

October 31, 2019

The Honorable
Board of Directors
Great Lakes Water Authority

Dear Chairman Baker and Directors:

Regarding: CEO's Report – October, 2019

As I indicated last month, we are now in the midst of GLWA's "budget and charges" season. We have provided a preliminary working draft #1 of our FY 2021-2025 Capital Improvement Plan (CIP) to the Board's Capital Program Committee. We have also reviewed key projects with our Member-Partners on October 17, 2019, at our Charges Rollout #1 meeting. There was a full house for this meeting with both Member-Partners and consultants attending.

Our Charges Rollout #2 meeting is scheduled for Thursday, November 21, 2019 from 10:30 a.m. to 2:00 p.m., at the Lathrup Village Community Center, 27400 Southfield Road, Lathrup Village, and will focus on units of service and sewer shares. We are working internally and with our Member-Partner workgroups to prepare for that meeting.

As we focus on our CIP and capital projects, I wanted to highlight some of GLWA's Team Members efforts currently underway: In our Wastewater Operations area, our Primary Maintenance Team had a vibration analysis done on main lift pump #2, and the report revealed a high vibration originating from the steady bearing. The picture shown to the right, show team members disassembling the bearing and measuring the pump shaft as part of the inspection. In addition to vibration analyses, the Primary Maintenance Team also utilizes oil analyses and infrared heat readings as predictive maintenance tools.



Primary Team Members measuring a shaft diameter

This effort shows the value of those tools in assuring operability and controlling maintenance expense.

Last month the Board approved a job order engineering program that we hope will simplify and improve our ability to respond quickly to maintenance needs in our facilities. Several Job Order Contracts (JOCs) are in development now. In general, these are small projects that require a written Scope of Work (SOW) and some photos and/or simple sketches to describe the project. The following projects have been identified and are currently under review in preparation for distribution for bidding:

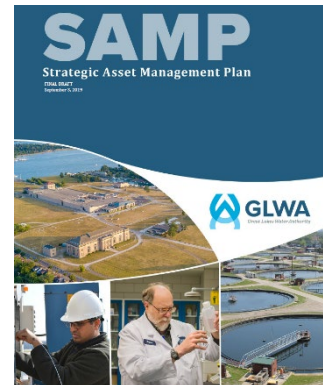
- Parking Garage Rehabilitation – This will address some structural deficiencies of the employee parking garage through temporary supports, concrete surface repairs, and replacement of corroded floor drain piping, etc.
- Complex II Ash Silo Area Stair and Concrete Slab Repair – This will address various cracks, spalling, etc. on the concrete stairs to the ash silos as well as the drive-through pavement slab between the ash silos. Specific repair details are being proposed to make the repairs last longer.
- Complex A Sludge Gallery Roof Leak – This addresses the concrete roof cracks, leaks and subsequent corrosion of pipes under the roof. The reason for the leaks has been identified and thus appropriate repair is recommended.

These are just a few examples of the many contributions that are made each day by the GLWA team to support the utility, its operations, and our region.

PLANNING SERVICES

Asset Management Group

It is anticipated that the Strategic Asset Management Plan (SAMP) as part of the Asset Management Planning project will be finalized in November 2019. The Enterprise Asset Management Group would like to thank all of the dedicated and talented team members for helping to make this SAMP a success! As part of the roll-out, GLWA is undertaking planning for a workshop in the first quarter of 2020 to discuss the document in greater detail with our member partners. In addition, project resourcing and chartering is occurring to begin systematically tackling the improvement initiatives identified within the SAMP over the next several years.



CIP



The CIP group has been working diligently to develop the 2021-2025 Capital Improvement Plan Preliminary Draft No.1. On October 10, 2019, the draft was made publicly available. Comments on this draft are being taken until November 5, 2019 and should be sent to Ali Khraizat, Director of Capital Improvement Planning.

PLANNING SERVICES (continued)

It is anticipated that a second draft of the plan will be released in November. The Capital Planning Committee has meetings scheduled in both November and December to continue their review of the draft plan. Approval of the final draft of the plan will be considered by the full Board of Directors concurrent with consideration of FY2021 Budget and Charges.

In addition, the CIP and AECOM program teams conducted a CIP Leadership Visioning Session targeted at providing a better understanding of how the program is being delivered today, and how it might be better aligned with what we do moving forward. During this session the leadership group worked on defining principles that will guide the CIP Delivery team structure. This is the beginning of GLWA CIP leadership engagements for the Resource Development task of AECOM's contract.

Systems Planning

The past month has been full of engagement opportunities for GLWA members, and the Member Outreach Team is pleased to share the various events that have occurred. The annual Outreach Scorecard results are in and Bridgeport Consulting is currently analyzing the responses – many thanks to all our members that participated. Internally, the team has been establishing a schedule of all work groups for 2020, and we plan to share that calendar with members over the next few weeks.

As was noted at the August 14, 2019 Board of Directors meeting, we are excited to announce that GLWA was recognized by NACWA (National Association of Clean Water Agencies) as a Utility of the Future Today for “Partnering and Engagement” for our Member Outreach Program! We want to thank our members, as without your participation and collaboration, the Member Outreach Program would not be possible.

There was a great turn-out for the Emergency Preparedness Best Practices Workshop held last month for members. More than 80 people attended the workshop sponsored by the Water Management Best Practices Work Group. The purpose of the workshop was to build a shared understanding of the opportunities and best practices related to emergency preparedness. Presenters included:

- Kenneth Bresnan, Area Emergency Manager at the Department of Veterans Affairs
- Walter Davis, GLWA Critical Infrastructure Manager
- Susan Knepper, OHM Advisors



Representatives from Livonia, Detroit, Farmington Hills and Macomb County also shared their own unique experiences with emergencies in their communities.

PLANNING SERVICES (continued)



The One Water Partnership group met on September 19, 2019 with a surprise guest! Splash, GLWA's mascot made an appearance as members arrived. Asset Management was a theme of the meeting. Jody Caldwell, Asset Management Director, shared the draft GLWA Strategic Asset Management Plan with members. Rachael Barlock, an engineer at the Southeast Michigan Council of Governments (SEMCOG) shared details of their Infrastructure Asset Management Program and how members can participate. In partnership with SEMCOG, a representative from TetraTech shared a climate resiliency flooding risk tool for roadway assets, and also shared information about the M-39 Southfield Freeway Mitigation Project.

