paragraph 6.05 will be adjusted and settled with the named insured that purchased the policy. Such named insured shall act as fiduciary for the other insureds, and give notice to such other insureds that adjustment and settlement of a claim is in progress. Any other insured may state its position regarding a claim for insured loss in writing within 15 days after notice of such claim.
- B. Proceeds for such insured losses may be made payable by the insurer either jointly to multiple insureds, or to the named insured that purchased the policy in its own right and as fiduciary for other insureds, subject to the requirements of any applicable mortgage clause. A named insured receiving insurance proceeds under the builder's risk and other policies of insurance required by Paragraph 6.05 shall distribute such proceeds in accordance with such agreement as the parties in interest may reach, or as otherwise required under the dispute resolution provisions of this Contract or applicable Laws and Regulations.
- C. If no other special agreement is reached, the damaged Work shall be repaired or replaced, the money so received applied on account thereof, and the Work and the cost thereof covered by Change Order, if needed.

### **ARTICLE 7 – CONTRACTOR'S RESPONSIBILITIES**

#### 7.01 *Supervision and Superintendence*

- A. Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Contractor shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction.
- B. At all times during the progress of the Work, Contractor shall assign a competent resident superintendent who shall not be replaced without written notice to Owner and Engineer except under extraordinary circumstances.

#### 7.02 *Labor; Working Hours*

- A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. Contractor shall at all times maintain good discipline and order at the Site.
- B. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site shall be performed during regular working hours, Monday through Friday. Contractor will not perform Work on a Saturday, Sunday, or any legal holiday. Contractor may perform Work outside regular working hours or on Saturdays, Sundays, or legal holidays only with Owner's written consent, which will not be unreasonably withheld.

#### 7.03 *Services, Materials, and Equipment*

- A. Unless otherwise specified in the Contract Documents, Contractor shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and



incidentals necessary for the performance, testing, start up, and completion of the Work, whether or not such items are specifically called for in the Contract Documents.

- B. All materials and equipment incorporated into the Work shall be of good quality and new, except as otherwise provided in the Contract Documents. All special warranties and guarantees required by the Specifications shall expressly run to the benefit of Owner. If required by Engineer, Contractor shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.
- C. All materials and equipment shall be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.

#### 7.04 "Or Equals"

- A. Whenever an item of material or equipment is specified or described in the Contract Documents by using the name of a proprietary item or the name of a particular Supplier, the Contract Price has been based upon Contractor furnishing such item as specified. The specification or description of such an item is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or "or equal" item is permitted, Contractor may request that Engineer authorize the use of other items of material or equipment, or items from other proposed suppliers under the circumstances described below.
  - 1. If Engineer in its sole discretion determines that an item of material or equipment proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in related Work will be required, Engineer shall deem it an "or equal" item. For the purposes of this paragraph, a proposed item of material or equipment will be considered functionally equal to an item so named if:
    - a. in the exercise of reasonable judgment Engineer determines that:
      - 1) it is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;
      - 2) it will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole;
      - 3) it has a proven record of performance and availability of responsive service; and
      - 4) it is not objectionable to Owner.
    - b. Contractor certifies that, if approved and incorporated into the Work:
      - 1) there will be no increase in cost to the Owner or increase in Contract Times; and
      - 2) it will conform substantially to the detailed requirements of the item named in the Contract Documents.
- B. *Contractor's Expense:* Contractor shall provide all data in support of any proposed "or equal" item at Contractor's expense.

- C. *Engineer's Evaluation and Determination:* Engineer will be allowed a reasonable time to evaluate each "or-equal" request. Engineer may require Contractor to furnish additional data about the proposed "or-equal" item. Engineer will be the sole judge of acceptability. No "or-equal" item will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an "or-equal", which will be evidenced by an approved Shop Drawing or other written communication. Engineer will advise Contractor in writing of any negative determination.
- D. *Effect of Engineer's Determination:* Neither approval nor denial of an "or-equal" request shall result in any change in Contract Price. The Engineer's denial of an "or-equal" request shall be final and binding, and may not be reversed through an appeal under any provision of the Contract Documents.
- E. *Treatment as a Substitution Request:* If Engineer determines that an item of material or equipment proposed by Contractor does not qualify as an "or-equal" item, Contractor may request that Engineer considered the proposed item as a substitute pursuant to Paragraph 7.05.

#### 7.05 *Substitutes*

- A. Unless the specification or description of an item of material or equipment required to be furnished under the Contract Documents contains or is followed by words reading that no substitution is permitted, Contractor may request that Engineer authorize the use of other items of material or equipment under the circumstances described below. To the extent possible such requests shall be made before commencement of related construction at the Site.
  - 1. Contractor shall submit sufficient information as provided below to allow Engineer to determine if the item of material or equipment proposed is functionally equivalent to that named and an acceptable substitute therefor. Engineer will not accept requests for review of proposed substitute items of material or equipment from anyone other than Contractor.
  - 2. The requirements for review by Engineer will be as set forth in Paragraph 7.05.B, as supplemented by the Specifications, and as Engineer may decide is appropriate under the circumstances.
  - 3. Contractor shall make written application to Engineer for review of a proposed substitute item of material or equipment that Contractor seeks to furnish or use. The application:
    - a. shall certify that the proposed substitute item will:
      - 1) perform adequately the functions and achieve the results called for by the general design,
      - 2) be similar in substance to that specified, and
      - 3) be suited to the same use as that specified.
    - b. will state:
      - 1) the extent, if any, to which the use of the proposed substitute item will necessitate a change in Contract Times,

- 2) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with Owner for other work on the Project) to adapt the design to the proposed substitute item, and
  - 3) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty.
- c. will identify:
- 1) all variations of the proposed substitute item from that specified, and
  - 2) available engineering, sales, maintenance, repair, and replacement services.
- d. shall contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including but not limited to changes in Contract Price, shared savings, costs of redesign, and claims of other contractors affected by any resulting change.
- B. *Engineer's Evaluation and Determination:* Engineer will be allowed a reasonable time to evaluate each substitute request, and to obtain comments and direction from Owner. Engineer may require Contractor to furnish additional data about the proposed substitute item. Engineer will be the sole judge of acceptability. No substitute will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an acceptable substitute. Engineer's determination will be evidenced by a Field Order or a proposed Change Order accounting for the substitution itself and all related impacts, including changes in Contract Price or Contract Times. Engineer will advise Contractor in writing of any negative determination.
- C. *Special Guarantee:* Owner may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitute.
- D. *Reimbursement of Engineer's Cost:* Engineer will record Engineer's costs in evaluating a substitute proposed or submitted by Contractor. Whether or not Engineer approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse Owner for the reasonable charges of Engineer for evaluating each such proposed substitute. Contractor shall also reimburse Owner for the reasonable charges of Engineer for making changes in the Contract Documents (or in the provisions of any other direct contract with Owner) resulting from the acceptance of each proposed substitute.
- E. *Contractor's Expense:* Contractor shall provide all data in support of any proposed substitute at Contractor's expense.
- F. *Effect of Engineer's Determination:* If Engineer approves the substitution request, Contractor shall execute the proposed Change Order and proceed with the substitution. The Engineer's denial of a substitution request shall be final and binding, and may not be reversed through an appeal under any provision of the Contract Documents. Contractor may challenge the scope of reimbursement costs imposed under Paragraph 7.05.D, by timely submittal of a Change Proposal.

#### 7.06 *Concerning Subcontractors, Suppliers, and Others*

- A. Contractor may retain Subcontractors and Suppliers for the performance of parts of the Work. Such Subcontractors and Suppliers must be acceptable to Owner.
- B. Contractor shall retain specific Subcontractors, Suppliers, or other individuals or entities for the performance of designated parts of the Work if required by the Contract to do so.

- C. Subsequent to the submittal of Contractor's Bid or final negotiation of the terms of the Contract, Owner may not require Contractor to retain any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against which Contractor has reasonable objection.
- D. Prior to entry into any binding subcontract or purchase order, Contractor shall submit to Owner the identity of the proposed Subcontractor or Supplier (unless Owner has already deemed such proposed Subcontractor or Supplier acceptable, during the bidding process or otherwise). Such proposed Subcontractor or Supplier shall be deemed acceptable to Owner unless Owner raises a substantive, reasonable objection within five days.
- E. Owner may require the replacement of any Subcontractor, Supplier, or other individual or entity retained by Contractor to perform any part of the Work. Owner also may require Contractor to retain specific replacements; provided, however, that Owner may not require a replacement to which Contractor has a reasonable objection. If Contractor has submitted the identity of certain Subcontractors, Suppliers, or other individuals or entities for acceptance by Owner, and Owner has accepted it (either in writing or by failing to make written objection thereto), then Owner may subsequently revoke the acceptance of any such Subcontractor, Supplier, or other individual or entity so identified solely on the basis of substantive, reasonable objection after due investigation. Contractor shall submit an acceptable replacement for the rejected Subcontractor, Supplier, or other individual or entity.
- F. If Owner requires the replacement of any Subcontractor, Supplier, or other individual or entity retained by Contractor to perform any part of the Work, then Contractor shall be entitled to an adjustment in Contract Price or Contract Times, or both, with respect to the replacement; and Contractor shall initiate a Change Proposal for such adjustment within 30 days of Owner's requirement of replacement.
- G. No acceptance by Owner of any such Subcontractor, Supplier, or other individual or entity, whether initially or as a replacement, shall constitute a waiver of the right of Owner to the completion of the Work in accordance with the Contract Documents.
- H. On a monthly basis Contractor shall submit to Engineer a complete list of all Subcontractors and Suppliers having a direct contract with Contractor, and of all other Subcontractors and Suppliers known to Contractor at the time of submittal.
- I. Contractor shall be fully responsible to Owner and Engineer for all acts and omissions of the Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work just as Contractor is responsible for Contractor's own acts and omissions.
- J. Contractor shall be solely responsible for scheduling and coordinating the work of Subcontractors, Suppliers, and all other individuals or entities performing or furnishing any of the Work.
- K. Contractor shall restrict all Subcontractors, Suppliers, and such other individuals or entities performing or furnishing any of the Work from communicating with Engineer or Owner, except through Contractor or in case of an emergency, or as otherwise expressly allowed herein.
- L. The divisions and sections of the Specifications and the identifications of any Drawings shall not control Contractor in dividing the Work among Subcontractors or Suppliers or delineating the Work to be performed by any specific trade.

- M. All Work performed for Contractor by a Subcontractor or Supplier shall be pursuant to an appropriate contractual agreement that specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract Documents for the benefit of Owner and Engineer.
- N. Owner may furnish to any Subcontractor or Supplier, to the extent practicable, information about amounts paid to Contractor on account of Work performed for Contractor by the particular Subcontractor or Supplier.
- O. Nothing in the Contract Documents:
  1. shall create for the benefit of any such Subcontractor, Supplier, or other individual or entity any contractual relationship between Owner or Engineer and any such Subcontractor, Supplier, or other individual or entity; nor
  2. shall create any obligation on the part of Owner or Engineer to pay or to see to the payment of any money due any such Subcontractor, Supplier, or other individual or entity except as may otherwise be required by Laws and Regulations.

