



Proposed Schedule of Charges

February 15, 2019



**GREAT LAKES WATER AUTHORITY
NOTICE OF PUBLIC HEARING
PROPOSED FY 2020 WATER AND SEWERAGE SERVICE CHARGES**

Notice is hereby given that the Great Lakes Water Authority Board of Directors will hold a Public Hearing on Water and Sewerage service charges proposed by the Great Lakes Water Authority for Fiscal Year 2020.

DATE: Wednesday, February 27, 2019

TIME: 2:00 p.m.

**PLACE: 5th Floor Board Room
735 Randolph
Detroit, Michigan 48226**

The proposed service charges are scheduled to take effect on July 1, 2019.

The proposed schedule of charges is available for public inspection at the office of the Authority, Water Board Building, 735 Randolph, Detroit, Michigan 48226. The proposed schedule of charges may also be found online at <https://www.glwater.org/financials/>.

Individuals or groups wishing to make oral presentations or submit prepared statements pertaining to the proposed service charges may do so at the Public Hearing. Individuals or groups giving oral presentations are encouraged to have their presentations in writing, with a copy to be submitted for the record to the Great Lakes Water Authority Board of Directors. Oral presentations should be brief to allow all parties the opportunity to participate. A time limit may be imposed based upon registration at the hearing.

Interested parties who are unable to attend the Public Hearing may submit their comments in writing to:

Sue F. McCormick, Chief Executive Officer
Great Lakes Water Authority
735 Randolph
Detroit, Michigan, 48226

Great Lakes Water Authority
Proposed FY 2020 Water Supply System Allocated Revenue Requirements and Service Charges