A number of financial updates were provided, including an update related to the Water Residential Assistance Program, by Jonathan Wheatley, Public Finance Manager, and overviews of the FY2020 and FY2021 Biennial Budget and Financial Plan were given by Nicolette Bateson, Chief Financial Officer. Russ Miller of St. Clair Shores, who is the newly elected co-chair, closed out the meeting, thanked participants for attending and highlighted the value of collaborating as a region.

Save the Date! The next One Water Partnership meeting is scheduled for December 12, 2019 from 10:00 a.m. – 2:00 p.m. at the MSU Management Education Center in Troy. Please contact the Member Outreach Team at outreach@glwater.org for more details.

There were 51 participants at the September Water Analytical Work Group meeting. Participants heard from Jon Wheatley, Public Finance Manager and Contract Negotiation Team Members that there were no exceedances throughout the summer. Peak water demands continue to decline. Grant Gartrell and Tim Kuhns from the GLWA Water Engineering Team presented an overview of the Northeast Water Treatment Plant Repurposing Cost Benefit Analysis. This is an effort that grew out of the 2015 Water Master Plan Update's recommended alternative to right-size the treatment capacity. GLWA's Water Engineering Team performed the analysis. GLWA's recommendation is to implement the Northeast Repurposing Alternative that includes construction of the new transmission system from Water Works Park to Northeast. This alternative optimizes capital investment in existing and proposed transmission. Suzanne Coffey and Madison Merzlyakov, Planning Services Team, reported on the progress of the Units of Service and System Water Audit Scope Development. A phase 3 scope was developed by a small group of members and presented to the AWG participants. Consensus was achieved by the group to recommend GLWA Board approval.

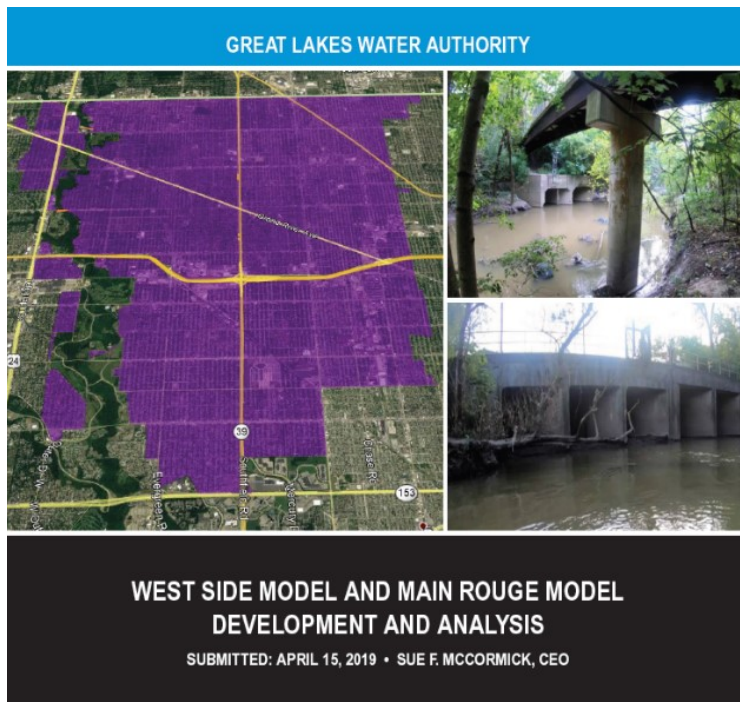
The Wastewater Analytics Task Force (WATF) met on October 4, 2019 and heard from Todd King, Director of Field Services, regarding the Conner and Freud sewage pumping station rehabilitation project. Mr. King shared with the group the value engineering that was conducted and the three alternatives that remain under consideration. The WATF asked clarifying questions, shared their initial thoughts on the alternatives and commented that they are looking forward to learning more at a future meeting.

PLANNING SERVICES (continued)

Tim Minor of Applied Science, on behalf of Oakland County Water Resources Commission, reported out on the flows diverted from their Perry Street Pump Station and members weighed in with their reactions.

We are in the final stretch of development of the Wastewater Master Plan project. An update of the status is expected to be presented to the Board of Directors in a meeting in the near future. A first draft of the report is expected to be delivered by CDM Smith before the end of the year. The next meeting of the Wastewater Master Plan Steering Team will cover the preliminary recommendations which focus on ideas for optimizing existing infrastructure and resources.

System Analytics & Meter Operations



We are happy to report that in the month of September, the West Side Model and Monitoring (WSMM) project was approved by the Michigan Department of the Environment, Great Lakes & Energy (EGLE). Although the report was submitted to EGLE back in April 2019, review took several months. Recall that this was a wastewater collection system project that was undertaken as an NPDES permit requirement in 2016. Its purpose was to generate a model capable of more accurately predicting combined sewer overflow volumes for better future CSO control alternative evaluation. It included the installation of 76 devices, monitoring and model development. The final reports of the project will be published on GLWA’s member outreach portal. In addition, the reports were delivered to the Wastewater Master Plan team for further use in developing the GLWA 40-year Regional Master Plan and the new Regional Wastewater Collection

System Model. Throughout the WSMM program, every effort was made to be inclusive and collaborative with EGLE, the WWMP team and the member partners.

Prepared for Michigan Department of Environmental Quality
Pursuant to requirements under NPDES Permit no. MI0022802



PLANNING SERVICES (continued)

The Group continues its progress working on wholesale water meter pit rehabilitation and meter replacement program. You likely recall that the scope of work includes construction work at 50 meter pits with metering and/or meter pit condition concerns. This work is scheduled to be completed by September 2021. Last month coordination meetings were held with Canton Township, City of Hamtramck, City of Novi, and the City of Troy. The planned work has been completed at five of the locations and is underway at another 10-meter pit locations.

WASTEWATER OPERATING SERVICES

Wastewater Operations

Water Resource Recovery Facility (WRRF) operations were in-compliance with the Water Quality Standards for the month of September 2019 with one exception of slightly higher than permitted fecal coliform result during the wet weather at the Rouge River Outfall. This rarely happens after a long dry weather period due to the scouring of the sewers, moreover, we were at a disadvantage due to the short duration of the wet weather event, where polluting loading was not diluted.