#### 7.07 *Patent Fees and Royalties*

- A. Contractor shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of Owner or Engineer, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by Owner in the Contract Documents.
- B. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, and its officers, directors, members, partners, employees, agents, consultants, and subcontractors from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device specified in the Contract Documents, but not identified as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.
- C. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

#### 7.08 *Permits*

- A. Unless otherwise provided in the Contract Documents, Contractor shall obtain and pay for all construction permits and licenses. Owner shall assist Contractor, when necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and

inspection fees necessary for the prosecution of the Work which are applicable at the time of the submission of Contractor's Bid (or when Contractor became bound under a negotiated contract). Owner shall pay all charges of utility owners for connections for providing permanent service to the Work

#### 7.09 *Taxes*

- A. Contractor shall pay all sales, consumer, use, and other similar taxes required to be paid by Contractor in accordance with the Laws and Regulations of the place of the Project which are applicable during the performance of the Work.

#### 7.10 *Laws and Regulations*

- A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the Work. Except where otherwise expressly required by applicable Laws and Regulations, neither Owner nor Engineer shall be responsible for monitoring Contractor's compliance with any Laws or Regulations.
- B. If Contractor performs any Work or takes any other action knowing or having reason to know that it is contrary to Laws or Regulations, Contractor shall bear all resulting costs and losses, and shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work or other action. It shall not be Contractor's responsibility to make certain that the Work described in the Contract Documents is in accordance with Laws and Regulations, but this shall not relieve Contractor of Contractor's obligations under Paragraph 3.03.
- C. Owner or Contractor may give notice to the other party of any changes after the submission of Contractor's Bid (or after the date when Contractor became bound under a negotiated contract) in Laws or Regulations having an effect on the cost or time of performance of the Work, including but not limited to changes in Laws or Regulations having an effect on procuring permits and on sales, use, value-added, consumption, and other similar taxes. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times resulting from such changes, then within 30 days of such notice Contractor may submit a Change Proposal, or Owner may initiate a Claim.

#### 7.11 *Record Documents*

- A. Contractor shall maintain in a safe place at the Site one printed record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, written interpretations and clarifications, and approved Shop Drawings. Contractor shall keep such record documents in good order and annotate them to show changes made during construction. These record documents, together with all approved Samples, will be available to Engineer for reference. Upon completion of the Work, Contractor shall deliver these record documents to Engineer.

#### 7.12 *Safety and Protection*

- A. Contractor shall be solely responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations.

Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:

1. all persons on the Site or who may be affected by the Work;
  2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
  3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, other work in progress, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.
- B. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection. Contractor shall notify Owner; the owners of adjacent property, Underground Facilities, and other utilities; and other contractors and utility owners performing work at or adjacent to the Site, when prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property or work in progress.
- C. Contractor shall comply with the applicable requirements of Owner's safety programs, if any. The Supplementary Conditions identify any Owner's safety programs that are applicable to the Work.
- D. Contractor shall inform Owner and Engineer of the specific requirements of Contractor's safety program with which Owner's and Engineer's employees and representatives must comply while at the Site.
- E. All damage, injury, or loss to any property referred to in Paragraph 7.12.A.2 or 7.12.A.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Contractor at its expense (except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of Owner or Engineer or anyone employed by any of them, or anyone for whose acts any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of Contractor or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them).
- F. Contractor's duties and responsibilities for safety and protection shall continue until such time as all the Work is completed and Engineer has issued a notice to Owner and Contractor in accordance with Paragraph 15.06.B that the Work is acceptable (except as otherwise expressly provided in connection with Substantial Completion).
- G. Contractor's duties and responsibilities for safety and protection shall resume whenever Contractor or any Subcontractor or Supplier returns to the Site to fulfill warranty or correction obligations, or to conduct other tasks arising from the Contract Documents.

### 7.13 *Safety Representative*

- A. Contractor shall designate a qualified and experienced safety representative at the Site whose duties and responsibilities shall be the prevention of accidents and the maintaining and supervising of safety precautions and programs.

#### 7.14 Hazard Communication Programs

- A. Contractor shall be responsible for coordinating any exchange of material safety data sheets or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws or Regulations.

#### 7.15 Emergencies

- A. In emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, Contractor is obligated to act to prevent threatened damage, injury, or loss. Contractor shall give Engineer prompt written notice if Contractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby or are required as a result thereof. If Engineer determines that a change in the Contract Documents is required because of the action taken by Contractor in response to such an emergency, a Work Change Directive or Change Order will be issued.

#### 7.16 Shop Drawings, Samples, and Other Submittals

##### A. Shop Drawing and Sample Submittal Requirements:

1. Before submitting a Shop Drawing or Sample, Contractor shall have:
  - a. reviewed and coordinated the Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents;
  - b. determined and verified all field measurements, quantities, dimensions, specified performance and design criteria, installation requirements, materials, catalog numbers, and similar information with respect thereto;
  - c. determined and verified the suitability of all materials and equipment offered with respect to the indicated application, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work; and
  - d. determined and verified all information relative to Contractor's responsibilities for means, methods, techniques, sequences, and procedures of construction, and safety precautions and programs incident thereto.
2. Each submittal shall bear a stamp or specific written certification that Contractor has satisfied Contractor's obligations under the Contract Documents with respect to Contractor's review of that submittal, and that Contractor approves the submittal.
3. With each submittal, Contractor shall give Engineer specific written notice of any variations that the Shop Drawing or Sample may have from the requirements of the Contract Documents. This notice shall be set forth in a written communication separate from the Shop Drawings or Sample submittal; and, in addition, in the case of Shop Drawings by a specific notation made on each Shop Drawing submitted to Engineer for review and approval of each such variation.

- B. *Submittal Procedures for Shop Drawings and Samples:* Contractor shall submit Shop Drawings and Samples to Engineer for review and approval in accordance with the accepted Schedule of Submittals. Each submittal will be identified as Engineer may require.

##### 1. Shop Drawings:

- a. Contractor shall submit the number of copies required in the Specifications.



- b. Data shown on the Shop Drawings will be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to show Engineer the services, materials, and equipment Contractor proposes to provide and to enable Engineer to review the information for the limited purposes required by Paragraph 7.16.D.
- 2. *Samples:*
  - a. Contractor shall submit the number of Samples required in the Specifications.
  - b. Contractor shall clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which intended and other data as Engineer may require to enable Engineer to review the submittal for the limited purposes required by Paragraph 7.16.D.
- 3. Where a Shop Drawing or Sample is required by the Contract Documents or the Schedule of Submittals, any related Work performed prior to Engineer's review and approval of the pertinent submittal will be at the sole expense and responsibility of Contractor.
- C. *Other Submittals:* Contractor shall submit other submittals to Engineer in accordance with the accepted Schedule of Submittals, and pursuant to the applicable terms of the Specifications.
- D. *Engineer's Review:*
  - 1. Engineer will provide timely review of Shop Drawings and Samples in accordance with the Schedule of Submittals acceptable to Engineer. Engineer's review and approval will be only to determine if the items covered by the submittals will, after installation or incorporation in the Work, conform to the information given in the Contract Documents and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.
  - 2. Engineer's review and approval will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions or programs incident thereto.
  - 3. Engineer's review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.
  - 4. Engineer's review and approval of a Shop Drawing or Sample shall not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Paragraph 7.16.A.3 and Engineer has given written approval of each such variation by specific written notation thereof incorporated in or accompanying the Shop Drawing or Sample. Engineer will document any such approved variation from the requirements of the Contract Documents in a Field Order.
  - 5. Engineer's review and approval of a Shop Drawing or Sample shall not relieve Contractor from responsibility for complying with the requirements of Paragraph 7.16.A and B.
  - 6. Engineer's review and approval of a Shop Drawing or Sample, or of a variation from the requirements of the Contract Documents, shall not, under any circumstances, change the Contract Times or Contract Price, unless such changes are included in a Change Order.

7. Neither Engineer's receipt, review, acceptance or approval of a Shop Drawing, Sample, or other submittal shall result in such item becoming a Contract Document.
8. Contractor shall perform the Work in compliance with the requirements and commitments set forth in approved Shop Drawings and Samples, subject to the provisions of Paragraph 7.16.D.4.

E. *Resubmittal Procedures:*

1. Contractor shall make corrections required by Engineer and shall return the required number of corrected copies of Shop Drawings and submit, as required, new Samples for review and approval. Contractor shall direct specific attention in writing to revisions other than the corrections called for by Engineer on previous submittals.
2. Contractor shall furnish required submittals with sufficient information and accuracy to obtain required approval of an item with no more than three submittals. Engineer will record Engineer's time for reviewing a fourth or subsequent submittal of a Shop Drawings, sample, or other item requiring approval, and Contractor shall be responsible for Engineer's charges to Owner for such time. Owner may impose a set-off against payments due to Contractor to secure reimbursement for such charges.
3. If Contractor requests a change of a previously approved submittal item, Contractor shall be responsible for Engineer's charges to Owner for its review time, and Owner may impose a set-off against payments due to Contractor to secure reimbursement for such charges, unless the need for such change is beyond the control of Contractor.

7.17 *Contractor's General Warranty and Guarantee*

- A. Contractor warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Engineer and its officers, directors, members, partners, employees, agents, consultants, and subcontractors shall be entitled to rely on Contractor's warranty and guarantee.
- B. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:
  1. abuse, modification, or improper maintenance or operation by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
  2. normal wear and tear under normal usage.
- C. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents shall be absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents or a release of Contractor's obligation to perform the Work in accordance with the Contract Documents:
  1. observations by Engineer;
  2. recommendation by Engineer or payment by Owner of any progress or final payment;
  3. the issuance of a certificate of Substantial Completion by Engineer or any payment related thereto by Owner;
  4. use or occupancy of the Work or any part thereof by Owner;
  5. any review and approval of a Shop Drawing or Sample submittal;
  6. the issuance of a notice of acceptability by Engineer;
  7. any inspection, test, or approval by others; or

8. any correction of defective Work by Owner.

- D. If the Contract requires the Contractor to accept the assignment of a contract entered into by Owner, then the specific warranties, guarantees, and correction obligations contained in the assigned contract shall govern with respect to Contractor's performance obligations to Owner for the Work described in the assigned contract.

#### 7.18 *Indemnification*

- A. To the fullest extent permitted by Laws and Regulations, and in addition to any other obligations of Contractor under the Contract or otherwise, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the performance of the Work, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom but only to the extent caused by any negligent act or omission of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work or anyone for whose acts any of them may be liable.
- B. In any and all claims against Owner or Engineer or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors by any employee (or the survivor or personal representative of such employee) of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 7.18.A shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Contractor or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.
- C. The indemnification obligations of Contractor under Paragraph 7.18.A shall not extend to the liability of Engineer and Engineer's officers, directors, members, partners, employees, agents, consultants and subcontractors arising out of:
1. the preparation or approval of, or the failure to prepare or approve maps, Drawings, opinions, reports, surveys, Change Orders, designs, or Specifications; or
  2. giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.

#### 7.19 *Delegation of Professional Design Services*

- A. Contractor will not be required to provide professional design services unless such services are specifically required by the Contract Documents for a portion of the Work or unless such services are required to carry out Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. Contractor shall not be required to provide professional services in violation of applicable Laws and Regulations.
- B. If professional design services or certifications by a design professional related to systems, materials, or equipment are specifically required of Contractor by the Contract Documents, Owner and Engineer will specify all performance and design criteria that such services must satisfy. Contractor shall cause such services or certifications to be provided by a properly licensed professional, whose signature and seal shall appear on all drawings, calculations,

specifications, certifications, and other submittals prepared by such professional. Shop Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to Engineer.