| Line No. | <u>Wholesale Customer</u> | Fixed Monthly Charge (a) \$/mo | Commodity Charge (a) \$/Mcf | Annual Revenue Req'ts \$ |
|----------|---------------------------|-----------------------------------|--------------------------------|-----------------------------|
| 1 | Allen Park | 121,500 | 7.43 | 2,429,400 |
| 2 | Almont Village | 11,800 | 10.46 | 235,300 |
| 3 | Ash Township | 41,400 | 8.07 | 827,600 |
| 4 | Belleville | 15,400 | 9.75 | 307,100 |
| 5 | Berlin Township | 37,400 | 10.73 | 748,700 |
| 6 | Brownstown Township | 186,000 | 10.30 | 3,719,200 |
| 7 | Bruce Twp | 15,300 | 75.96 | 305,700 |
| 8 | Canton Township | 523,800 | 11.59 | 10,476,500 |
| 9 | Center Line | 23,500 | 6.01 | 470,100 |
| 10 | Chesterfield Township | 213,100 | 10.03 | 4,262,100 |
| 11 | Clinton Township | 386,200 | 7.46 | 7,723,400 |
| 12 | Commerce Township | 182,600 | 13.73 | 3,652,900 |
| 13 | Dearborn | 534,900 | 6.90 | 10,698,400 |
| 14 | Dearborn Heights | 186,900 | 7.38 | 3,738,100 |
| 15 | Eastpointe | 79,800 | 5.87 | 1,596,500 |
| 16 | Ecorse | 75,800 | 4.30 | 1,515,000 |
| 17 | Farmington | 52,200 | 8.72 | 1,044,400 |
| 18 | Farmington Hills | 457,900 | 9.70 | 9,157,300 |
| 19 | Ferndale | 51,600 | 5.96 | 1,032,200 |
| 20 | Flat Rock | 71,000 | 8.54 | 1,420,100 |
| 21 | Flint (b) | 571,700 | 8.26 | 11,434,800 |
| 22 | Fraser | 62,800 | 8.10 | 1,255,000 |
| 23 | Garden City | 87,000 | 7.94 | 1,740,400 |
| 24 | Gibraltar | 17,300 | 7.84 | 346,700 |
| 25 | Grosse Ile Township | 56,400 | 11.23 | 1,128,800 |
| 26 | Grosse Pt. Park | 76,900 | 10.34 | 1,538,200 |
| 27 | Grosse Pt. Shores | 33,700 | 12.86 | 674,900 |
| 28 | Grosse Pt. Woods | 72,100 | 8.89 | 1,442,600 |
| 29 | Hamtramck | 39,600 | 5.34 | 791,300 |
| 30 | Harper Woods | 43,200 | 6.19 | 864,800 |
| 31 | Harrison Township | 78,100 | 6.56 | 1,561,200 |
| 32 | Hazel Park | 37,200 | 5.87 | 743,800 |
| 33 | Highland Park | 59,300 | 4.46 | 1,185,000 |
| 34 | Huron Township | 75,300 | 9.62 | 1,506,100 |
| 35 | Imlay City | 71,300 | 13.61 | 1,426,100 |
| 36 | Imlay Twp | 800 | 36.47 | 15,500 |
| 37 | Inkster | 61,400 | 5.43 | 1,228,600 |
| 38 | Keego Harbor | 15,200 | 12.00 | 303,000 |
| 39 | Lapeer | 79,200 | 11.38 | 1,584,300 |
| 40 | Lenox Township | 14,900 | 8.07 | 298,400 |
| 41 | Lincoln Park | 111,900 | 6.08 | 2,237,200 |
| 42 | Livonia | 590,900 | 9.43 | 11,818,100 |
| 43 | Macomb Township | 649,000 | 15.22 | 12,980,700 |
| 44 | Madison Heights | 99,800 | 6.37 | 1,995,800 |
| 45 | Mayfield Twp | 2,400 | 23.13 | 47,900 |
| 46 | Melvindale | 33,100 | 6.00 | 662,100 |
| 47 | New Haven, Village of | 20,400 | 6.39 | 407,300 |
| 48 | N O C W A | 1,134,300 | 9.73 | 22,686,700 |
| 49 | Northville | 45,100 | 11.38 | 902,200 |
| 50 | Northville Township | 288,500 | 16.09 | 5,769,200 |
| 51 | Novi | 462,600 | 12.19 | 9,252,200 |
| 52 | Oak Park | 70,500 | 5.82 | 1,409,500 |
| 53 | Oakland Co. Drain Comm. | 4,000 | 3.40 | 80,100 |
| 54 | Plymouth | 54,400 | 9.93 | 1,087,500 |
| 55 | Plymouth Township | 230,200 | 10.62 | 4,603,200 |
| 56 | Redford Township | 164,600 | 7.61 | 3,292,200 |
| 57 | River Rouge | 35,200 | 6.97 | 703,700 |
| 58 | Riverview | 43,300 | 7.79 | 866,600 |
| 59 | Rockwood | 14,200 | 11.13 | 283,800 |
| 60 | Romeo | 12,700 | 17.79 | 253,400 |
| 61 | Romulus | 208,800 | 8.17 | 4,176,000 |
| 62 | Roseville | 135,900 | 5.73 | 2,718,100 |
| 63 | Royal Oak Township | 10,400 | 6.78 | 208,400 |
| 64 | S O C W A | 1,183,800 | 7.22 | 23,676,300 |

Great Lakes Water Authority
Proposed FY 2020 Water Supply System Allocated Revenue Requirements and Service Charges