Wastewater Operating Services sent approximately 30 team members for a one-day event to attend the Water Environment Federation Technical Exposition and Conference (WEFTEC) in Chicago. Our team consisted of a wide spectrum; Plant Techs, Engineers, EICT, Maintenance Techs, Chemists, Team Leaders etc. were part of this team. Team members enjoyed and appreciated this professional development opportunity.



WRRF and CSO Team at the 2019 WEFTEC - Chicago, IL

WASTEWATER OPERATING SERVICES (continued)

Industrial Waste Control

GLWA has been diligently working to identify sources of PFAS compounds in response to the EGLE (formerly MDEQ) directive on PFAS (Per-fluoroalkyl substances). In compliance with the re-issued NPDES permit, we have prepared a PFOS (Perfluorooctane sulfonic acid) and PFOA (Perfluorooctanoic acid) Minimization Program. WRRF leadership staff reviewed the document, and it was submitted via MiWaters on September 30, 2019.

We have initiated mailing of the notification packages for the Dental Discharge Category and will continue to do so through the month of October 2019. Dentists are required to submit a compliance report on or before October 1, 2020.

Engineering & Construction

Design Engineering

Currently the design team is engaged in several activities including development of requests for proposals (RFPs) related to capital improvement projects (CIPs), scope of work (SOW) development of a number of job order contracts (JOC), active management of design projects, studies, and other problem-solving issues.

A few RFPs are in development. Each one is at a different stage of completion. The RFPs include:

- CIP 216006 – Assessment and Rehabilitation of Yard Piping and Underground Utilities. An RFP for this CIP was developed in working with our consultant Greely and Hansen. This is a complex project requiring careful planning and innovative approach. The RFP is in the final review process before being released for the procurement of design services.
- CIP 211010 – Rehabilitation of Sludge Process Complex A & B. This is an overall look at various sludge pumps and piping from thickening to dewatering sludge storage pumps. Development of the RFP has just begun.
- CIP 213006 – WRRF Improvements to Sludge Dewatering Pumps at Dewatering Facilities. This involves the study of sludge feed pumps, their correct sizing, control, sequencing, etc. to develop an efficient pumping system to the dewatering devices and the dryer facility. This RFP is under development.
- CIP 211005 – Replacement of Bar Racks and Grit Collection System at Pump Station No.2. This is at the initial stage of development with an internal meeting scheduled for late October 2019 to evaluate the project approach with Operations and Maintenance.

WASTEWATER OPERATING SERVICES (continued)

- Aeration Deck and Metering Building Repairs – The roof hatch above the aeration inlet flowmeters are leaking and had corroded several pipes, conduits, structural members, etc. underneath. This JOC deals with replacement of the access hatch roofing system that would limit roof leaks and also repair all damaged elements.

A couple of projects are already under design now. They include:

- CIP 211006 – Rehabilitation of the Ash Handling Systems. This project will evaluate the current wet ash and dry ash systems and make recommendations on the most viable system. The wet ash system has been off-line for the past five years. The project kick-off meeting took place in mid-October 2019.
- CIP 211008 – Rehabilitation Pump Station 1 Ferric Chloride Feed Systems. This project is in the early stages of design with a progress meeting taking place in late September 2019 and another one planned for the end of October 2019.

Flowserve completed its study of Pump No. 11 at Pump Station No.2 and issued its report in early October 2019. The design consultant Arcadis has provided comments. The report is currently under review by engineering.

Construction Engineering

The replacement of the approximately 15,000 square feet ballasted roof of Dewatering Complex II at the WRRF under Contract 1803227 was recently completed. The new roofing system was substantially complete before the July 2, 2019 milestone. In addition to the roof, a new perimeter walkway, caged rooftop access ladder, crossover stair, and refurbishment of the rooftop HVAC support steel was completed under the scope of work of this contract.

The new Tremco polyurethane roof includes a 20-year Quality Assurance Plus warranty which includes periodic inspections and repairs over the expected 20-year service life of the roof.

Sludge dewatering equipment for the incineration process is located below this roof, with six units required to remain in service at all times to meet production requirements. The previous roof was leaking, and the structural metal deck was failing.

A credit of \$72,800 was returned to GLWA out of the \$1,188,000 contract provisional allowance, resulting in a total contract cost of \$1,115,200 for the project.

WATER OPERATIONS

Lake Huron Water Treatment Plant

The Lake Huron maintenance team completed the installation of new alum metering pumps this week. The old pumps were simply too large making repair work impossible. This is a critical system and had to be completed with the utmost care maintaining redundancy and ensuring continuous operation.

Plant Engineer Shiyu Yang designed the new system along with Maintenance Team Lead Michael Hayden and the maintenance team seeing to the numerous installation details. From the pictures you can see the size change moving to the new pumps. This new technology is easier to maintain and will add a degree of controllability not previously possible.



Old Metering Pumps

New Alum Metering Pumps

On Thursday September 26, 2019, the Lake Huron team hosted a tour for the St. Clair County Health Department, the Friends of the St. Clair River, and for the City of Port Huron staff. This diverse group of people were interested in how GLWA monitors the water entering the St. Clair River, and how Lake Huron would respond in the event of an emergency.

At the group's request, the Lake Huron team provided a "full tour" and after two hours of walking and showcasing the facility, all of their questions were answered. Sheri Faust, the Environmental Health Educator with the St. Clair County Health Department said, "It was so informative and fascinating. The team did a great job of presenting and sharing information."

Northeast Water Treatment Plant

Congratulations to LaShone Bedford (Management Professional for Water Operations) on being the award recipient of the 2019 Operator Meritorious Service Award for her initiative with creating the Hands-on Lab Short Course which was certified via the Michigan Department of Environment, Great Lakes, and Energy (EGLE). LaShone received the award while attending the Annual 2019 Michigan Section AWWA Annual Conference and Exhibits in Traverse City, Michigan.



The Operator Meritorious Service Award recognizes individuals for special performance in safeguarding public health, maintaining the water plant, developing or modifying equipment or processes, training of other water professionals, or other special acts that contributed to outstanding operations and public service.