- C. Owner and Engineer shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, or approvals performed by such design professionals, provided Owner and Engineer have specified to Contractor all performance and design criteria that such services must satisfy.
- D. Pursuant to this paragraph, Engineer's review and approval of design calculations and design drawings will be only for the limited purpose of checking for conformance with performance and design criteria given and the design concept expressed in the Contract Documents. Engineer's review and approval of Shop Drawings and other submittals (except design calculations and design drawings) will be only for the purpose stated in Paragraph 7.16.D.1.
- E. Contractor shall not be responsible for the adequacy of the performance or design criteria specified by Owner or Engineer.

## ARTICLE 8 – OTHER WORK AT THE SITE

### 8.01 *Other Work*

- A. In addition to and apart from the Work under the Contract Documents, the Owner may perform other work at or adjacent to the Site. Such other work may be performed by Owner's employees, or through contracts between the Owner and third parties. Owner may also arrange to have third-party utility owners perform work on their utilities and facilities at or adjacent to the Site.
- B. If Owner performs other work at or adjacent to the Site with Owner's employees, or through contracts for such other work, then Owner shall give Contractor written notice thereof prior to starting any such other work. If Owner has advance information regarding the start of any utility work at or adjacent to the Site, Owner shall provide such information to Contractor.
- C. Contractor shall afford each other contractor that performs such other work, each utility owner performing other work, and Owner, if Owner is performing other work with Owner's employees, proper and safe access to the Site, and provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of Engineer and the others whose work will be affected.
- D. If the proper execution or results of any part of Contractor's Work depends upon work performed by others under this Article 8, Contractor shall inspect such other work and promptly report to Engineer in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with Contractor's Work except for latent defects and deficiencies in such other work.

## 8.02 *Coordination*

- A. If Owner intends to contract with others for the performance of other work at or adjacent to the Site, to perform other work at or adjacent to the Site with Owner's employees, or to arrange to have utility owners perform work at or adjacent to the Site, the following will be set forth in the Supplementary Conditions or provided to Contractor prior to the start of any such other work:
1. the identity of the individual or entity that will have authority and responsibility for coordination of the activities among the various contractors;
  2. an itemization of the specific matters to be covered by such authority and responsibility; and
  3. the extent of such authority and responsibilities.
- B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility for such coordination.

## 8.03 *Legal Relationships*

- A. If, in the course of performing other work at or adjacent to the Site for Owner, the Owner's employees, any other contractor working for Owner, or any utility owner causes damage to the Work or to the property of Contractor or its Subcontractors, or delays, disrupts, interferes with, or increases the scope or cost of the performance of the Work, through actions or inaction, then Contractor shall be entitled to an equitable adjustment in the Contract Price or the Contract Times, or both. Contractor must submit any Change Proposal seeking an equitable adjustment in the Contract Price or the Contract Times under this paragraph within 30 days of the damaging, delaying, disrupting, or interfering event. The entitlement to, and extent of, any such equitable adjustment shall take into account information (if any) regarding such other work that was provided to Contractor in the Contract Documents prior to the submittal of the Bid or the final negotiation of the terms of the Contract. When applicable, any such equitable adjustment in Contract Price shall be conditioned on Contractor assigning to Owner all Contractor's rights against such other contractor or utility owner with respect to the damage, delay, disruption, or interference that is the subject of the adjustment. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.
- B. Contractor shall take reasonable and customary measures to avoid damaging, delaying, disrupting, or interfering with the work of Owner, any other contractor, or any utility owner performing other work at or adjacent to the Site. If Contractor fails to take such measures and as a result damages, delays, disrupts, or interferes with the work of any such other contractor or utility owner, then Owner may impose a set-off against payments due to Contractor, and assign to such other contractor or utility owner the Owner's contractual rights against Contractor with respect to the breach of the obligations set forth in this paragraph.
- C. When Owner is performing other work at or adjacent to the Site with Owner's employees, Contractor shall be liable to Owner for damage to such other work, and for the reasonable direct delay, disruption, and interference costs incurred by Owner as a result of Contractor's failure to take reasonable and customary measures with respect to Owner's other work. In response to such damage, delay, disruption, or interference, Owner may impose a set-off against payments due to Contractor.

- D. If Contractor damages, delays, disrupts, or interferes with the work of any other contractor, or any utility owner performing other work at or adjacent to the Site, through Contractor's failure to take reasonable and customary measures to avoid such impacts, or if any claim arising out of Contractor's actions, inactions, or negligence in performance of the Work at or adjacent to the Site is made by any such other contractor or utility owner against Contractor, Owner, or Engineer, then Contractor shall (1) promptly attempt to settle the claim as to all parties through negotiations with such other contractor or utility owner, or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law, and (2) indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claims, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such damage, delay, disruption, or interference.

## ARTICLE 9 – OWNER'S RESPONSIBILITIES

### 9.01 *Communications to Contractor*

- A. Except as otherwise provided in these General Conditions, Owner shall issue all communications to Contractor through Engineer.

### 9.02 *Replacement of Engineer*

- A. Owner may at its discretion appoint an engineer to replace Engineer, provided Contractor makes no reasonable objection to the replacement engineer. The replacement engineer's status under the Contract Documents shall be that of the former Engineer.

### 9.03 *Furnish Data*

- A. Owner shall promptly furnish the data required of Owner under the Contract Documents.

### 9.04 *Pay When Due*

- A. Owner shall make payments to Contractor when they are due as provided in the Agreement.

### 9.05 *Lands and Easements; Reports, Tests, and Drawings*

- A. Owner's duties with respect to providing lands and easements are set forth in Paragraph 5.01.
- B. Owner's duties with respect to providing engineering surveys to establish reference points are set forth in Paragraph 4.03.
- C. Article 5 refers to Owner's identifying and making available to Contractor copies of reports of explorations and tests of conditions at the Site, and drawings of physical conditions relating to existing surface or subsurface structures at the Site.

### 9.06 *Insurance*

- A. Owner's responsibilities, if any, with respect to purchasing and maintaining liability and property insurance are set forth in Article 6.

### 9.07 *Change Orders*

- A. Owner's responsibilities with respect to Change Orders are set forth in Article 11.

9.08 *Inspections, Tests, and Approvals*

- A. Owner's responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 14.02.B.

9.09 *Limitations on Owner's Responsibilities*

- A. The Owner shall not supervise, direct, or have control or authority over, nor be responsible for, Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Owner will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

9.10 *Undisclosed Hazardous Environmental Condition*

- A. Owner's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 5.06.

9.11 *Evidence of Financial Arrangements*

- A. Upon request of Contractor, Owner shall furnish Contractor reasonable evidence that financial arrangements have been made to satisfy Owner's obligations under the Contract Documents (including obligations under proposed changes in the Work).

9.12 *Safety Programs*

- A. While at the Site, Owner's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Owner has been informed.
- B. Owner shall furnish copies of any applicable Owner safety programs to Contractor.

**ARTICLE 10 – ENGINEER'S STATUS DURING CONSTRUCTION**

10.01 *Owner's Representative*

- A. Engineer will be Owner's representative during the construction period. The duties and responsibilities and the limitations of authority of Engineer as Owner's representative during construction are set forth in the Contract.

10.02 *Visits to Site*

- A. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe as an experienced and qualified design professional the progress that has been made and the quality of the various aspects of Contractor's executed Work. Based on information obtained during such visits and observations, Engineer, for the benefit of Owner, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. Engineer will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. Engineer's efforts will be directed toward providing for Owner a greater degree of confidence that the completed Work will conform generally to the Contract Documents. On the basis of such visits and observations, Engineer will keep Owner informed of the progress of the Work and will endeavor to guard Owner against defective Work.

- B. Engineer's visits and observations are subject to all the limitations on Engineer's authority and responsibility set forth in Paragraph 10.08. Particularly, but without limitation, during or as a result of Engineer's visits or observations of Contractor's Work, Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

#### 10.03 *Project Representative*

- A. If Owner and Engineer have agreed that Engineer will furnish a Resident Project Representative to represent Engineer at the Site and assist Engineer in observing the progress and quality of the Work, then the authority and responsibilities of any such Resident Project Representative will be as provided in the Supplementary Conditions, and limitations on the responsibilities thereof will be as provided in Paragraph 10.08. If Owner designates another representative or agent to represent Owner at the Site who is not Engineer's consultant, agent, or employee, the responsibilities and authority and limitations thereon of such other individual or entity will be as provided in the Supplementary Conditions.

#### 10.04 *Rejecting Defective Work*

- A. Engineer has the authority to reject Work in accordance with Article 14.

#### 10.05 *Shop Drawings, Change Orders and Payments*

- A. Engineer's authority, and limitations thereof, as to Shop Drawings and Samples, are set forth in Paragraph 7.16.
- B. Engineer's authority, and limitations thereof, as to design calculations and design drawings submitted in response to a delegation of professional design services, if any, are set forth in Paragraph 7.19.
- C. Engineer's authority as to Change Orders is set forth in Article 11.
- D. Engineer's authority as to Applications for Payment is set forth in Article 15.

#### 10.06 *Determinations for Unit Price Work*

- A. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor as set forth in Paragraph 13.03.

#### 10.07 *Decisions on Requirements of Contract Documents and Acceptability of Work*

- A. Engineer will render decisions regarding the requirements of the Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth herein for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.

#### 10.08 *Limitations on Engineer's Authority and Responsibilities*

- A. Neither Engineer's authority or responsibility under this Article 10 or under any other provision of the Contract, nor any decision made by Engineer in good faith either to exercise or not exercise such authority or responsibility or the undertaking, exercise, or performance of any authority or responsibility by Engineer, shall create, impose, or give rise to any duty in contract, tort, or otherwise owed by Engineer to Contractor, any



Subcontractor, any Supplier, any other individual or entity, or to any surety for or employee or agent of any of them.

- B. Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Engineer will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.
- C. Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.
- D. Engineer's review of the final Application for Payment and accompanying documentation and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by Paragraph 15.06.A will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals, that the results certified indicate compliance with the Contract Documents.
- E. The limitations upon authority and responsibility set forth in this Paragraph 10.08 shall also apply to the Resident Project Representative, if any.

#### 10.09 *Compliance with Safety Program*

- A. While at the Site, Engineer's employees and representatives will comply with the specific applicable requirements of Owner's and Contractor's safety programs (if any) of which Engineer has been informed.

### **ARTICLE 11 – AMENDING THE CONTRACT DOCUMENTS; CHANGES IN THE WORK**

#### 11.01 *Amending and Supplementing Contract Documents*

- A. The Contract Documents may be amended or supplemented by a Change Order, a Work Change Directive, or a Field Order.
  - 1. *Change Orders:*
    - a. If an amendment or supplement to the Contract Documents includes a change in the Contract Price or the Contract Times, such amendment or supplement must be set forth in a Change Order. A Change Order also may be used to establish amendments and supplements of the Contract Documents that do not affect the Contract Price or Contract Times.
    - b. Owner and Contractor may amend those terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, without the recommendation of the Engineer. Such an amendment shall be set forth in a Change Order.
  - 2. *Work Change Directives:* A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the modification ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order, following negotiations by the parties as to the Work Change Directive's effect, if any, on the Contract Price and Contract Times; or, if

negotiations are unsuccessful, by a determination under the terms of the Contract Documents governing adjustments, expressly including Paragraph 11.04 regarding change of Contract Price. Contractor must submit any Change Proposal seeking an adjustment of the Contract Price or the Contract Times, or both, no later than 30 days after the completion of the Work set out in the Work Change Directive. Owner must submit any Claim seeking an adjustment of the Contract Price or the Contract Times, or both, no later than 60 days after issuance of the Work Change Directive.