| Line No. | | Fixed Monthly Charge (a) \$/mo | Commodity Charge (a) \$/Mcf | Annual Revenue Req'ts \$ |
|---------------------------|--|-----------------------------------|--------------------------------|-----------------------------|
| Wholesale Customer | | | | |
| 65 | Shelby Township | 720,800 | 14.37 | 14,416,000 |
| 66 | South Rockwood | 5,900 | 9.50 | 118,800 |
| 67 | Southgate | 113,400 | 7.55 | 2,267,900 |
| 68 | St. Clair County-Burtchville Twp | 16,500 | 18.07 | 329,800 |
| 69 | St. Clair County-Greenwood | 22,700 | 13.08 | 454,400 |
| 70 | St. Clair Shores | 155,300 | 6.48 | 3,105,800 |
| 71 | Sterling Heights | 780,300 | 10.43 | 15,605,500 |
| 72 | Sumpter Township | 33,800 | 9.36 | 676,500 |
| 73 | Sylvan Lake | 11,900 | 14.48 | 238,900 |
| 74 | Taylor | 239,500 | 6.90 | 4,789,700 |
| 75 | Trenton | 85,700 | 7.75 | 1,714,500 |
| 76 | Troy | 701,400 | 11.40 | 14,028,000 |
| 77 | Utica | 29,400 | 8.95 | 588,800 |
| 78 | Van Buren Township | 173,200 | 10.85 | 3,464,900 |
| 79 | Walled Lake | 41,000 | 10.30 | 819,000 |
| 80 | Warren | 516,500 | 6.75 | 10,329,300 |
| 81 | Washington Township | 115,800 | 11.94 | 2,315,500 |
| 82 | Wayne | 153,000 | 13.42 | 3,059,100 |
| 83 | West Bloomfield Township | 535,200 | 15.46 | 10,703,600 |
| 84 | Westland | 317,400 | 7.49 | 6,347,900 |
| 85 | Wixom | 126,700 | 13.06 | 2,533,700 |
| 86 | Woodhaven | 85,900 | 11.38 | 1,718,200 |
| 87 | Ypsilanti Comm Util Auth | 535,400 | 8.37 | 10,707,300 |
| 88 | Total Wholesale Contract Customers | 183,300 | 0.40 | 318,880,800 |
| 89 | Adjustment to Flint Revenue Requirement for KWA Debt Service | | | (6,652,200) |
| 90 | Adjustment for Highland Park Bad Debt | | | (1,185,000) |
| 91 | Net Requirement from Wholesale Charges | | | 311,043,600 |

| | Annual Revenue Requirement \$ |
|-------------------------------|--|
| Detroit Customer Class | |
| 92 | Wholesale Revenue Requirement (c) 40,817,100 |
| 93 | less: Ownership Benefit per Lease (20,700,000) |
| 94 | Net Wholesale Revenue Requirement 20,117,100 |
| 95 | Indirect Retail Revenue Requirements (d) 46,087,500 |
| 96 | less: Use of Lease Payment for Debt Service (6,556,300) |
| 97 | Net Indirect Retail Revenue Requirements (d) 39,531,200 |
| 98 | Subtotal Subject to GLWA Board Approval (94) + (97) 59,648,300 |
| 99 | Direct Retail Revenue Requirements (e) 36,654,600 |
| 100 | Total Local System Revenue Requirement (97) + (99) 76,185,800 |
| 101 | Net Requirement from Detroit Customer Class 96,302,900 |

(a) Reflects proposed charges originally presented on January 24, 2019.

(b) Net fixed monthly charge will include \$554,400 monthly credits for KWA debt service.

(c) Wholesale revenue requirements for the Detroit Customer Class.

(d) Local System revenue requirements related to Master Bond Ordinance (local debt service, etc.)

(e) Local System operating expenses (net of shared services reimbursement) and I&E deposit. Not Subject to GLWA Board approval.

*** Reconciliation to Proposed FY 2020 Budget:**

| | |
|---|----------------------|
| Net Requirement from Wholesale Charges (line 91) | \$311,043,600 |
| Net Requirement from Detroit Customer Class (line 101) | 20,117,100 |
| Total Revenues from Charges (Agrees with FY 2020 Budget Schedule 1A) | \$331,160,700 |

Great Lakes Water Authority - FY 2020 Sewage Disposal System
Proposed Allocated Revenue Requirements and Service Charges