WATER OPERATIONS (continued)

Southwest Water Treatment Plant

It is our pleasure to announce that the Southwest Water Treatment Laboratory has been awarded “Certificate of Excellence” by ERA for achieving 100% acceptable data in Proficiency Testing Study WS-277. The recognition of the Southwest Plant Laboratory in proficiency testing demonstrates the team’s commitment to provide water of unquestionable quality to its consumers.

The 2019 Water Treatment Review Class is currently in session at the Southwest Water Treatment Plant. The course began on September 9, 2019 and was held through October 3, 2019. The course met on Monday’s and Thursday’s and was facilitated by Southwest Plant Manager Ronald Hayes.

Ronald Hayes offered in-depth material and instruction that prepared team members and leaders for progressing through various levels of the F, S and D licenses. The topics covered in the course included math, chemistry, algebra, treatment, chlorine safety and chemical feeding.

Water Quality

On July 1, 2019, Water Quality (WQ) began the new regulatory requirement for water quality parameters. The Water Quality team is now required to collect 693 samples quarterly from 85 communities. Prior to July 2019, the Water Quality team was required to collect 80 samples every six months from 71 communities. GLWA staff measures the water quality parameters required under the Michigan Lead and Copper Rule as part of the corrosion control treatment technique (pH, reactive orthophosphate, total alkalinity sulfate and chloride).

For many years, Water Quality collected water quality parameters on a reduced schedule. However, EGLE’s new lead and copper initiative is to increase the monitoring of these important indicators of corrosion control. To achieve this new goal, the WQ team had to work with EGLE, member partner communities, and field staff to obtain additional sample locations.

Commendably, the Water Quality Field Investigation team and the Laboratory team exceeded expectations by completing the task before the deadline of September 30, 2019. Also, during the transition to the new sampling numbers, the positives outweighed the negatives. As the group transitions into a new quarter, the main goal is to complete task without any negatives.

On October 1, 2019, an Introduction to Microbiology class was conducted at Water Works Park and taught by Chemist Ursula Gray. The purpose of the class was to acquaint GLWA Team Members who are not chemists or biologists with the jargon, concepts and basic principles of microbiology with ease. The intent for the class is to exist, as a prerequisite to the Microbiology class, taught by Water Quality Manager Mary Lynn Semegen.

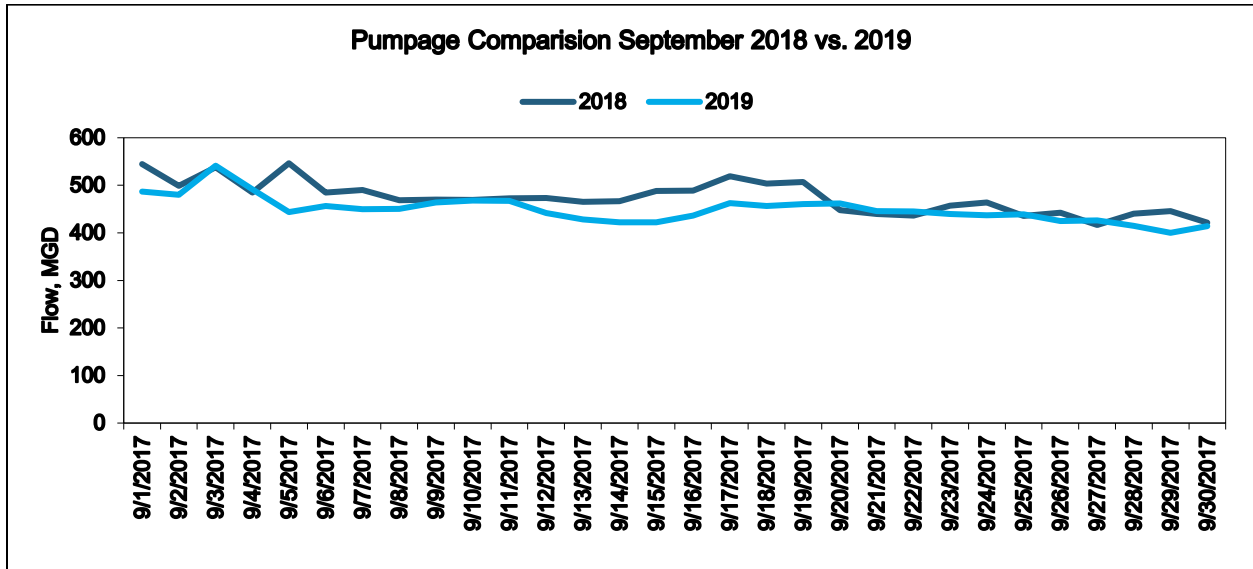


WATER OPERATIONS (continued)

Systems Control Center

September 2019 Pumpage

September 2019 pumpage was 5% lower than September 2018



INFORMATION TECHNOLOGY

In the past month, the IT Security Team has proactively blocked or thwarted 11,684 spam messages, 4,784 spoofed messages and 24 viruses. 445 phishing attempts have been caught and 97 malware attempts have been blocked.

GLWA's Human Resources Information System (HRIS), Dayforce, underwent an upgrade on October 10, 2019, to version 57. Enhancements include Account Recovery Assistant that allows employees to verify their email account information and set up security questions to confirm their identity and reset their password through self-service, without depending on support personnel for assistance. The second enhancement is that Managers can now create Time Off From Work requests on behalf of their employees. This feature helps ensure that employee time is always accounted for.

GLWA plans to issue a Request for Proposals (RFP) in November 2019 for software and implementation services for an Enterprise Resource Planning (ERP) system to replace our financial and HRIS systems (BS&A and Dayforce, respectively). The successful proposer will provide an integrated solution that is user-friendly and easy to administer.

INFORMATION TECHNOLOGY (continued)

Key considerations for the new ERP include:

- Easy-to-use, workflow-driven, cloud-based Software as a Service (SaaS), and mobile-friendly.
- Incorporates HR and Finance functions within a single solution
- Easy integration and/or interfaces with other GLWA applications and third-party systems
- Rigorous change management and user training

The HR aspects of the new system must be fully implemented in time to run the first payroll of 2022. The financial components should be implemented by June, 2022. Interested vendors should register on Bonfire in order to receive the RFP, when it is released. All questions and inquiries should be emailed to Mahfuzur Rahman prior to the solicitation release date.