3. *Field Orders*: Engineer may authorize minor changes in the Work if the changes do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such changes will be accomplished by a Field Order and will be binding on Owner and also on Contractor, which shall perform the Work involved promptly. If Contractor believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, or both, then before proceeding with the Work at issue, Contractor shall submit a Change Proposal as provided herein.

#### 11.02 *Owner-Authorized Changes in the Work*

- A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work. Such changes shall be supported by Engineer's recommendation, to the extent the change involves the design (as set forth in the Drawings, Specifications, or otherwise), or other engineering or technical matters. Such changes may be accomplished by a Change Order, if Owner and Contractor have agreed as to the effect, if any, of the changes on Contract Times or Contract Price; or by a Work Change Directive. Upon receipt of any such document, Contractor shall promptly proceed with the Work involved; or, in the case of a deletion in the Work, promptly cease construction activities with respect to such deleted Work. Added or revised Work shall be performed under the applicable conditions of the Contract Documents. Nothing in this paragraph shall obligate Contractor to undertake work that Contractor reasonably concludes cannot be performed in a manner consistent with Contractor's safety obligations under the Contract Documents or Laws and Regulations.

#### 11.03 *Unauthorized Changes in the Work*

- A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents, as amended, modified, or supplemented, except in the case of an emergency as provided in Paragraph 7.15 or in the case of uncovering Work as provided in Paragraph 14.05.

#### 11.04 *Change of Contract Price*

- A. The Contract Price may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Price shall comply with the provisions of Paragraph 11.06. Any Claim for an adjustment of Contract Price shall comply with the provisions of Article 12.
- B. An adjustment in the Contract Price will be determined as follows:
  1. where the Work involved is covered by unit prices contained in the Contract Documents, then by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 13.03); or
  2. where the Work involved is not covered by unit prices contained in the Contract Documents, then by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.04.C.2); or

3. where the Work involved is not covered by unit prices contained in the Contract Documents and the parties do not reach mutual agreement to a lump sum, then on the basis of the Cost of the Work (determined as provided in Paragraph 13.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 11.04.C).
- C. *Contractor's Fee*: When applicable, the Contractor's fee for overhead and profit shall be determined as follows:
1. a mutually acceptable fixed fee; or
  2. if a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:
    - a. for costs incurred under Paragraphs 13.01.B.1 and 13.01.B.2, the Contractor's fee shall be 15 percent;
    - b. for costs incurred under Paragraph 13.01.B.3, the Contractor's fee shall be five percent;
    - c. where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 11.01.C.2.a and 11.01.C.2.b is that the Contractor's fee shall be based on: (1) a fee of 15 percent of the costs incurred under Paragraphs 13.01.A.1 and 13.01.A.2 by the Subcontractor that actually performs the Work, at whatever tier, and (2) with respect to Contractor itself and to any Subcontractors of a tier higher than that of the Subcontractor that actually performs the Work, a fee of five percent of the amount (fee plus underlying costs incurred) attributable to the next lower tier Subcontractor; provided, however, that for any such subcontracted work the maximum total fee to be paid by Owner shall be no greater than 27 percent of the costs incurred by the Subcontractor that actually performs the work;
    - d. no fee shall be payable on the basis of costs itemized under Paragraphs 13.01.B.4, 13.01.B.5, and 13.01.C;
    - e. the amount of credit to be allowed by Contractor to Owner for any change which results in a net decrease in cost will be the amount of the actual net decrease in cost plus a deduction in Contractor's fee by an amount equal to five percent of such net decrease; and
    - f. when both additions and credits are involved in any one change, the adjustment in Contractor's fee shall be computed on the basis of the net change in accordance with Paragraphs 11.04.C.2.a through 11.04.C.2.e, inclusive.

#### 11.05 *Change of Contract Times*

- A. The Contract Times may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Times shall comply with the provisions of Paragraph 11.06. Any Claim for an adjustment in the Contract Times shall comply with the provisions of Article 12.
- B. An adjustment of the Contract Times shall be subject to the limitations set forth in Paragraph 4.05, concerning delays in Contractor's progress.

## 11.06 *Change Proposals*

- A. Contractor shall submit a Change Proposal to Engineer to request an adjustment in the Contract Times or Contract Price; appeal an initial decision by Engineer concerning the requirements of the Contract Documents or relating to the acceptability of the Work under the Contract Documents; contest a set-off against payment due; or seek other relief under the Contract. The Change Proposal shall specify any proposed change in Contract Times or Contract Price, or both, or other proposed relief, and explain the reason for the proposed change, with citations to any governing or applicable provisions of the Contract Documents.
1. *Procedures:* Contractor shall submit each Change Proposal to Engineer promptly (but in no event later than 30 days) after the start of the event giving rise thereto, or after such initial decision. The Contractor shall submit supporting data, including the proposed change in Contract Price or Contract Time (if any), to the Engineer and Owner within 15 days after the submittal of the Change Proposal. The supporting data shall be accompanied by a written statement that the supporting data are accurate and complete, and that any requested time or price adjustment is the entire adjustment to which Contractor believes it is entitled as a result of said event. Engineer will advise Owner regarding the Change Proposal, and consider any comments or response from Owner regarding the Change Proposal.
  2. *Engineer's Action:* Engineer will review each Change Proposal and, within 30 days after receipt of the Contractor's supporting data, either deny the Change Proposal in whole, approve it in whole, or deny it in part and approve it in part. Such actions shall be in writing, with a copy provided to Owner and Contractor. If Engineer does not take action on the Change Proposal within 30 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of Engineer's inaction the Change Proposal is deemed denied, thereby commencing the time for appeal of the denial under Article 12.
  3. *Binding Decision:* Engineer's decision will be final and binding upon Owner and Contractor, unless Owner or Contractor appeals the decision by filing a Claim under Article 12.
- B. *Resolution of Certain Change Proposals:* If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties that the Engineer is unable to resolve the Change Proposal. For purposes of further resolution of such a Change Proposal, such notice shall be deemed a denial, and Contractor may choose to seek resolution under the terms of Article 12.

## 11.07 *Execution of Change Orders*

- A. Owner and Contractor shall execute appropriate Change Orders covering:
1. changes in the Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive;
  2. changes in Contract Price resulting from an Owner set-off, unless Contractor has duly contested such set-off;
  3. changes in the Work which are: (a) ordered by Owner pursuant to Paragraph 11.02, (b) required because of Owner's acceptance of defective Work under Paragraph 14.04 or Owner's correction of defective Work under Paragraph 14.07, or (c) agreed to by the parties, subject to the need for Engineer's recommendation if the change in the Work

involves the design (as set forth in the Drawings, Specifications, or otherwise), or other engineering or technical matters; and

4. changes in the Contract Price or Contract Times, or other changes, which embody the substance of any final and binding results under Paragraph 11.06, or Article 12.
- B. If Owner or Contractor refuses to execute a Change Order that is required to be executed under the terms of this Paragraph 11.07, it shall be deemed to be of full force and effect, as if fully executed.

#### 11.08 *Notification to Surety*

- A. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Times), the giving of any such notice will be Contractor's responsibility. The amount of each applicable bond will be adjusted to reflect the effect of any such change.

### ARTICLE 12 – CLAIMS

#### 12.01 *Claims*

- A. *Claims Process:* The following disputes between Owner and Contractor shall be submitted to the Claims process set forth in this Article:
1. Appeals by Owner or Contractor of Engineer's decisions regarding Change Proposals;
  2. Owner demands for adjustments in the Contract Price or Contract Times, or other relief under the Contract Documents; and
  3. Disputes that Engineer has been unable to address because they do not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters.
- B. *Submittal of Claim:* The party submitting a Claim shall deliver it directly to the other party to the Contract promptly (but in no event later than 30 days) after the start of the event giving rise thereto; in the case of appeals regarding Change Proposals within 30 days of the decision under appeal. The party submitting the Claim shall also furnish a copy to the Engineer, for its information only. The responsibility to substantiate a Claim shall rest with the party making the Claim. In the case of a Claim by Contractor seeking an increase in the Contract Times or Contract Price, or both, Contractor shall certify that the Claim is made in good faith, that the supporting data are accurate and complete, and that to the best of Contractor's knowledge and belief the amount of time or money requested accurately reflects the full amount to which Contractor is entitled.
- C. *Review and Resolution:* The party receiving a Claim shall review it thoroughly, giving full consideration to its merits. The two parties shall seek to resolve the Claim through the exchange of information and direct negotiations. The parties may extend the time for resolving the Claim by mutual agreement. All actions taken on a Claim shall be stated in writing and submitted to the other party, with a copy to Engineer.
- D. *Mediation:*
1. At any time after initiation of a Claim, Owner and Contractor may mutually agree to mediation of the underlying dispute. The agreement to mediate shall stay the Claim submittal and response process.

2. If Owner and Contractor agree to mediation, then after 60 days from such agreement, either Owner or Contractor may unilaterally terminate the mediation process, and the Claim submittal and decision process shall resume as of the date of the termination. If the mediation proceeds but is unsuccessful in resolving the dispute, the Claim submittal and decision process shall resume as of the date of the conclusion of the mediation, as determined by the mediator.
  3. Owner and Contractor shall each pay one-half of the mediator's fees and costs.
- E. *Partial Approval:* If the party receiving a Claim approves the Claim in part and denies it in part, such action shall be final and binding unless within 30 days of such action the other party invokes the procedure set forth in Article 17 for final resolution of disputes.
- F. *Denial of Claim:* If efforts to resolve a Claim are not successful, the party receiving the Claim may deny it by giving written notice of denial to the other party. If the receiving party does not take action on the Claim within 90 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of the inaction, the Claim is deemed denied, thereby commencing the time for appeal of the denial. A denial of the Claim shall be final and binding unless within 30 days of the denial the other party invokes the procedure set forth in Article 17 for the final resolution of disputes.
- G. *Final and Binding Results:* If the parties reach a mutual agreement regarding a Claim, whether through approval of the Claim, direct negotiations, mediation, or otherwise; or if a Claim is approved in part and denied in part, or denied in full, and such actions become final and binding; then the results of the agreement or action on the Claim shall be incorporated in a Change Order to the extent they affect the Contract, including the Work, the Contract Times, or the Contract Price.

## ARTICLE 13 – COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK

### 13.01 *Cost of the Work*

- A. *Purposes for Determination of Cost of the Work:* The term Cost of the Work means the sum of all costs necessary for the proper performance of the Work at issue, as further defined below. The provisions of this Paragraph 13.01 are used for two distinct purposes:
1. To determine Cost of the Work when Cost of the Work is a component of the Contract Price, under cost-plus-fee, time-and-materials, or other cost-based terms; or
  2. To determine the value of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price. When the value of any such adjustment is determined on the basis of Cost of the Work, Contractor is entitled only to those additional or incremental costs required because of the change in the Work or because of the event giving rise to the adjustment.
- B. *Costs Included:* Except as otherwise may be agreed to in writing by Owner, costs included in the Cost of the Work shall be in amounts no higher than those prevailing in the locality of the Project, shall not include any of the costs itemized in Paragraph 13.01.C, and shall include only the following items:
1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by Owner and Contractor. Such employees shall include, without limitation, superintendents, foremen, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work shall be apportioned on the basis of their time spent on the

Work. Payroll costs shall include, but not be limited to, salaries and wages plus the cost of fringe benefits, which shall include social security contributions, unemployment, excise, and payroll taxes, workers' compensation, health and retirement benefits, bonuses, sick leave, and vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturday, Sunday, or legal holidays, shall be included in the above to the extent authorized by Owner.