| | Fixed Monthly <u>Charge</u> \$/mo | Annual Revenue <u>Requirement</u> \$ |
|---|--|---|
| <u>Suburban Wholesale</u> | | |
| 1 OMID | 6,353,700 | 76,243,000 |
| 2 Rouge Valley | 4,545,200 | 54,543,000 |
| 3 Oakland GWK | 3,798,500 | 45,580,600 |
| 4 Evergreen Farmington | 2,923,900 | 35,086,400 |
| 5 SE Macomb San Dist | 2,084,400 | 25,011,000 |
| 6 Dearborn | 1,636,300 | 19,636,600 |
| 7 Grosse Pointe Farms | 230,700 | 2,768,000 |
| 8 Grosse Pointe Park | 152,100 | 1,826,000 |
| 9 Melvindale | 128,700 | 1,544,000 |
| 10 Farmington | 96,600 | 1,159,900 |
| 11 Center Line | 86,700 | 1,040,400 |
| 12 Allen Park | 71,700 | 858,800 |
| 13 Highland Park | 475,200 | 5,701,000 |
| 14 Hamtramck | 334,700 | 4,016,600 |
| 15 Grosse Pointe | 74,900 | 898,600 |
| 16 Harper Woods | 18,400 | 220,900 |
| 17 Redford Township | 22,000 | 265,200 |
| 18 Wayne County #3 | 4,200 | 49,400 |
| 19 Subtotal "Regional Wholesale Revenues from Charges" | | 276,449,400 |
| 20 Industrial Specific Revenues | | 13,784,000 |
| 21 Subtotal "Regional Wholesale Revenues from Charges" | | 290,233,400 |
| 22 less: Highland Park Bad Debt | | (2,260,000) |
| 23 Total "Regional Wholesale Revenues" | | 287,973,400 |
| <i>* Wholesale charges will be effective July 1, 2019</i> | | |

| | Annual Revenue <u>Requirement</u> \$ |
|--|---|
| <u>Detroit Customer Class</u> | |
| 24 Wholesale Revenue Requirement (a) | 191,634,800 |
| 25 less: Ownership Benefit per Lease | (5,516,000) |
| 26 Net Wholesale Revenue Requirement | 186,118,800 |
| 27 Indirect Retail Revenue Requirements (b) | 38,077,200 |
| 28 less: Use of Lease Payment for Debt Service | (4,040,800) |
| 29 Net Indirect Retail Revenue Requirements (b) | 34,036,400 |
| 30 Subtotal Subject to GLWA Board Approval (26) + (29) | 220,155,200 |
| 31 Direct Retail Revenue Requirements (c) | 72,472,800 |
| 32 Total Local System Revenue Requirement (29) + (31) | 106,509,200 |
| 33 Net Requirement from Detroit Customer Class | 292,628,000 |

(a) Wholesale revenue requirements for the Detroit Customer Class.

(b) Local System revenue requirements related to Master Bond Ordinance (local debt service, etc.)

(c) Local System operating expenses (net of shared services reimbursement) and I&E deposit. Not Subject to GLWA Board approval.

*** Reconciliation to Proposed FY 2020 Budget:**

| | |
|---|-----------------------------|
| Total Regional Wholesale Revenues (line 23) | \$287,973,400 |
| Net Requirement from Detroit Customer Class (line 33) | 186,118,800 |
| Total Revenues from Charges (Agrees with FY 2020 Budget Schedule 1B) | <u>\$474,092,200</u> |

Great Lakes Water Authority - FY 2020 Sewage Disposal System
Proposed Industrial Specific Retail Sewer Charges

| Industrial Waste Control Charges | |
|----------------------------------|--|
|----------------------------------|--|

| Meter Size - inches | Charge \$/mo |
|---------------------|-----------------|
| 5/8 | 3.55 |
| 3/4 | 5.34 |
| 1 | 8.89 |
| 1-1/2 | 19.56 |
| 2 | 28.44 |
| 3 | 51.55 |
| 4 | 71.10 |
| 6 | 106.64 |
| 8 | 177.74 |
| 10 | 248.84 |
| 12 | 284.38 |
| 14 | 355.48 |
| 16 | 426.58 |
| 18 | 497.67 |
| 20 | 568.77 |
| 24 | 639.86 |
| 30 | 710.96 |
| 36 | 782.06 |
| 48 | 853.15 |

| Pollutant Surcharges | |
|----------------------|--|
|----------------------|--|

| Pollutant | Charge \$/lb |
|--|-----------------|
| BIOCHEMICAL OXYGEN DEMAND (BOD) for concentrations > 275 mg/l | 0.483 |
| TOTAL SUSPENDED SOLIDS (TSS) for concentrations > 350 mg/l | 0.490 |
| PHOSPHORUS (P) for concentrations > 12 mg/l | 7.228 |
| FATS, OIL AND GREASE (FOG) for concentrations > 100 mg/l | 0.465 |
| SEPTAGE DISPOSAL FEE Per 500 gallons of disposal | 48.00 |