The IT Business Productivity Systems team worked with the Finance Team to clean up the approval paths for invoices within GLWA's financial application, BS&A. Along with the approval paths cleanup, the team took the opportunity to clean up the BS&A user access request form. Taken together, these improvements will allow for a more streamlined process when granting and approving access to the BS&A system.

Currently, the IT PMO is managing 20 active projects and is processing 15 project requests. One project has been successfully completed since the September CEO report.

PUBLIC AFFAIRS

Rouge River Outfall Announcement

A news release was distributed announcing GLWA's new Rouge River Outfall Disinfection Facility (RRO). The new RRO ensures every drop of water discharged into the Rouge River from GLWA's Water Resource Recovery Facility (WRRF) is entirely screened, treated and disinfected – improving water quality in the river and helping to protect public health. FOX 2 Detroit interviewed Wastewater Operations Director Majid Khan, who gave FOX 2 Reporter Roop Raj a tour of the facility. In his interview, Majid did a great job of crystalizing a complicated topic into what matters for the viewers: 1) protecting the public health by every drop of water leaving the WRRF being treated and disinfected now, 2) better water quality for humans and wildlife, and 3) cost avoidance thanks to a talented group of GLWA team members and others who came up with this innovative solution using existing infrastructure. The interview can be seen here: <https://www.fox2detroit.com/news/more-than-200-million-in-costs-avoided-as-great-lakes-water-authority-disinfects-rouge-river>.

PUBLIC AFFAIRS (continued)

Reinforcing the GLWA Brand

C&G Newspapers came out to GLWA’s annual Manufacturing Day event in early October. This year’s event was hosted at Water Works Park and included students from Chandler Park Academy. The newspaper article highlighted GLWA’s efforts to reach out to students and share how rewarding a career in the Water Sector can be. WWP Plant Manager Andrae Savage shared his passion for what he does, and that came through loud and clear in the article. Water Technician Douglas Boatwright guided the students’ tour (see photo below). A special thanks to Organizational Development for their strong support of this unique program – they make it better every year! The story can be read by clicking here: <https://www.candgnews.com/news/chandler-park-academy-students-learn-about-careers-during-manufacturing-day-115391>



Making Big Waves Against Breast Cancer

GLWA’s Making Big Waves Against Breast Cancer campaign for the annual Making Strides Against Breast Cancer (MSABC) Walk beat its best fundraising effort by more than \$600, raising a total of \$2,813 (compared to last year’s \$2,210). A big difference was in t-shirt sales. Because GLWA ordered from a different vendor, we were able to donate \$5.81 per shirt to MSABC for a total of \$384.

PUBLIC AFFAIRS (continued)

The “Pink Out the Plant” (POP) rubber wristbands were also helpful in this effort; individual team members contributed from \$1 - \$105.50 each (it was a big range, but people donated what they felt appropriate). We also had a bigger turn out for this year’s walk, which occurred on Saturday, October 12. In all, a great effort from an even greater team!

Community Outreach

As a part of our continuing Community Outreach efforts, GLWA sponsored the annual Detroit River Festival, which is a two-day educational event that teaches approximately 1,500 elementary school students from local public and charter schools about the importance of our water resources and the difference they can make in the world if they commit to protecting our creeks, rivers, streams and lakes. Students experienced hands-on lessons and interesting presentations at the Belle Isle Nature Center. In addition to funding, GLWA provided a collapsible water bottle for each student and volunteer, and our banner was prominently placed at the registration table. The event is produced by the Friends of the Detroit River.

SECURITY AND INTEGRITY

The Hazmat Unit coordinated and completed a total of 350 hours of training during the month.

Security and Integrity continued discussions and planning for an Emergency Tabletop Exercise in the summer of 2020.

Security and Integrity participated in the EPA’s development of a Security Research Program for water distribution and source water modeling.

ORGANIZATIONAL DEVELOPMENT

Apprenticeship Program

EICT-E Apprenticeship

During the week of September 23, 2019, an announcement regarding the requirements and benefits of participating in GLWA’s EICT-E apprenticeship program was disseminated via email, GLWA communication monitors, and postings through-out facilities.

A total of 20 GLWA team members participated in the Test of Adult Basic Education (TABE®) at Focus Hope to participate in the EICT-E pre-apprenticeship courses. 13 team members, with high enough scores and availability, began the 11-week evening pre-apprenticeship that started on Monday, October 7, 2019.

ORGANIZATIONAL DEVELOPMENT (continued)

EICT-I Apprenticeship

All apprentices are on schedule for completion (Cohort I: January 2020; Cohort 2: March 2020).

Benefits

After the ratification of their contract, AFSCME benefit deductions related to their expired CBA have been removed as of the October 11, 2019 pay. Benefit deductions are now in line with all other enrolled team members.

OD has met with all unions/associations to share the new healthcare rates.

Open Enrollment messaging will include:

- GLWA will continue with the 80/20 cost-sharing method. Rates have been received from the carriers and cost-sharing calculated for all team members.
- Open Enrollment: November 7 – 22. One Water Wellness fairs have been scheduled at various GLWA facilities to support team members through the enrollment process.
- Telemedicine Copays: Reduced to \$10 for both HAP and BCBSM plans.
- HAP Hearing Aid Coverage: No cost on the HAP plan for Value Technology Hearing Aids and audiology exams will continue to be covered with a \$25 office visit copay.
- BCBSM Hearing Aid Coverage: A hearing aid evaluation test and monaural or binaural hearing aids will now be covered by the plan every 36 months.
- BCBSM Dental Care preventive services: Preventive Exams, routine cleaning, and x-rays will no longer be subject to the current \$1,000 annual benefit maximum. This means team members, and each of their family members will now have the full \$1,000 annual benefit maximum available for use for any approved services beyond Class I services.
- More Provider Options for Heritage Vision benefits: Team members may visit in-network providers outside of Heritage Retail locations for their vision care. This means that team members (on both the core and buy-up plans) no longer only need to visit a Heritage Retail location to use their benefits. Team members can visit www.heritagevisionplans.com to identify eligible providers. ***Note: The Core plan uses the Select network, which is focused on Southeast Michigan, the Buy-Up plan uses the National network.***

ORGANIZATIONAL DEVELOPMENT (continued)

Pipeline to Employment

Since the September CEO report, no new contractors have become GLWA team members. The table below provides a breakdown of GLWA Team Members to date:

Total Staffing - Regular FTEs	1034
Number of Hires - 2019 YTD	145
Total Number of Contractors (FTEs)	137

Training and Development

During the month of September 2019, GLWA facilitated 17 courses in Safety, Water Operations and Wastewater Operations that produced 131 hours of training and development to:

- 161 GLWA team members
- 9 Member Partners:
 - 1 Member Partner from Chesterfield Township completed 360Water's Media Filtration for Drinking Water training course;
 - 8 Member Partners from DWSD completed the 16-hour Confined Space training course.