2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts shall accrue to Contractor unless Owner deposits funds with Contractor with which to make payments, in which case the cash discounts shall accrue to Owner. All trade discounts, rebates, and refunds and returns from sale of surplus materials and equipment shall accrue to Owner, and Contractor shall make provisions so that they may be obtained.
3. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by Owner, Contractor shall obtain competitive bids from subcontractors acceptable to Owner and Contractor and shall deliver such bids to Owner, who will then determine, with the advice of Engineer, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee shall be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 13.01.
4. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed for services specifically related to the Work.
5. Supplemental costs including the following:
  - a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.
  - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office, and temporary facilities at the Site, and hand tools not owned by the workers, which are consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.
  - c. Rentals of all construction equipment and machinery, and the parts thereof, whether rented from Contractor or others in accordance with rental agreements approved by Owner with the advice of Engineer, and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs shall be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts shall cease when the use thereof is no longer necessary for the Work.
  - d. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations.
  - e. Deposits lost for causes other than negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.

- f. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work (except losses and damages within the deductible amounts of property insurance established in accordance with Paragraph 6.05), provided such losses and damages have resulted from causes other than the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses shall include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses shall be included in the Cost of the Work for the purpose of determining Contractor's fee.
  - g. The cost of utilities, fuel, and sanitary facilities at the Site.
  - h. Minor expenses such as communication service at the Site, express and courier services, and similar petty cash items in connection with the Work.
  - i. The costs of premiums for all bonds and insurance that Contractor is required by the Contract Documents to purchase and maintain.
- C. *Costs Excluded:* The term Cost of the Work shall not include any of the following items:
- 1. Payroll costs and other compensation of Contractor's officers, executives, principals (of partnerships and sole proprietorships), general managers, safety managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 13.01.B.1 or specifically covered by Paragraph 13.01.B.4. The payroll costs and other compensation excluded here are to be considered administrative costs covered by the Contractor's fee.
  - 2. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.
  - 3. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.
  - 4. Costs due to the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.
  - 5. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 13.01.B.
- D. *Contractor's Fee:* When the Work as a whole is performed on the basis of cost-plus, Contractor's fee shall be determined as set forth in the Agreement. When the value of any Work covered by a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price is determined on the basis of Cost of the Work, Contractor's fee shall be determined as set forth in Paragraph 11.04.C.
- E. *Documentation:* Whenever the Cost of the Work for any purpose is to be determined pursuant to this Article 13, Contractor will establish and maintain records thereof in accordance with generally accepted accounting practices and submit in a form acceptable to Engineer an itemized cost breakdown together with supporting data.



### 13.02 Allowances

- A. It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to Owner and Engineer.
- B. *Cash Allowances*: Contractor agrees that:
  - 1. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
  - 2. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances have been included in the Contract Price and not in the allowances, and no demand for additional payment on account of any of the foregoing will be valid.
- C. *Contingency Allowance*: Contractor agrees that a contingency allowance, if any, is for the sole use of Owner to cover unanticipated costs.
- D. Prior to final payment, an appropriate Change Order will be issued as recommended by Engineer to reflect actual amounts due Contractor on account of Work covered by allowances, and the Contract Price shall be correspondingly adjusted.

### 13.03 Unit Price Work

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement.
- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Payments to Contractor for Unit Price Work will be based on actual quantities.
- C. Each unit price will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item.
- D. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor. Engineer will review with Contractor the Engineer's preliminary determinations on such matters before rendering a written decision thereon (by recommendation of an Application for Payment or otherwise). Engineer's written decision thereon will be final and binding (except as modified by Engineer to reflect changed factual conditions or more accurate data) upon Owner and Contractor, subject to the provisions of the following paragraph.
- E. Within 30 days of Engineer's written decision under the preceding paragraph, Contractor may submit a Change Proposal, or Owner may file a Claim, seeking an adjustment in the Contract Price if:
  - 1. the quantity of any item of Unit Price Work performed by Contractor differs materially and significantly from the estimated quantity of such item indicated in the Agreement;
  - 2. there is no corresponding adjustment with respect to any other item of Work; and
  - 3. Contractor believes that it is entitled to an increase in Contract Price as a result of having incurred additional expense or Owner believes that Owner is entitled to a

decrease in Contract Price, and the parties are unable to agree as to the amount of any such increase or decrease.

#### **ARTICLE 14 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK**

##### 14.01 *Access to Work*

- A. Owner, Engineer, their consultants and other representatives and personnel of Owner, independent testing laboratories, and authorities having jurisdiction will have access to the Site and the Work at reasonable times for their observation, inspection, and testing. Contractor shall provide them proper and safe conditions for such access and advise them of Contractor's safety procedures and programs so that they may comply therewith as applicable.

##### 14.02 *Tests, Inspections, and Approvals*

- A. Contractor shall give Engineer timely notice of readiness of the Work (or specific parts thereof) for all required inspections and tests, and shall cooperate with inspection and testing personnel to facilitate required inspections and tests.
- B. Owner shall retain and pay for the services of an independent inspector, testing laboratory, or other qualified individual or entity to perform all inspections and tests expressly required by the Contract Documents to be furnished and paid for by Owner, except that costs incurred in connection with tests or inspections of covered Work shall be governed by the provisions of Paragraph 14.05.
- C. If Laws or Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved by an employee or other representative of such public body, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish Engineer the required certificates of inspection or approval.
- D. Contractor shall be responsible for arranging, obtaining, and paying for all inspections and tests required:
  1. by the Contract Documents, unless the Contract Documents expressly allocate responsibility for a specific inspection or test to Owner;
  2. to attain Owner's and Engineer's acceptance of materials or equipment to be incorporated in the Work;
  3. by manufacturers of equipment furnished under the Contract Documents;
  4. for testing, adjusting, and balancing of mechanical, electrical, and other equipment to be incorporated into the Work; and
  5. for acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work.

Such inspections and tests shall be performed by independent inspectors, testing laboratories, or other qualified individuals or entities acceptable to Owner and Engineer.

- E. If the Contract Documents require the Work (or part thereof) to be approved by Owner, Engineer, or another designated individual or entity, then Contractor shall assume full responsibility for arranging and obtaining such approvals.

- F. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without written concurrence of Engineer, Contractor shall, if requested by Engineer, uncover such Work for observation. Such uncovering shall be at Contractor's expense unless Contractor had given Engineer timely notice of Contractor's intention to cover the same and Engineer had not acted with reasonable promptness in response to such notice.

#### 14.03 *Defective Work*

- A. *Contractor's Obligation:* It is Contractor's obligation to assure that the Work is not defective.
- B. *Engineer's Authority:* Engineer has the authority to determine whether Work is defective, and to reject defective Work.
- C. *Notice of Defects:* Prompt notice of all defective Work of which Owner or Engineer has actual knowledge will be given to Contractor.
- D. *Correction, or Removal and Replacement:* Promptly after receipt of written notice of defective Work, Contractor shall correct all such defective Work, whether or not fabricated, installed, or completed, or, if Engineer has rejected the defective Work, remove it from the Project and replace it with Work that is not defective.
- E. *Preservation of Warranties:* When correcting defective Work, Contractor shall take no action that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.
- F. *Costs and Damages:* In addition to its correction, removal, and replacement obligations with respect to defective Work, Contractor shall pay all claims, costs, losses, and damages arising out of or relating to defective Work, including but not limited to the cost of the inspection, testing, correction, removal, replacement, or reconstruction of such defective Work, fines levied against Owner by governmental authorities because the Work is defective, and the costs of repair or replacement of work of others resulting from defective Work. Prior to final payment, if Owner and Contractor are unable to agree as to the measure of such claims, costs, losses, and damages resulting from defective Work, then Owner may impose a reasonable set-off against payments due under Article 15.

#### 14.04 *Acceptance of Defective Work*

- A. If, instead of requiring correction or removal and replacement of defective Work, Owner prefers to accept it, Owner may do so (subject, if such acceptance occurs prior to final payment, to Engineer's confirmation that such acceptance is in general accord with the design intent and applicable engineering principles, and will not endanger public safety). Contractor shall pay all claims, costs, losses, and damages attributable to Owner's evaluation of and determination to accept such defective Work (such costs to be approved by Engineer as to reasonableness), and for the diminished value of the Work to the extent not otherwise paid by Contractor. If any such acceptance occurs prior to final payment, the necessary revisions in the Contract Documents with respect to the Work shall be incorporated in a Change Order. If the parties are unable to agree as to the decrease in the Contract Price, reflecting the diminished value of Work so accepted, then Owner may impose a reasonable set-off against payments due under Article 15. If the acceptance of defective Work occurs after final payment, Contractor shall pay an appropriate amount to Owner.

#### 14.05 *Uncovering Work*

- A. Engineer has the authority to require special inspection or testing of the Work, whether or not the Work is fabricated, installed, or completed.
- B. If any Work is covered contrary to the written request of Engineer, then Contractor shall, if requested by Engineer, uncover such Work for Engineer's observation, and then replace the covering, all at Contractor's expense.
- C. If Engineer considers it necessary or advisable that covered Work be observed by Engineer or inspected or tested by others, then Contractor, at Engineer's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as Engineer may require, that portion of the Work in question, and provide all necessary labor, material, and equipment.
  - 1. If it is found that the uncovered Work is defective, Contractor shall be responsible for all claims, costs, losses, and damages arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of repair or replacement of work of others); and pending Contractor's full discharge of this responsibility the Owner shall be entitled to impose a reasonable set-off against payments due under Article 15.
  - 2. If the uncovered Work is not found to be defective, Contractor shall be allowed an increase in the Contract Price or an extension of the Contract Times, or both, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction. If the parties are unable to agree as to the amount or extent thereof, then Contractor may submit a Change Proposal within 30 days of the determination that the Work is not defective.

#### 14.06 *Owner May Stop the Work*

- A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, then Owner may order Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop the Work shall not give rise to any duty on the part of Owner to exercise this right for the benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

#### 14.07 *Owner May Correct Defective Work*

- A. If Contractor fails within a reasonable time after written notice from Engineer to correct defective Work, or to remove and replace rejected Work as required by Engineer, or if Contractor fails to perform the Work in accordance with the Contract Documents, or if Contractor fails to comply with any other provision of the Contract Documents, then Owner may, after seven days written notice to Contractor, correct or remedy any such deficiency.
- B. In exercising the rights and remedies under this Paragraph 14.07, Owner shall proceed expeditiously. In connection with such corrective or remedial action, Owner may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, and incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere. Contractor shall allow Owner, Owner's representatives, agents and employees, Owner's other contractors, and Engineer and Engineer's consultants access to the Site to enable Owner to exercise the rights and remedies under this paragraph.

