



## Financial Services Audit Committee Communication

**Date:** July 26, 2024

**To:** Great Lakes Water Authority Audit Committee

**From:** Nick Simms Grants Management Professional

**Re:** Grants, Gifts, and Other Resources Report Through June 30, 2024

**Highlights:** Key activities to note in this month's report through June 30, 2024, include the following.

- ✓ **Federal Emergency Management Agency Flood Event** – The Great Lakes Water Authority submitted three grant reimbursements for three FEMA Flood event projects. \$319,911 for Fairview Pump station (Ref #2023-012), \$80,128 for Puritan-Fenkell CSO (Ref #2023-009), and \$180,000 for the Water Resource Recovery Facility (Ref #2023-010).
- ✓ **Department of Energy- Hydrothermal Liquefaction Grant**– The Great Lakes Water Authority submitted its first reimbursement request for the Department of Energy grant (Ref #2023-005) in the amount of \$101,617 for eligible expenses.
- ✓ **Public Act 53 State of Michigan American Rescue Plan Act (ARPA)** – The Great Lakes Water Authority submitted a reimbursement request for funds provided by the State of Michigan in the form of an ARPA appropriation for \$5M to support qualifying water projects. GLWA received these funds during the month (Ref #2024-006).
- ✓ Items highlighted in yellow in the attached tables reflect changes from the prior report.

**Background:** The Great Lakes Water Authority (GLWA) delegated authority to the Chief Executive Officer to oversee and report on activities identified in the GLWA Articles of Incorporation related to solicitation and receipt of grants, gifts, and other resources <sup>(1)</sup> as stated in Article 4 – Powers, Section B (4):

(4) Solicit, receive, and accept gifts, grants, labor, loans, contributions of money, property, or other things of value, and other aid or payment from any federal, state, local, or intergovernmental government agency or from any other person or entity, public or private, upon terms and conditions acceptable to the Authority, or participate in any other way in a federal, state, local, or intergovernmental government program<sup>(2)</sup>.

*(1) Other resources as referenced above refer to labor, contributions of money, property, or other things of value from any other person or entity, public or private with the exception for loans, subject to provisions of the GLWA Board Debt Management Policy, and Intergovernmental agreements and other activities that are addressed in the GLWA Board Procurement Policy.*

*(2) Participation in any other way in a federal, state local, or intergovernmental government program includes participation in research projects at universities.*

GLWA's Grants, Gifts, and Other Resources Delegation Policy is online at [Grants, Gifts, and Other Resources Delegation Policy - GLWA \(glwater.org\)](https://www.glwater.org/Grants-Gifts-and-Other-Resources-Delegation-Policy).

**Analysis:** The tables in each section of this report present GLWA grant activity by each phase. As a grant moves through each phase, it is shown in the corresponding table.

The **pre-award** phase includes the process of applying for a grant and the period prior to the signing of the grant agreement between the awarding agency and GLWA.

The **award phase** reflects the period after the agreement is executed with the awarding agency. In this phase, GLWA becomes responsible for meeting the administrative, financial, and programmatic reporting requirements of the award.

The **post award** phase is the final stage of grant activity and includes final reporting requirements, auditing, and closeout. There are final financial and programmatic reports that must be submitted to formally close out the grant as defined in each grant agreement.

The **programs not awarded or no longer pursued** is a table that reflects programs that GLWA were not awarded, or alternatively, programs that will not continue to be pursued by GLWA.

Items of note related to each table include the following.

**Table 1 – Pre-Award Programs** reflects open submissions for FY 2023 and FY 2024 to date. The summarized activity provided identifies two earmark EPA Community Grants, one FEMA Flood projects, four application submissions, and the I-94 Modernization Project grant which is in the National Environmental Policy Act (NEPA) process to identify any environmental impacts related to the grant activities.

