

NORTHWEST OTTAWA WATER SYSTEM

Administrative Committee Minutes

November 19, 2025

A regular administrative committee meeting of the Northwest Ottawa Water System was called to order by Pat Staskiewicz at 9:10 a.m. Wednesday, November 19, 2025, in the Council Chambers at Grand Haven City Hall.

Present: Craig Bessinger (City of Ferrysburg); Bill Cargo (Grand Haven Charter Township); Gordon Gallagher (Spring Lake Township); Brady Selner (Village of Spring Lake); Matt Wade (Grand Haven Charter Township); Mike England (City of Grand Have); Karen Underwood (Grand Haven Charter Township)

Absent: Pat Staskiewicz (Ottawa County)

Also present: Joe Wallace (Ottawa County)

A motion by Cargo supported by Gallagher to approve the minutes for the August 20, 2025, NOWS Committee Meeting passed unanimously.

Manager's Report, Fiscal Year to Date – By Law

Law presented the FY 25/26 year to date review, reporting the pacing of summer pumpage remaining at higher-than-average levels with record setting July followed by an August that was 10.6% higher than last year at just over 390 MG pumped. The system returned to closer to the average in September with September a 3.9% comp and October settling into typical offseason demand of 4.5 MGD. The Northside is comping at 12.7%, followed by GHCT at 7.3% and the City at 2.8%. The system is up 8.1% with 101 MG more produced this year compared to last. The system allocation remains historically consistent with the Northside owning 41% of demand, followed by GHCT with 31% and the City with 28%.

Law, while moving into the YTD financial review, explained a desire to enhance the way this is tracked, with revision to the tracking form some of which are included in this quarter's reporting. With the year at 42% complete, Revenue is at 70.6% and expenditures at 10%. Law explained the imbalance is caused by awarded money from the AFF litigation for \$1,871,056.50 propping up the revenue line. On the expenditure side, three large capital projects have been budgeted but will not be completed until the Spring. Cash and cash accounts are reported as \$505,634 (Operating Cash), \$722,857 (Replacement), and \$2,544,44 (AFFF Litigation Award). Remaining award money for the 3M/Dupont lawsuit will be paid out in dwindling installments until 2033 with the total awarded amount estimated to be approximately over \$3.6 million. Law has registered NOWS for a second lawsuit with BASF/Tyco as the claimants, and is waiting on the result.

Law reported that power and chemical costs are on the rise, with chemical and power comping at 113% and 115% against pumpage comping at 108%. Law reiterated the NOWS operation commitment to efficiency, but expressed concern that the margins are tightening as chemical and power costs continue to rise. He pointed to the cost per MG comparison at 106% compared to 108% pumpage comp as an indicator of tightening margins. Law reviewed the recent BLP rate changes that took place in September. Billing invoices show following changes went into effect in October 2025.

- Service Charge \$350 to \$625
- Max Demand (KWh) \$3.00 to \$4.50
- Base On Peak (per KWh) – 0.063 to 0.0667
- Base Off Peak (per KWh) – 0.0505 to 0.055

Law anticipates these changes to have a significant impact on power costs moving forward. Law addressed Gallagher's question about increased consumption of Alum explaining the attempts to optimizing dosing rates were not accepted by EGLE with a request to either conduct an engineered coagulant study or return to the design spec. Law returned the process to original design specification and explained that discussions with the Fishbeck engineers about redoing this study, yielded skepticism that much if anything would change. This was based on the unchanged consistency of the source, the coagulant, the process, and the fact the amount dosed is very small in comparative to conventional water treatment processing, because the NOWS direct filtration process starts with much cleaner water due to the buried intakes. The margins are simply too small to determine.

Capital projects are all on schedule to be completed in the Spring with the Bulk Chemical Tank Refurbishment project expanded to include the remaining bulk chemical tanks. Initially the chloring tanks were the only tanks thought to need refurbishment. Upon discovery the original Alum and Fluoride tanks have never been relined, and after 38-years required attention. Wagner provided a competitive bid to do Alum tanks along with the chlorine tanks. Fluoride will be completed in 26-27 fiscal year. The SCADA project slated to be completed by May 26' was discussed by Law as evolving into staying with the current software to save engineering costs and to keep operational continuity throughout the system.

Water quality remains excellent. Water quality parameters all provided in charts and graphs indicate total organic carbon on a declining trend, Turbidity historically low and stable, disinfection byproduct sampling showing all community's doing well and in compliance, and PFAS sampling tracking below the established regulatory contaminant levels.

Agenda Item 1: Fiscal Year 2024-2025 NOWS Financial Audit Review – Vredevelde / Haefner

A motion by Cargo supported by Gallagher to approve the fiscal year 2024-2025 NOWS Financial Audit by Vredevelde / Haefner was unanimously approved.

Agenda Item 2: Fiscal Year – 2024-2025 NOWS Working Capital Excess – Law

A motion by Cargo supported by Gallagher to approve the payback of the NOWS Treatment Plant operating surplus of \$75,234 by unit pumpage allocation percentage was unanimously approved.

Agenda Item 3: *2026 NOWS Committee Meeting Schedule – Law*

A motion to accept the 2026-2027 fiscal year meeting schedule by Cargo supported by Gallagher was unanimously approved.

Agenda Item 4: *Aqueous Film-Forming (AFF) Class Action Lawsuit Litigation Award Update*

Discussion on the AFF Lawsuit took place during the Managers Report presentation.

Other:

Gallagher opened discussion about demand management with a desire for communication continuity throughout the system. Discussion took place around the design of a public service announcement. Gallagher suggested that a public relations professional get involved and Cargo supported. All agreed that a starting point is a marketed educational campaign. Law will build this into the coming fiscal year budget and work on vetting the right contractor through the RFP process

Adjournment: 10:23 a.m. – Submitted by Eric Law