- C. All claims, costs, losses, and damages incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 14.07 will be charged against Contractor as set-offs against payments due under Article 15. Such claims, costs, losses and damages will include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.
- D. Contractor shall not be allowed an extension of the Contract Times because of any delay in the performance of the Work attributable to the exercise by Owner of Owner's rights and remedies under this Paragraph 14.07.

## ARTICLE 15 – PAYMENTS TO CONTRACTOR; SET-OFFS; COMPLETION; CORRECTION PERIOD

### 15.01 Progress Payments

- A. *Basis for Progress Payments:* The Schedule of Values established as provided in Article 2 will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to Engineer. Progress payments on account of Unit Price Work will be based on the number of units completed during the pay period, as determined under the provisions of Paragraph 13.03. Progress payments for cost-based Work will be based on Cost of the Work completed by Contractor during the pay period.
- B. *Applications for Payments:*
  1. At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment shall also be accompanied by a bill of sale, invoice, or other documentation warranting that Owner has received the materials and equipment free and clear of all Liens, and evidence that the materials and equipment are covered by appropriate property insurance, a warehouse bond, or other arrangements to protect Owner's interest therein, all of which must be satisfactory to Owner.
  2. Beginning with the second Application for Payment, each Application shall include an affidavit of Contractor stating that all previous progress payments received on account of the Work have been applied on account to discharge Contractor's legitimate obligations associated with prior Applications for Payment.
  3. The amount of retainage with respect to progress payments will be as stipulated in the Agreement.
- C. *Review of Applications:*
  1. Engineer will, within 10 days after receipt of each Application for Payment, including each resubmittal, either indicate in writing a recommendation of payment and present the Application to Owner, or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.
  2. Engineer's recommendation of any payment requested in an Application for Payment will constitute a representation by Engineer to Owner, based on Engineer's observations of the executed Work as an experienced and qualified design

professional, and on Engineer's review of the Application for Payment and the accompanying data and schedules, that to the best of Engineer's knowledge, information and belief:

- a. the Work has progressed to the point indicated;
  - b. the quality of the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, the results of any subsequent tests called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraph 13.03, and any other qualifications stated in the recommendation); and
  - c. the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work.
3. By recommending any such payment Engineer will not thereby be deemed to have represented that:
    - a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Contract; or
    - b. there may not be other matters or issues between the parties that might entitle Contractor to be paid additionally by Owner or entitle Owner to withhold payment to Contractor.
  4. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment, including final payment, will impose responsibility on Engineer:
    - a. to supervise, direct, or control the Work, or
    - b. for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or
    - c. for Contractor's failure to comply with Laws and Regulations applicable to Contractor's performance of the Work, or
    - d. to make any examination to ascertain how or for what purposes Contractor has used the money paid on account of the Contract Price, or
    - e. to determine that title to any of the Work, materials, or equipment has passed to Owner free and clear of any Liens.
  5. Engineer may refuse to recommend the whole or any part of any payment if, in Engineer's opinion, it would be incorrect to make the representations to Owner stated in Paragraph 15.01.C.2.
  6. Engineer will recommend reductions in payment (set-offs) necessary in Engineer's opinion to protect Owner from loss because:
    - a. the Work is defective, requiring correction or replacement;
    - b. the Contract Price has been reduced by Change Orders;

- c. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
- d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible; or
- e. Engineer has actual knowledge of the occurrence of any of the events that would constitute a default by Contractor and therefore justify termination for cause under the Contract Documents.

D. *Payment Becomes Due:*

- 1. Ten days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended (subject to any Owner set-offs) will become due, and when due will be paid by Owner to Contractor.

E. *Reductions in Payment by Owner:*

- 1. In addition to any reductions in payment (set-offs) recommended by Engineer, Owner is entitled to impose a set-off against payment based on any of the following:
  - a. claims have been made against Owner on account of Contractor's conduct in the performance or furnishing of the Work, or Owner has incurred costs, losses, or damages on account of Contractor's conduct in the performance or furnishing of the Work, including but not limited to claims, costs, losses, or damages from workplace injuries, adjacent property damage, non-compliance with Laws and Regulations, and patent infringement;
  - b. Contractor has failed to take reasonable and customary measures to avoid damage, delay, disruption, and interference with other work at or adjacent to the Site;
  - c. Contractor has failed to provide and maintain required bonds or insurance;
  - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible;
  - e. Owner has incurred extra charges or engineering costs related to submittal reviews, evaluations of proposed substitutes, tests and inspections, or return visits to manufacturing or assembly facilities;
  - f. the Work is defective, requiring correction or replacement;
  - g. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
  - h. the Contract Price has been reduced by Change Orders;
  - i. an event that would constitute a default by Contractor and therefore justify a termination for cause has occurred;
  - j. liquidated damages have accrued as a result of Contractor's failure to achieve Milestones, Substantial Completion, or final completion of the Work;
  - k. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to Owner to secure the satisfaction and discharge of such Liens;
  - l. there are other items entitling Owner to a set off against the amount recommended.

2. If Owner imposes any set-off against payment, whether based on its own knowledge or on the written recommendations of Engineer, Owner will give Contractor immediate written notice (with a copy to Engineer) stating the reasons for such action and the specific amount of the reduction, and promptly pay Contractor any amount remaining after deduction of the amount so withheld. Owner shall promptly pay Contractor the amount so withheld, or any adjustment thereto agreed to by Owner and Contractor, if Contractor remedies the reasons for such action. The reduction imposed shall be binding on Contractor unless it duly submits a Change Proposal contesting the reduction.
3. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld shall be treated as an amount due as determined by Paragraph 15.01.C.1 and subject to interest as provided in the Agreement.

#### 15.02 *Contractor's Warranty of Title*

- A. Contractor warrants and guarantees that title to all Work, materials, and equipment furnished under the Contract will pass to Owner free and clear of (1) all Liens and other title defects, and (2) all patent, licensing, copyright, or royalty obligations, no later than seven days after the time of payment by Owner.

#### 15.03 *Substantial Completion*

- A. When Contractor considers the entire Work ready for its intended use Contractor shall notify Owner and Engineer in writing that the entire Work is substantially complete and request that Engineer issue a certificate of Substantial Completion. Contractor shall at the same time submit to Owner and Engineer an initial draft of punch list items to be completed or corrected before final payment.
- B. Promptly after Contractor's notification, Owner, Contractor, and Engineer shall make an inspection of the Work to determine the status of completion. If Engineer does not consider the Work substantially complete, Engineer will notify Contractor in writing giving the reasons therefor.
- C. If Engineer considers the Work substantially complete, Engineer will deliver to Owner a preliminary certificate of Substantial Completion which shall fix the date of Substantial Completion. Engineer shall attach to the certificate a punch list of items to be completed or corrected before final payment. Owner shall have seven days after receipt of the preliminary certificate during which to make written objection to Engineer as to any provisions of the certificate or attached punch list. If, after considering the objections to the provisions of the preliminary certificate, Engineer concludes that the Work is not substantially complete, Engineer will, within 14 days after submission of the preliminary certificate to Owner, notify Contractor in writing that the Work is not substantially complete, stating the reasons therefor. If Owner does not object to the provisions of the certificate, or if despite consideration of Owner's objections Engineer concludes that the Work is substantially complete, then Engineer will, within said 14 days, execute and deliver to Owner and Contractor a final certificate of Substantial Completion (with a revised punch list of items to be completed or corrected) reflecting such changes from the preliminary certificate as Engineer believes justified after consideration of any objections from Owner.
- D. At the time of receipt of the preliminary certificate of Substantial Completion, Owner and Contractor will confer regarding Owner's use or occupancy of the Work following Substantial Completion, review the builder's risk insurance policy with respect to the end of the builder's risk coverage, and confirm the transition to coverage of the Work under a



permanent property insurance policy held by Owner. Unless Owner and Contractor agree otherwise in writing, Owner shall bear responsibility for security, operation, protection of the Work, property insurance, maintenance, heat, and utilities upon Owner's use or occupancy of the Work.

- E. After Substantial Completion the Contractor shall promptly begin work on the punch list of items to be completed or corrected prior to final payment. In appropriate cases Contractor may submit monthly Applications for Payment for completed punch list items, following the progress payment procedures set forth above.
- F. Owner shall have the right to exclude Contractor from the Site after the date of Substantial Completion subject to allowing Contractor reasonable access to remove its property and complete or correct items on the punch list.

#### 15.04 *Partial Use or Occupancy*

- A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which Owner, Engineer, and Contractor agree constitutes a separately functioning and usable part of the Work that can be used by Owner for its intended purpose without significant interference with Contractor's performance of the remainder of the Work, subject to the following conditions:
  1. At any time Owner may request in writing that Contractor permit Owner to use or occupy any such part of the Work that Owner believes to be substantially complete. If and when Contractor agrees that such part of the Work is substantially complete, Contractor, Owner, and Engineer will follow the procedures of Paragraph 15.03.A through E for that part of the Work.
  2. At any time Contractor may notify Owner and Engineer in writing that Contractor considers any such part of the Work substantially complete and request Engineer to issue a certificate of Substantial Completion for that part of the Work.
  3. Within a reasonable time after either such request, Owner, Contractor, and Engineer shall make an inspection of that part of the Work to determine its status of completion. If Engineer does not consider that part of the Work to be substantially complete, Engineer will notify Owner and Contractor in writing giving the reasons therefor. If Engineer considers that part of the Work to be substantially complete, the provisions of Paragraph 15.03 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.
  4. No use or occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of Paragraph 6.05 regarding builder's risk or other property insurance.

#### 15.05 *Final Inspection*

- A. Upon written notice from Contractor that the entire Work or an agreed portion thereof is complete, Engineer will promptly make a final inspection with Owner and Contractor and will notify Contractor in writing of all particulars in which this inspection reveals that the Work, or agreed portion thereof, is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

## 15.06 Final Payment

### A. Application for Payment:

1. After Contractor has, in the opinion of Engineer, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of inspection, annotated record documents (as provided in Paragraph 7.11), and other documents, Contractor may make application for final payment.
2. The final Application for Payment shall be accompanied (except as previously delivered) by:
  - a. all documentation called for in the Contract Documents;
  - b. consent of the surety, if any, to final payment;
  - c. satisfactory evidence that all title issues have been resolved such that title to all Work, materials, and equipment has passed to Owner free and clear of any Liens or other title defects, or will so pass upon final payment.
  - d. a list of all disputes that Contractor believes are unsettled; and
  - e. complete and legally effective releases or waivers (satisfactory to Owner) of all Lien rights arising out of the Work, and of Liens filed in connection with the Work.
3. In lieu of the releases or waivers of Liens specified in Paragraph 15.06.A.2 and as approved by Owner, Contractor may furnish receipts or releases in full and an affidavit of Contractor that: (a) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (b) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which Owner might in any way be responsible, or which might in any way result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, Contractor may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any Lien, or Owner at its option may issue joint checks payable to Contractor and specified Subcontractors and Suppliers.

### B. Engineer's Review of Application and Acceptance:

1. If, on the basis of Engineer's observation of the Work during construction and final inspection, and Engineer's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Engineer is satisfied that the Work has been completed and Contractor's other obligations under the Contract have been fulfilled, Engineer will, within ten days after receipt of the final Application for Payment, indicate in writing Engineer's recommendation of final payment and present the Application for Payment to Owner for payment. Such recommendation shall account for any set-offs against payment that are necessary in Engineer's opinion to protect Owner from loss for the reasons stated above with respect to progress payments. At the same time Engineer will also give written notice to Owner and Contractor that the Work is acceptable, subject to the provisions of Paragraph 15.07. Otherwise, Engineer will return the Application for Payment to Contractor, indicating in writing the reasons for refusing to recommend final payment, in which case Contractor shall make the necessary corrections and resubmit the Application for Payment.