GLWA is committed to ensuring team members work in a healthy and safe environment that is in compliance with OSHA and MIOSHA rules and regulations. The One Water Institute Training and Development Team will be expanding its training opportunities for all Team Members for the following three Safety courses:

- Bloodborne Pathogens (annually)
- General Health and Safety Awareness (annually)
- First Aid/CPR (biennially)

FINANCIAL SERVICES AREA

October 2019 Audit Committee Recap

The most recent GLWA Audit Committee meeting was held on October 18, 2019. The full Audit Committee binder is posted at www.glwater.org and includes the following discussion topics:

FINANCIAL SERVICES AREA (continued)

- ✓ Delivery of a report by GLWA’s municipal bond advisor regarding next steps and required GLWA Board of Director approval to pursue debt refinancing opportunities for water and sewer bond issues based on recent changes in interest rates.
- ✓ Updates on FY 2021 Charges Rollout and the GLWA Annual Financial Audit.
- ✓ Discussion regarding a recent agreement between GLWA and two local drainage districts to allow for a cooperative approach to managing the regional Industrial Pretreatment Program and its impact on GLWA Industrial Waste Control (IWC) charges for a limited number of member partner communities and their customers.
- ✓ Highlights of the updated ten-year financial forecast.
- ✓ Discussion regarding potential changes to November and December Audit Committee dates to accommodate presentation of the June 30, 2019 audited financial results and approval for an important proposal regarding investment advisor selection.
- ✓ Presentation of the July 2019 Monthly Financial Report Binder (Executive Summary attached).
- ✓ Presentation of the Quarterly Water Residential Assistance Program (WRAP) report.

DWSD/GLWA Teamwork



On October 15, 2019, members of the GLWA Financial Services Area, Detroit Water and Sewerage Department Finance and external auditors from Plante Moran and Baker Tilly participated in Accounting Playbook training. The training focused on accounting and financial touchpoints between the two entities and included discussion regarding required reporting and

disclosures as well as informal coordination necessary to support effective reporting and compliance. Pictured are Accounting Playbook participants (left to right) Jo Arnold (DWSD), Kathy Smith (GLWA), Kim Garland (GLWA) and Rob Rice (DWSD).

FINANCIAL SERVICES AREA (continued)

Treasury

The GLWA Treasury team (Deirdre Henry, Ed Vanneste, and Katlyn Butzin) recently received the Association of Public Treasurers of the United States and Canada (APT US&C) Certification of Excellence Investment Policy award. This award recognizes the Treasury



team's success in developing a comprehensive written Investment Policy that meets the criteria set forth by the Association's Investment Policy Certificate Committee. The Treasury team received a plaque and certificate. They also have an invitation to attend the 2020 Annual

Conference for recognition by their peers in July of next year.

The Procurement Pipeline

The October 2019 Edition is attached.

Vendor Outreach

On September 17, 2019, Ali Khraizat, CIP Director, and Ian Thompson, Owner's Representative, presented our Capital Improvement Plan at an event hosted at Schoolcraft College. GLWA was invited to present on the topic by the Associated General Contractors of Michigan, Construction Financial Management Association – Metro Detroit Chapter, National Contract Management Association, Procurement Technical Assistance Center – Schoolcraft College, Public Sector Construction Forum, Society of Military Engineers – Detroit Post and the Washtenaw Contractors Association. The information presented, on our Capital Improvement Plan, was well received at the meeting. The meeting was attended by over 80 contractors, consultants and GLWA Team Members.



FINANCIAL SERVICES AREA (continued)

Small Business Initiatives

Members of the Vendor Outreach team represented GLWA At Walbridge's Annual Built for Opportunity event on October 9, 2019. This event provided a construction networking opportunity for small and large businesses in every discipline. In addition, the Vendor Outreach team has been meeting with potential contractors that have an interest in bidding/proposing on future procurements. These meetings focus on how to do business with GLWA.

LEGAL

General Counsel's October Report is an attachment to the Chief Executive Officer's Report.

Respectfully submitted,



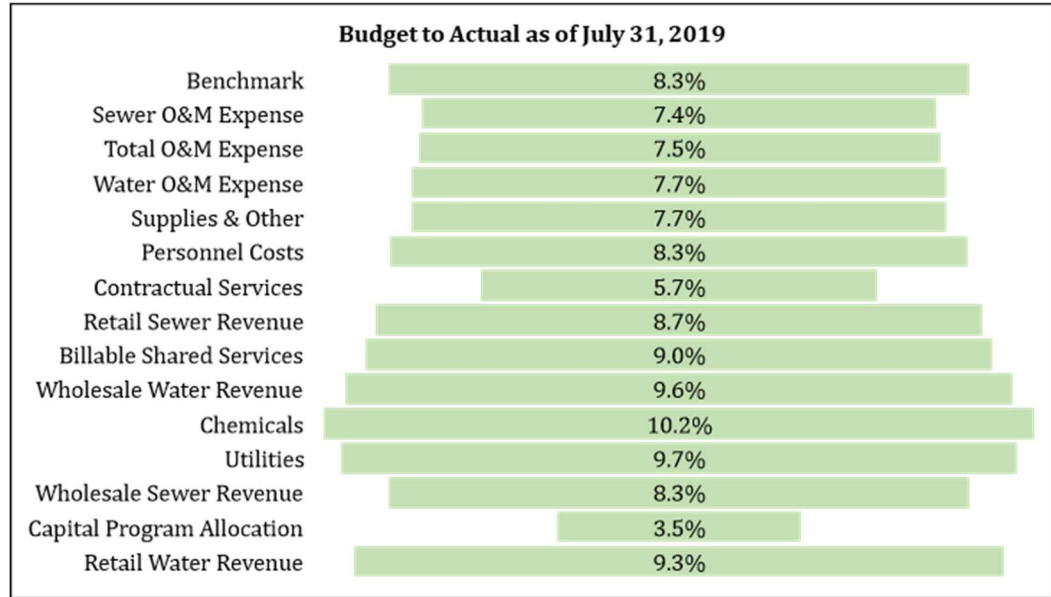
Sue F. McCormick
Chief Executive Officer

