



## Financial Services Audit Committee Communication

**Date:** February 9, 2023

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

**From:** Guy Belew, Charges Outreach & Modeling Management Professional

**Re:** Annual Report – Proposed FY 2025 thru FY 2029 Capital Improvement Plan Cost Allocation Commentary

**Background:** There is no cost allocation impact on Member Partner charges for projects presented in the Capital Improvement Plan (CIP) for the Great Lakes Water Authority (GLWA) until funds are expended. The process of developing the CIP is designed to engage Member Partners early in the CIP development for many regional collaboration reasons as well as to foster early conversation about impacts on future charges. In some cases, further discussion and analysis is needed before a consensus is reached. To address those exceptions, a process was established in 2023 and presented to Member Partners on September 5, 2023 (attached).

**Analysis:** This year there are seven projects for which GLWA has received notification that Member Partners would like further discussion and analysis. The future cost pool designation in the CIP is therefore labeled “TBD” (for to be determined).

The projects in question are the following:

CIP #	Title
222001	Oakwood District Intercommunity Relief Sewer Modification at Oakwood District
232002	Freud & Conner Creek Pump Station Improvements
260500	CSO Outfall Rehabilitation (Program)
260508	B-39 Outfall Rehabilitation
260510	Conveyance System Repairs (Outfalls)
260700	Sewer System Infrastructure Improvements and Pumping Stations (Program)
260701	Conveyance System Infrastructure Improvements

After the FY 2025 charge season has concluded, GLWA will be establishing a small work group with interested Member Partners to review and evaluate these projects. The intent is to develop a consensus on the appropriate approach for allocating costs for these wastewater projects.

**Proposed Action:** The GLWA Audit Committee receives and files this report.