- C. *Completion of Work*: The Work is complete (subject to surviving obligations) when it is ready for final payment as established by the Engineer's written recommendation of final payment.
- D. *Payment Becomes Due*: Thirty days after the presentation to Owner of the final Application for Payment and accompanying documentation, the amount recommended by Engineer (less any further sum Owner is entitled to set off against Engineer's recommendation, including but not limited to set-offs for liquidated damages and set-offs allowed under the provisions above with respect to progress payments) will become due and shall be paid by Owner to Contractor.

#### 15.07 *Waiver of Claims*

- A. The making of final payment will not constitute a waiver by Owner of claims or rights against Contractor. Owner expressly reserves claims and rights arising from unsettled Liens, from defective Work appearing after final inspection pursuant to Paragraph 15.05, from Contractor's failure to comply with the Contract Documents or the terms of any special guarantees specified therein, from outstanding Claims by Owner, or from Contractor's continuing obligations under the Contract Documents.
- B. The acceptance of final payment by Contractor will constitute a waiver by Contractor of all claims and rights against Owner other than those pending matters that have been duly submitted or appealed under the provisions of Article 17.

#### 15.08 *Correction Period*

- A. If within one year after the date of Substantial Completion (or such longer period of time as may be prescribed by the terms of any applicable special guarantee required by the Contract Documents, or by any specific provision of the Contract Documents), any Work is found to be defective, or if the repair of any damages to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas used by Contractor as permitted by Laws and Regulations, is found to be defective, then Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:
  1. correct the defective repairs to the Site or such other adjacent areas;
  2. correct such defective Work;
  3. if the defective Work has been rejected by Owner, remove it from the Project and replace it with Work that is not defective, and
  4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others, or to other land or areas resulting therefrom.
- B. If Contractor does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. Contractor shall pay all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others).
- C. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications.

- D. Where defective Work (and damage to other Work resulting therefrom) has been corrected or removed and replaced under this paragraph, the correction period hereunder with respect to such Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.
- E. Contractor's obligations under this paragraph are in addition to all other obligations and warranties. The provisions of this paragraph shall not be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

## ARTICLE 16 – SUSPENSION OF WORK AND TERMINATION

### 16.01 *Owner May Suspend Work*

- A. At any time and without cause, Owner may suspend the Work or any portion thereof for a period of not more than 90 consecutive days by written notice to Contractor and Engineer. Such notice will fix the date on which Work will be resumed. Contractor shall resume the Work on the date so fixed. Contractor shall be entitled to an adjustment in the Contract Price or an extension of the Contract Times, or both, directly attributable to any such suspension. Any Change Proposal seeking such adjustments shall be submitted no later than 30 days after the date fixed for resumption of Work.

### 16.02 *Owner May Terminate for Cause*

- A. The occurrence of any one or more of the following events will constitute a default by Contractor and justify termination for cause:
  1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment or failure to adhere to the Progress Schedule);
  2. Failure of Contractor to perform or otherwise to comply with a material term of the Contract Documents;
  3. Contractor's disregard of Laws or Regulations of any public body having jurisdiction; or
  4. Contractor's repeated disregard of the authority of Owner or Engineer.
- B. If one or more of the events identified in Paragraph 16.02.A occurs, then after giving Contractor (and any surety) ten days written notice that Owner is considering a declaration that Contractor is in default and termination of the contract, Owner may proceed to:
  1. declare Contractor to be in default, and give Contractor (and any surety) notice that the Contract is terminated; and
  2. enforce the rights available to Owner under any applicable performance bond.
- C. Subject to the terms and operation of any applicable performance bond, if Owner has terminated the Contract for cause, Owner may exclude Contractor from the Site, take possession of the Work, incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere, and complete the Work as Owner may deem expedient.
- D. Owner may not proceed with termination of the Contract under Paragraph 16.02.B if Contractor within seven days of receipt of notice of intent to terminate begins to correct its failure to perform and proceeds diligently to cure such failure.

- E. If Owner proceeds as provided in Paragraph 16.02.B, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds the cost to complete the Work, including all related claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals) sustained by Owner, such excess will be paid to Contractor. If the cost to complete the Work including such related claims, costs, losses, and damages exceeds such unpaid balance, Contractor shall pay the difference to Owner. Such claims, costs, losses, and damages incurred by Owner will be reviewed by Engineer as to their reasonableness and, when so approved by Engineer, incorporated in a Change Order. When exercising any rights or remedies under this paragraph, Owner shall not be required to obtain the lowest price for the Work performed.
- F. Where Contractor's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against Contractor then existing or which may thereafter accrue, or any rights or remedies of Owner against Contractor or any surety under any payment bond or performance bond. Any retention or payment of money due Contractor by Owner will not release Contractor from liability.
- G. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 6.01.A, the provisions of that bond shall govern over any inconsistent provisions of Paragraphs 16.02.B and 16.02.D.

#### 16.03 *Owner May Terminate For Convenience*

- A. Upon seven days written notice to Contractor and Engineer, Owner may, without cause and without prejudice to any other right or remedy of Owner, terminate the Contract. In such case, Contractor shall be paid for (without duplication of any items):
  1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;
  2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses; and
  3. other reasonable expenses directly attributable to termination, including costs incurred to prepare a termination for convenience cost proposal.
- B. Contractor shall not be paid on account of loss of anticipated overhead, profits, or revenue, or other economic loss arising out of or resulting from such termination.

#### 16.04 *Contractor May Stop Work or Terminate*

- A. If, through no act or fault of Contractor, (1) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (2) Engineer fails to act on any Application for Payment within 30 days after it is submitted, or (3) Owner fails for 30 days to pay Contractor any sum finally determined to be due, then Contractor may, upon seven days written notice to Owner and Engineer, and provided Owner or Engineer do not remedy such suspension or failure within that time, terminate the contract and recover from Owner payment on the same terms as provided in Paragraph 16.03.

- B. In lieu of terminating the Contract and without prejudice to any other right or remedy, if Engineer has failed to act on an Application for Payment within 30 days after it is submitted, or Owner has failed for 30 days to pay Contractor any sum finally determined to be due, Contractor may, seven days after written notice to Owner and Engineer, stop the Work until payment is made of all such amounts due Contractor, including interest thereon. The provisions of this paragraph are not intended to preclude Contractor from submitting a Change Proposal for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to Contractor's stopping the Work as permitted by this paragraph.

## ARTICLE 17 – FINAL RESOLUTION OF DISPUTES

### 17.01 *Methods and Procedures*

- A. *Disputes Subject to Final Resolution:* The following disputed matters are subject to final resolution under the provisions of this Article:
1. A timely appeal of an approval in part and denial in part of a Claim, or of a denial in full; and
  2. Disputes between Owner and Contractor concerning the Work or obligations under the Contract Documents, and arising after final payment has been made.
- B. *Final Resolution of Disputes:* For any dispute subject to resolution under this Article, Owner or Contractor may:
1. elect in writing to invoke the dispute resolution process provided for in the Supplementary Conditions; or
  2. agree with the other party to submit the dispute to another dispute resolution process; or
  3. if no dispute resolution process is provided for in the Supplementary Conditions or mutually agreed to, give written notice to the other party of the intent to submit the dispute to a court of competent jurisdiction.

## ARTICLE 18 – MISCELLANEOUS

### 18.01 *Giving Notice*

- A. Whenever any provision of the Contract Documents requires the giving of written notice, it will be deemed to have been validly given if:
1. delivered in person, by a commercial courier service or otherwise, to the individual or to a member of the firm or to an officer of the corporation for which it is intended; or
  2. delivered at or sent by registered or certified mail, postage prepaid, to the last business address known to the sender of the notice.

### 18.02 *Computation of Times*

- A. When any period of time is referred to in the Contract by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

### 18.03 *Cumulative Remedies*

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, by special warranty or guarantee, or by other provisions of the Contract. The provisions of this paragraph will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

### 18.04 *Limitation of Damages*

- A. With respect to any and all Change Proposals, Claims, disputes subject to final resolution, and other matters at issue, neither Owner nor Engineer, nor any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, shall be liable to Contractor for any claims, costs, losses, or damages sustained by Contractor on or in connection with any other project or anticipated project.

### 18.05 *No Waiver*

- A. A party's non-enforcement of any provision shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Contract.

### 18.06 *Survival of Obligations*

- A. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, will survive final payment, completion, and acceptance of the Work or termination or completion of the Contract or termination of the services of Contractor.

### 18.07 *Controlling Law*

- A. This Contract is to be governed by the law of the state in which the Project is located.

### 18.08 *Headings*

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.

## SUPPLEMENTARY CONDITIONS

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These Supplementary Conditions amend or supplement the Standard General Conditions of the Construction Contract, EJCDC® C-700 ( 2013 Edition). All provisions that are not so amended or supplemented remain in full force and effect.

The terms used in these Supplementary Conditions will have the meanings stated in the General Conditions. Additional terms used in these Supplementary Conditions have the meanings stated below, which are applicable to both the singular and plural thereof.

The address system used in these Supplementary Conditions is the same as the address system used in the General Conditions, with the prefix "SC" added thereto.

### SC-5.03 Subsurface and Physical Conditions

Delete Paragraphs 5.03.A and 5.03.B in their entirety and insert the following:

- A. No reports of explorations or tests of subsurface conditions at or adjacent to the Site, or drawings of physical conditions relating to existing surface or subsurface structures at the Site, are known to Owner.

### SC-5.05 Underground Facilities

Add the following sentence at the end of the first sentence of Paragraph 5.05.A:

The subsurface utility information in this plan is utility quality level D. This quality level was determined according to the guidelines of [CI/ASCE 38-02](#), titled "Standard Guideline for the Collection and Depiction of Existing Subsurface Utility Data.

### SC-5.05.B Underground Facilities

Add new paragraph immediately after Paragraph 5.05.B to read as follows:

1. Underground utility locations can be obtained from the following owners and services:

Utility	Owner	Phone
Location Service	Gopher State One Call	Metro: 651.454.0002 Out State: 800.252.1166



**SC-5.06 Hazardous Environmental Conditions**

Delete Paragraphs 5.06.A and 5.06.B in their entirety and insert the following:

- A. No reports or drawings related to Hazardous Environmental Conditions at the Site are known to Owner.
- B. Not Used.