SFM/dlr

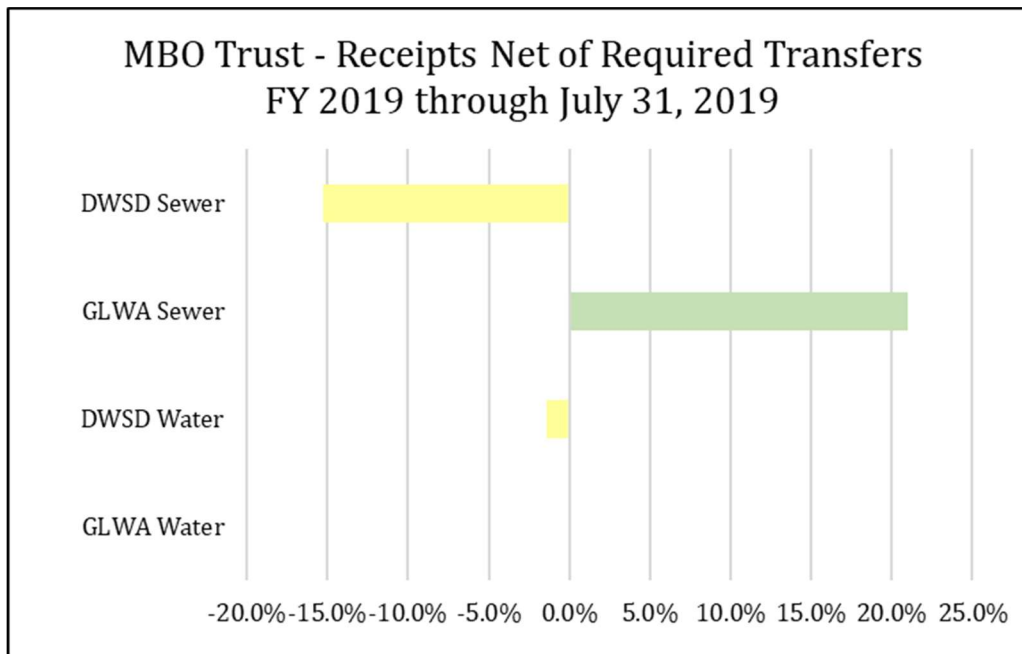
Attachments (3)

Revenue and Expense Budget to Actual¹ – Pro-rata Benchmark of 8.3%

Current period financial results indicate all revenue and expense reporting categories fall within the 7.5% of the pro-rata budget to actual benchmark.



Master Bond Ordinance (MBO) Trust Net Receipts



Net cash flow (receipts) is positive for GLWA Sewer and at breakeven for GLWA Water. This means that all legal commitments of the MBO Trust and the lease payment are fully funded to date – and that positive cash flow is

available for additional capital program funding in subsequent year(s). DWSD Water and Sewer fell short in the first month of the fiscal year although preliminary August activity shows improvement.

Questions? Contact the Office of the Chief Financial Officer at CFO@glwater.org

¹ All amounts are GLWA entity-wide unless noted as water, sewer, and/or retail.

Welcome to the October edition of *The Procurement Pipeline*, a monthly newsletter designed to bring you informative updates on doing business with GLWA.

Tips for Responding to an RFB/RFP

“Mandatory” solicitation requirements are clearly identified in the solicitation document. Make sure you meet that criteria before investing time in responding.

- 1) *Read the solicitation carefully.* All “mandatory” requirements must be met to be considered for project award. There will be no exceptions.
- 2) *Questions?* If you do have questions, please do communicate with only the buyer listed on Bonfire for that specific solicitation. Your questions help us to improve the solicitation process.

ATTENTION: Information Technology Firms

In November 2019 GLWA plans to issue a Request for Proposals (RFP) for software and implementation services for an Enterprise Resource Planning (ERP) system to replace our financial and human resource systems. Key considerations for the new ERP include ease-of-use, workflow-driven design, Software as a Service (SaaS) delivery, and mobile-friendly. The HR aspects of the new system must be implemented for the first payroll of calendar year 2022. The finance aspects must be implemented by June 2022. Interested vendors should register on Bonfire in order to receive the RFP when it is released. All questions and inquiries should be emailed to [Mahfuzur Rahman](mailto:Mahfuzur.Rahman@glwater.org).

Construction Sector Event

On September 17, 2019 several construction sector associations hosted a GLWA capital improvement program. The event was very well attended. The feedback from the construction community was



overwhelmingly positive. Ali Khraizat, Capital Improvement Planning Director, and Ian Thompson, Owners Representative Manager, addressed effective capital delivery well as fair and transparent vendor relations. Our heartfelt thanks to the construction community for your support!

GLWA Direct to YOU!

GLWA Direct to YOU!, the electronic vendor payment program, has launched. Those vendors that have signed up are very excited to receive GLWA payments directly into their accounts! We encourage all our vendors to sign up for ACH payments. Benefits include prompt settlements, a secure vendor portal, detailed remittance information, improved controls (no lost or stolen checks), and *improved cash flow for your business*. Please email us at accountspayable@glwater.org for further instruction on how to enroll.

Small Business Initiative (SBI)

The SBI Team is preparing for two upcoming events. The first is a half-day training sponsored by the Schoolcraft College Procurement Technical Assistance Center (PTAC) titled, “Doing Business with GLWA.” Check the Schoolcraft College PTAC website for additional information. We are also working on the next Small Business Advisory Meeting scheduled for January 23, 2020 at Macomb College. We will have details soon but mark your calendar for that morning.

What’s Coming Down the Pipe?

Current Solicitations: Available on [Bonfire](#)




Next Three to Nine Months: See reverse side

Keeping Up With GLWA

Our [CEO's monthly report](#) provides a wealth of information and news about important initiatives.

Where to Meet GLWA

GLWA participates in many outreach events throughout southeast Michigan. We welcome you to visit us at the following events. Note: event sponsors may require pre-registration and/or a fee.