**Table 2 - Awarded Programs** reflects all open, awarded grants from FY 2021 through FY 2024. Current month summarized activity below includes one State Revolving Fund American Rescue Plan Act Funding program in which there has been one disbursement request submitted to date three awards related to local nonprofit apprenticeship grants, five reimbursement requests submitted for five associated FEMA Flood projects, and the Department of Energy grant in which one reimbursement request was submitted to the grantor.

**Table 3 – Post Award Programs** the only award that has been closed this reporting period was the State of Michigan Public Act 53 ARPA grant supporting water infrastructure projects. Funds related to these programs have been received in full and the programs are in the process of being closed out, including any closeout reporting requirements.

**Table 4 –Programs Not Awarded or No Longer Pursued** is a table that reflects programs that GLWA were not awarded, or alternatively, programs that will not continue to be pursued by GLWA.



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**Table 1 – Pre-Award Programs** reflects open submissions for FY 2023 and FY 2024 to date. The Programs listed under this section do not have a grant agreement between the awarding agency and GLWA at this time, but the grant has been applied to or earmarked. The summarized activity provided identifies two earmark EPA Community Grants, one FEMA Flood projects, four application submissions, and the I-94 Modernization Project grant which is in the National Environmental Policy Act (NEPA) process to identify any environmental impacts related to the grant activities.

**Table 1 – Pre-Award Programs**

Reference Number	Request Date	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2023-002	7/1/2022	FY2022 Environmental Protection Agency Community Grant – Detroit River Interceptor	Federal Grant (Reimbursement Basis)	\$2,000,000 (20% Cost Share)	Federal Audit Requirements	Earmark
2023-003	7/1/2023	FY2023 Environmental Protection Agency Community Grant – PFAS Compounds remediations project	Federal Grant (Reimbursement Basis)	\$3,452,972 (20% Cost Share)	Federal Audit Requirements	Earmark
2023-015		Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 670521 CAT-Z – Allocation of Management Costs	Federal pass-through State (Reimbursement Basis)	\$50,000	Federal Audit Requirements	Grant Amount is Estimated
2024-004	11/15/2023	Climate Pollution Reduction Grants Program	Application Submitted by GLWA	\$500,000,000	Federal Audit Requirements	Grant Amount is Estimated

Reference Number	Request Date	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2024-005	12/15/2023	Fiscal Year 2023 Building Resilient Infrastructure and Communities (BRIC) Project Scoping	Michigan State Police Application Submitted by GLWA	\$856,000	Federal Audit Requirements	Grant Amount is Estimated
2023-023	8/30/2023	I-94 Modernization Project	MDOT Federal pass-through State (Reimbursement Basis)	\$34,400,000	Federal Audit Requirements	NEPA Review with the State of Michigan
2024-007		Safeguarding Tomorrow Revolving Fund Program	Application Submitted by GLWA	\$3,000,000	Federal Audit Requirements	Grant Amount is Estimated
2024-003	10/30/2023	Workforce Development Opportunity Grant	Application Submitted by GLWA	\$1,800,000	Federal Audit Requirements	Grant Amount is Estimated dependent on number of applicants EPA receives

**Table 2 Awarded Programs** reflects all awarded grants from FY 2021 through FY 2024. These projects have been awarded by the agency listed and an agreement is in place. Each grant is in process including compliance checks for all required administrative, financial, and programmatic requirements. Current month summarized activity below includes one State Revolving Fund American Rescue Plan Act Funding program in which there has been one disbursement request submitted to date three awards related to local nonprofit apprenticeship grants, five reimbursement requests submitted for five associated FEMA Flood projects, and the Department of Energy grant in which one reimbursement request was submitted to the grantor.