**SC-6.03 Contractor's Insurance**

Add the following new paragraph immediately after Paragraph 6.03.J:

- K. The limits of liability for the insurance required by Paragraph 6.03 of the General Conditions shall provide coverage for not less than the following amounts or greater where required by Laws and Regulations:
  - 1. Worker's Compensation and related coverages under Paragraphs 6.03.A.1 and A.2 of the General Conditions:
    - a. State: Statutory
    - b. Federal, if applicable (e.g., Longshoreman's): Statutory
    - c. Employer's Liability:
      - 1) Bodily injury, each accident \$500,000
      - 2) Bodily injury by disease, each employee
      - 3) Bodily injury/disease, aggregate
  - 2. Contractor's Commercial General Liability under Paragraphs 6.03.B and 6.03.C of the General Conditions:
    - a. General Aggregate \$1,000,000
    - b. Products - Completed Operations Aggregate \$1,000,000
    - c. Personal and Advertising Injury \$1,000,000
    - d. Each Occurrence (Bodily Injury and Property Damage) \$750,000
  - 3. Automobile Liability under Paragraph 6.03.D of the General Conditions:
    - a. Bodily Injury:
      - Each person \$1,000,000
      - Each Accident \$1,000,000
    - b. Property Damage:
      - Each Accident \$1,000,000
  - 4. Excess or Umbrella Liability
    - a. General Aggregate \$1,000,000
    - b. Each Occurrence \$1,000,000
  - 6. Additional Insureds: List Grand Rapids Public Utilities Commission as additional insured

**SC-7.02 Labor; Working Hours**

Delete Paragraph 7.02.B in its entirety and substitute the following in its place:

- B. In the absence of any Laws or Regulations to the contrary, Contractor may perform the Work on holidays, during any or all hours of the day, and on any or all days of the week, at Contractor's sole discretion.

**SC-7.06 Concerning Subcontractors, Suppliers, and Others**

Add the following language at the end of Paragraph 7.06.O.2:

In accordance with Minnesota Statute 471.425, Contractor shall pay any subcontractor within ten days of the Contractor's receipt of payment from the municipality. Contractor shall pay interest on any unpaid amounts in accordance with the statute.

**SC-7.08 Permits**

Add new paragraphs immediately after Paragraph 7.08.A to read as follows:

- B. Owner has obtained all the required MPCA permits associated with the sludge landfill.

**SC-7.10 Laws and Regulations**

Add new paragraphs immediately after Paragraph 7.10.C which are to read as follows:

- D. Contractor shall specifically comply with Equal Opportunity Requirements as listed in Minnesota Rules 5000.3535, Standard State Equal Employment Opportunity Construction Contract Specifications.
- E. Contractor shall specifically comply with Minnesota Rules 5000.3550, Disabled Individuals Affirmative Action Clause.

**SC-12.01 Claims**

Amend the first sentence of Paragraph 12.01.B to read as follows:

- B. *Submittal of Claim:* The party submitting a Claim shall deliver it directly to the other party to the Contract promptly (but in no event later than 10 days) after the start of the event giving rise thereto; in the case of appeals regarding Change Proposals within 10 days of the decision under appeal.

**SC-13.03 Unit Price Work**

Delete Paragraph 13.03.E in its entirety and insert the following in its place:

- E. The unit price of an item of Unit Price Work shall not be subject to re-evaluation and adjustment under any conditions.

**SC-15.01.B Applications for Payments**

Amend Paragraph 15.01.B.3 to read as follows:

3. The amount of retainage with respect to progress payments will be as stipulated in the Agreement and as follows:

Minnesota Contractors:	5 percent
Exempt Non-Minnesota Contractors:	5 percent
Non-Exempt Non-Minnesota Contractors:	5 percent plus 8 percent* = 13 percent

\*State Surety Deposit

Non-Minnesota Contractors are advised to file Form SD-3 with the Minnesota Department of Revenue to determine their exemption status.

**SC-15.01.C Review of Applications**

Delete Paragraph 15.01.C.1 in its entirety and insert the following:

1. Engineer will, within 21 days after receipt of each Application for Payment, either indicate in writing a recommendation of payment and present the Application to Owner or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.

**SC-15.05 Final Inspection**

Add the following language after the second sentence of Paragraph 15.05.A:

If, after such measures are taken, subsequent inspections by Engineer reveal that any of the previously identified particulars remain incomplete or defective, Engineer will again notify Contractor in writing of the remaining particulars. All costs associated with any subsequent inspections in which said remaining particulars are revealed, will be documented by Engineer and paid by Contractor to Owner.

**SC-15.06.A Application for Payment**

Add the following new paragraph immediately after Paragraph 15.06.A.3:

4. Before final application for payment is made for the work, Contractor must make satisfactory showing of compliance with M.S.A. §290.92 which requires the withholding of state income taxes for wages paid employees on this project. Submittal of Certificate of Compliance from the Commissioner of Taxation to the Owner will satisfy this requirement. Contractor is advised that before such certificate can be issued, he must first place on file with the Commissioner of Taxation an affidavit that he has complied with the provisions of M.S.A. §290.92. The required affidavit form will be supplied by the Minnesota Commissioner of Taxation on request.

**CLOSEOUT PROCEDURES****PART 1 GENERAL****1.01 SUMMARY**

- A. Administrative and procedural requirements for contract closeout, including:
1. Submittals.
  2. Record document submittals.

**1.02 SUBSTANTIAL COMPLETION**

- A. Complete the following before requesting Engineer's inspection for certification of Substantial Completion for each phase of work. List items that are incomplete in request.
1. Prepare a list of items to be completed and corrected (punch list), the value of items on the list, and reasons why the Work is not complete.
  2. Obtain, submit releases enabling Owner unrestricted use of the Work and access to services and utilities.
  3. Regulatory requirements:
    - a. Where required, obtain occupancy permits, operating certificates, similar releases.
  4. Bonding and insurance:
    - a. Consent of Surety to Reduction In or Partial Release of Retainage.
- B. Inspection Procedures:
1. When prerequisites are complete, submit request in writing to Engineer stating that all requirements are satisfied, and requesting inspection.
  2. Upon receipt of Contractor's request for inspection, Engineer will either proceed with inspection or advise Contractor of unfilled prerequisites.
  3. Following initial inspection, Engineer will either prepare Certificate of Substantial Completion, or advise Contractor of work which must be performed before certificate will be issued. Engineer will repeat inspection when requested and when assured that work has been substantially completed.
  4. Results of completed inspection will form the basis of requirements for Final Acceptance.

**1.03 FINAL ACCEPTANCE**

- A. Before requesting final inspection for determining date of Final Completion, complete the following:
1. Submittals:
    - a. Assurance that unsettled claims will be settled.
    - b. Proof that fees and similar obligations have been paid.
    - c. Evidence of final, continuing insurance coverage complying with insurance requirements.
    - d. Form IC-134, Affidavit for Obtaining Final Settlement of Contract with State of Minnesota and any of its Political or Governmental Subdivisions.
    - e. Notarized certification of compliance with wage rate requirements.
    - f. Certified copy of Engineer's final punch list of itemized work to be completed or corrected, stating that each item has been completed or otherwise resolved for acceptance and has been endorsed and dated by Engineer.
- B. Record Drawings: Submit to Engineer a set of record prints marked to show "as-built" conditions for work of contract, if requested.
- C. Adjusting:
1. Complete final cleaning requirements.

D. Final Payment Request:

1. Include certificates of insurance for products and completed operations where required.
2. Updated final statement, accounting for final additional changes to Contract Sum.
3. Final liquidated damages settlement statement, acceptable to Owner.

**PART 2 PRODUCTS**

Not Used

**PART 3 EXECUTION**

Not Used

**END OF SECTION**

## SECTION 02 12 00

### SLUDGE PLACEMENT

#### PART 1 GENERAL

##### 1.01 SUMMARY

- A. Section Includes:
  - 1. Placement of sludge within the permitted areas, Expansion Areas 5, 6, 7 and 8.
- B. Method of Measurement:
  - 1. Sludge Material:
    - a. Volume of sludge material will be determined on an Owner truck count basis using a cubic yard measurement as the method for determining volume.
    - b. Contractor shall verify sludge volume measurements with the Owner on a weekly schedule.
- C. Basis of Payment:
  - 1. Payment for sludge placement will be on a per cubic yard basis at the unit price bid. All necessary labor and equipment required to perform the contract shall be included in the unit price bid.
  - 2. Owner does not guarantee nor provide assurances of any specified volume of sludge to be placed during the life of this contract. Placement of sludge is anticipated to be 44,000 cubic yards for the length of the contract.

#### PART 2 PRODUCTS

##### 2.01 EQUIPMENT

- A. Contractor shall have an adequate piece of machinery available to the Owner 24 hours a day 365 days per year so that Owner can use the machine to dislodge tandem axle vehicles from sludge work areas when vehicles get stuck. Owner's use of machinery is incidental to sludge placement.
- B. Machinery used for placement of sludge must be equal to or larger than a Caterpillar D4 bulldozer. The machinery must be a low-ground-pressure bulldozer.
- C. If Contractor's machinery becomes disabled, a replacement piece of machinery must be on site and operable within a period of four hours.

#### PART 3 EXECUTION

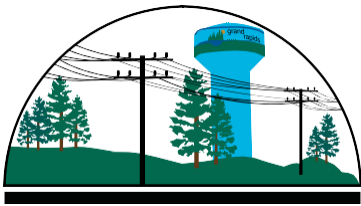
##### 3.01 EXECUTION REQUIREMENTS

- A. The material at the sludge landfill is very unique. Contractor must submit one reference with bid detailing previous experience. Reference for is included under Document 00 44 14 - Project References.
- B. Frequency and location of sludge placement will be determined by Owner. As the sludge cells fill, the Contractor shall place sludge according to grade stakes provided by the Owner. The Contractor may be

required to place sludge seven days a week and fifty two weeks per year. There shall be no additional cost to Owner for shaping of slopes or for placement to grade stakes. It is the intent of the Owner that all placement of sludge be by bulldozer and will be covered by the unit price bid.

- C. Compaction of sludge shall be achieved by operating the bulldozer with three to five passes up and down the sludge placement area. The Owner reserves the right to determine by visual methods when the sludge has been adequately compacted.
- D. Equipment operators provided by Contractor must be certified by the Minnesota Pollution Control Agency as a Type III Waste Disposal Facility Operator. Contractor shall provide certification documentation to the Owner.
- E. The GRPU landfill accepts wood/ash and solids from sewer cleaning as allowed in the MPCA permit. When any of these materials are placed in the landfill, six inches of compacted sludge must be used to cover the material by the end of the day it is placed. This is a requirement in the MPCA permit.
- F. Contractor is responsible to maintain the integrity of the landfill facilities, including but not limited to cell liners, monitoring wells, leachate sump lines, etc. Any damage caused by Contractor shall be repaired by Contractor at no cost to the Owner.
- G. In sludge placement areas all snow and ice shall be removed by the Contractor prior to placement of sludge. This work is incidental to sludge placement.
- H. Work shall be done in accordance with Federal Aviation Administration rules and regulations.

**END OF SECTION**



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## SAFETY REPORT December 2021 Commission Meeting

### Safety Topic Last Month

Winter safety training for all employees was conducted on November 16 through MSC.

### Safety Topic This Month

Lock Out, Tag Out (LOTO) training for all electric and water/wastewater employees will be held on December 22 with MMUA Safety Coordinator Dave Lundberg. Following the training, a staff committee will begin a 3-month project to review and update all of the LOTO procedural sheets.

### Accidents Reported last Month by Department

Administration: None  
Business Services: None

Electric: None  
Water-Wastewater: None

### Cumulative Accidents for 2021

Recordable Accidents	1
Lost Time Days 2021	1
Restricted Days 2021	7
First Aid Only (not recordable)	1

Total FROI 2

### Recordable Accident 5-year History

	2017	2018	2019	2020	2021
ADMIN	0	0	0	0	0
BUS SVCS	1	1	4	0	0
ELEC	3	1	1	0	0
W-WW	4	3	5	3	1
TOTAL	8	5	10	3	1