-  [MDOT Bonding & Training Program - October 30, 2019](#)
-  ["Doing Business with GLWA" Training sponsored by Schoolcraft PTAC - November 6, 2019](#)
-  [MDOT Bonding & Training Program – November 26, 2019](#)

Visit us online! See the Vendors page at www.glwater.org or contact us via procurement@glwater.org

Great Lakes Water Authority
Upcoming Procurements
October 2019

CIP = Capital Improvement Plan

Category	Buyer (if assigned)	Description	Budget Estimate
Water System (next three months)			
Design Build	N/A	Lake Huron Water Treatment Plant - Two New High Lift Pumps, Flow Meter, and Yard Improvements (CIP #111009)	\$26,000,000
Maintenance	N/A	5-Year Sludge Removal and Disposal Services at Northeast, Springwells & Southwest Water Plants	\$55,000,000
Study	N/A	ARC Flash Study	\$425,000
Wastewater System (next three months)			
Design Build	N/A	CSO-Facilities Structural Improvements Projects	\$12,000,000
Services	N/A	Instrumentation and Controls, Job Order Contract	\$8,000,000
Services	N/A	Electrical Services Maintenance	TBD
Services	N/A	Actuator Manintenance	TBD
Information Technology (next three months)			
Services	N/A	Enterprise Asset Management System Software and Implementation Services	\$7,000,000
Water System (next four to nine months)			
Design Build	N/A	7 Mile/Nevada Water Transmission Main Rehab and Flow Control Station (CIP #122017)	\$5,000,000
Design	N/A	Water Works Park Process Areas Ventilation System Improvements (CIP #115005)	\$650,000
Construction	N/A	Rehabilitation of GLWA Outfalls - Phase IV (CIP #260500)	\$9,800,000
Construction	N/A	Phase 1 - 14 Mile Transmission Main Loop (CIP #122013)	\$6,300,000
Progressive Design Build	N/A	Phase 2 - Waterworks Park to Northeast Water Treatment Plant Transmission Main	\$92,000,000
Construction	N/A	Water Works Park Yard Piping	\$71,000,000
Construction	N/A	Flocculoator Improvements - Northeast Water Treatment Plant	\$2,500,000
Wastewater System (next four to nine months)			
Design	N/A	Pump Station #2 Bar Racks Replacement and Grit Collection System (CIP #211007)	\$11,000,000
Design	N/A	Assessment and Rehabilitation of Yard Piping and Underground Utilities (CIP #216006)	\$25,000,000
Design	N/A	Baby Creek Outfall Improvements Projects (CIP #277001)	TBD
Study	N/A	Long Term CSO Plan	TBD
Asset Management (next four to nine months)			
Consultant	N/A	Linear System Integrity Program	\$25,000,000



Office of the General Counsel

735 Randolph Street, Suite 1900
Detroit, Michigan 48226

Office of the General Counsel – October, 2019

- ***NPDES ACO Dismissal:*** The Office will assist in preparing documents to have the ACO dismissed.
- ***Legislative Updates:*** The Office continues to support HB 4806 which contains amendments to the exception to governmental immunity, regarding liability for sewer back up claims. GLWA continues to cooperate with member partners on the Lead and Copper Rules as well and attend webinars on the subject. The Office is also monitoring a bio-solids bill.
- ***Gordie Howe International Bridge:*** The IWC program vacated 303 Livernois and relocated to WWRF, however, GLWA's reimbursable relocation costs remain an open item.
- ***Trenton Water Main:*** The Office is negotiating the transfer of the 24-inch water main to GLWA. GLWA retained a survey company to survey the entire easement area for the transfer documents.
- ***Water Contract Negotiations:*** GLWA will attempt to secure long term contracts with all communities that are not on the model contract.
- ***Environmental and Workplace Safety Compliance:*** The Office continues to work with the COO and team leaders from both the water and sewer systems to comply with regulations and to respond to any alleged violations. The Office is also assisting on GLWA's property remediation efforts.
- ***Record Retention Policy:*** The Office is drafting a record retention policy for GLWA.
- ***Industrial Pretreatment Program:*** The Office continued to work with the Industrial Waste Control ("IWC") Group and external stakeholders on finalizing and implementing an updated IPP and overseeing the current program. The Office coordinated the transfer of a portion of GLWA's IPP to the Oakland County Water Resource Commissioner ("OCWRC"). The Office is also providing assistance on PFAS and PFOS matters.
- ***Lead and Copper:*** The Office provided support to GLWA's Water Supply Advisory Council.
- ***Real Estate:*** The Office is negotiating easements to operate and maintain water and sewer infrastructure in the footprint of the FCA project. The Office is working with GLWA's broker to market 235 McKinstry.

- **Member Outreach:** The Office continues to be an active participant in Member Outreach sessions.
- **Main Relocations:** The Office continues to support water operations in its discussions with community stakeholders regarding water main relocations.
- **Civil Litigation and Arbitrations:** The Office continues to vigorously defend actions against GLWA, including recently filed class action lawsuit regarding IWC charges. GLWA continues to pursue its action against Highland Park for the collection of unpaid water and sewer invoices. GLWA is a plaintiff in the lawsuit against the State related to the Lead and Copper Rules. Recently, the Court granted the State's second Motion for Summary Disposition, dismissing the action. GLWA settled the *Curtis Young v GLWA* matter for \$32,500. GLWA received one employment arbitration complaint, alleging discrimination under the Elliott-Larsen Civil Rights Act. GLWA received one contract dispute litigation matter, which was filed in Wayne County Circuit Court.
- **Labor Relations:** The Office continues to provide legal advice to Organizational Development on labor relations and employment matters.
- **Lease Arbitration:** The City and GLWA delayed the arbitration to secure an amicable resolution of open items.
- **Procurement:** The Office continues to assist GLWA's Procurement Team negotiate contracts, change orders and amendments and interpret contractual provisions. The Office is also assisting with the Procurement Policy's Procedures and updating GLWA's template contracts.
- **Awards:** Lavonda Jackson is a 2019 Lawyers of Distinction Recipient. Laurie Koester is a 2019 Crain's Women in the Law Recipient.

- **Past Month's Statistics:**

Contracts reviewed as to form:	17
Contracts drafted or revised:	26
Subpoenas/Information requests received:	7
Subpoenas/Information responded to:	5