**Table 2 – Awarded Programs**

Reference Number	Request Date	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2022-004	2/23/2022	Water Technician Registered Apprenticeship Program- \$2,225 per apprentice, 25 apprentices	Macomb Community College Tuition (Nonprofit)	\$55,625	None	Ongoing No activity as of date for FY 2024
2021-012	9/21/2021	Michigan Industrial Cluster Approach (MICA 3.0) Apprenticeship Program - \$1,000 per apprentice, 45 apprentices	Focus Hope (Nonprofit)	\$45,000	None	Received \$24,000 in FY 2024
2024-003	7/7/2023	Detroit Employment Solutions Corporation (DESC) Apprentices \$5,000 per apprentice; 9 apprentices	Detroit At Work (Nonprofit)	\$45,000	None	\$25,000 received in the month of August
2023-005	6/30/2024	Department of Energy – Hydrothermal Liquefaction Project	Federal Grant (Reimbursement Basis)	\$1,000,000	Federal Audit Requirements	Reimbursement request of \$101,617.43 submitted in June 2024
2023-013	2/1/2024	Federal Emergency Management Agency (FEMA), June 25-26 Flood,	Federal pass-through State (Reimbursement Basis)	\$1,332,235	Federal Audit Requirements	Reimbursement Request of \$275,167.40

Reference Number	Request Date	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
		DR-4607 Project 714729 Outfalls				submitted in February 2024
2023-022	2/1/2024	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 664811 Conner Creek Sewer System	Federal pass-through State (Reimbursement Basis)	\$8,888,277	Federal Audit Requirements	Disbursement Request of \$1,805,600 submitted in February 2024
2023-019	3/3/2021	American Rescue Plan – State Revolving Fund (ARPA) Funded Project 7532-02 96 Inch Water Transmission Main Relocation Phase 2 EGLE	Federal pass-through State (Reimbursement Basis)	\$16,057,500	Federal Audit Requirements	Reimbursement Request of \$3,651,730 received in May 2024
2023-012	5/22/2024	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660110 – Obligated \$319,911 Fairview PS	Federal pass-through State (Reimbursement Basis)	\$319,911	Federal Audit Requirements	Reimbursement Request of \$319,911 submitted in May 2024
2023-009	5/22/2024	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660133 – Obligated \$80,129 Puritan Fenkell CSO	Federal pass-through State (Reimbursement Basis)	\$80,129	Federal Audit Requirements	Reimbursement Request of \$80,129 submitted in May 2024
2023-010	5/22/2024	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660118 – Obligated \$180,000 WRRF	Federal pass-through State (Reimbursement Basis)	\$180,000	Federal Audit Requirements	Reimbursement Request of \$180,000 submitted in May 2024

**Table 3 – Post Award Programs** the only award that has been closed this reporting period was the State of Michigan Public Act 53 ARPA grant supporting water infrastructure projects. Funds related to these programs have been received in full and the programs are in the process of being closed out, including any closeout reporting requirements.

**Table 3 – Post Award Programs**

Reference Number	Request Date	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2024-006	2/1/2024	American Rescue Plan PA-53 Clean Water Infrastructure Improvements	Federal pass-through State (Reimbursement Basis)	\$5,000,000	Federal Audit Requirements	\$5M Received in June 2024

**Table 4 – Programs Not Awarded or No Longer Pursued** is a table that reflects programs that GLWA were not awarded, or alternatively, programs that GLWA will not continue to pursue. While GLWA has utilized and received FEMA support for most projects related to the June 2021 flood event, the DRI and East Side Sewer projects listed below cannot be completed within the timeframe required to qualify for funding. The System Wide Emergency Protective Measures project costs were covered by insurance proceeds.

Reference Number	Request Date	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2023-018		Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 673958 Detroit River Interceptor	Federal pass-through State (Reimbursement Basis)	\$529,731	Federal Audit Requirements	Withdrawn
2023-014		Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660745 East Side Sewers	Federal pass-through State (Reimbursement Basis)	\$3,566,407	Federal Audit Requirements	Withdrawn
2023-011	5/22/2024	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 668672– Obligated \$43,031 System Wide Emergency Protective Measures	Federal pass-through State (Reimbursement Basis)	\$43,031	Federal Audit Requirements	Withdrawn – Insurance will cover associated costs of the project

**Proposed Action:** Receive and file this report.