



Financial Services Audit Committee Communication

Date: October 27, 2023 (Rescheduled to November 9, 2023)

To: Great Lakes Water Authority Audit Committee

From: Alicia Schwartz, Manager – Grants and Intergovernmental Relations

Re: Grants, Gifts, and Other Resources 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 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.

Other resources in this context 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.

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

Refer to the Grants, Gifts, and Other Resources Delegation Policy at [Grants, Gifts, and Other Resources Delegation Policy - GLWA \(glwater.org\)](https://www.glwater.org/grants-gifts-and-other-resources-delegation-policy).

Analysis: To ensure transparency and timely communication, this report is provided to the Board, no less than quarterly, documenting activities subject to the policy. The report will, at a minimum, include description, type of activity, dollar amount, compliance and/or performance requirements, if any, and status including, at a minimum, solicitation, acceptance, and close-out.

This report has been updated to align section titles with the grant lifecycle as found in best practice guidance and in the Workday system currently being implemented at GLWA. The

grants lifecycle refers to the process required to secure, administer, and close out grant activity. These steps are broken down in three major phases: pre-award, award, and post award.

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 tables in each section of this report now reflect GLWA grant activity in each phase. As a grant moves through this lifecycle, it will be updated in the appropriate section of the report.

Bolded items in the attached tables reflect changes from the prior report.

Highlights of this report through September 30, 2023, includes the following.

- ✓ **Federal Emergency Management Agency (FEMA) activity related to COVID-19** – GLWA received a grant payment in the amount of \$334,193 for project 697073 under the FEMA COVID-19 grant through the State of Michigan. This grant is now closed as all obligated funds for that project have been received.
- ✓ **American Rescue Plan Act State Revolving Fund (WRRF Pump Station 1)** – GLWA received a federal grant payment for the Water Resource Recovery Facility project related to SRF #5836-01 in which ARPA funds were awarded in the amount of \$2,342,280, all funds were received in September. This grant is now closed as all funds for that ARPA grant have been received.
- ✓ This report presents the Grants, Gifts, and Other Resources across three tables.

Table 1 – Pre-Award Programs reflects open submissions for FY 2023 and FY 2024 to date. The summarized activity provided identifies nine FEMA Flood projects with two new letters of intent to support and collaborate with other entities, two EPA Community Grants, a supplemental State appropriation, and the I-94 Modernization Project grant.

Table 2 - Awarded Programs reflects all awarded grants from FY 2021 through FY 2024. Current month updates to the summarized activity below includes one State Revolving Fund American Rescue Plan Act Funding programs in which there has been

no disbursement activity to date, three award receipts related to a local nonprofit apprenticeship grant, and the Department of Energy grant in which only cost share has been accounted for to date.

Table 3 – Post Award Programs reflects two programs with two reimbursement requests and two receipts through September 30, 2023. The programs that are reflected below are State Revolving Fund ARPA Funds and FEMA Covid-19 program. 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.



Financial Services Audit Committee Communication

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 nine FEMA Flood projects with two new letters of intent to support and collaborate with other entities, two EPA Community Grants and the I-94 Modernization Project grant in the NEPA process.

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
2023-012	4/4/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660110 – Fairview PS	Federal pass-through State (Reimbursement Basis)	\$319,911	Federal Audit Requirements	Funds are obligated but have not been received

Reference Number	Request Date	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2023-009	4/4/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660133 – Obligated Puritan Fenkell CSO	Federal pass-through State (Reimbursement Basis)	\$80,129	Federal Audit Requirements	Funds are obligated but have not been received
2023-010	4/11/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660118 – Obligated WRRF	Federal pass-through State (Reimbursement Basis)	\$180,000	Federal Audit Requirements	Funds are obligated but have not been received
2023-011	8/30/2022	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 668672– Obligated System Wide Emergency Protective Measures	Federal pass-through State (Reimbursement Basis)	\$43,031	Federal Audit Requirements	Funds are obligated but have not been received
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	Grant Amount is Estimated
2023-013		Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 714729 Outfalls	Federal pass-through State (Reimbursement Basis)	\$1,332,235	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
2023-022		Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660745 Conner Creek Sewer System	Federal Grant (Reimbursement Basis)	\$8,888,277	Federal Audit Requirements	Grant Amount is Estimated
2023-014		Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 664811 East Side Sewers	Federal pass-through State (Reimbursement Basis)	\$3,566,407	Federal Audit Requirements	Grant Amount is Estimated
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
2024-001	8/30/2023	NFWF Coastal Resilience Challenge	Letter of Intent by University of Michigan	Unknown at this time	Unknown at this time	Grant Amount is Estimated
2024-002	8/30/2023	NOAA Climate Resilience Regional Challenge	Letter of Intent by University of Michigan	Min \$25,000,000	Unknown at this time	Grant Amount is Estimated
2023-017		American Rescue Plan PA-53 Clean Water Infrastructure Improvements	Federal pass-through State (Reimbursement Basis)	\$25,000,000	Federal Audit Requirements	Supplemental Budget Appropriation
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

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 updates to the summarized activity below includes one State Revolving Fund American Rescue Plan Act Funding programs in which there has been no disbursement activity to date, three award receipts related to a local nonprofit apprenticeship grant and the Department of Energy grant in which only cost share has been accounted for to date.

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	Ongoing No activity as of date for 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	4/1/2023	Department Of Energy – Hydrothermal Liquification Project	Federal Grant (Reimbursement Basis)	\$1,000,000	Federal Audit Requirements	Awarded Ongoing

2023-019	3/3/2021	American Rescue Plan – State Revolving Fund (ARP) 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	No disbursement requests submitted to date
----------	----------	--	--	--------------	----------------------------	--

Table 3 – Post Award Programs reflects two programs with two reimbursement requests and two receipts through September 30, 2023. The programs that are reflected below are State Revolving Fund ARPA Funds and FEMA Covid-19 program. 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	Start Date	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2023-020	10/11/2021	American Rescue Plan – State Revolving Fund (ARP) Funded Project 5836-01 WRRF Pump Station 1 Rehabilitation EGLE	Federal pass-through State (Reimbursement Basis)	\$2,342,280	Federal Audit Requirements	Funds were received on 9/13/2023
2023-004	12/19/22	Federal Emergency Management Agency (FEMA) activity related to COVID-19 Project 697073	Federal pass-through State (Reimbursement Basis)	\$334,193	Federal Audit Requirements	Payment was received in the full amount of \$334,193

Proposed Action: Receive and file this report.