



Audit Committee Meeting
Friday, October 24, 2025, at 8:00 a.m.
www.glwater.org

[Join Zoom Meeting](#)

Meeting ID: **864 1218 5875** Passcode: **797453**

US Toll-free: **877 853 5247** or **888 788 0099**

AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES
 - A. September 26, 2025 (Page 1)
5. PUBLIC PARTICIPATION
6. OLD BUSINESS
 - A. Annual Financial Audit Update (Page 5)
 - B. Arbitrage Rebate for Liability Update (Page 7)
7. NEW BUSINESS
 - A. *Action Item:* Resolution for Approval of Series Ordinance Authorizing (Page 9) Issuance and Sale of Sewage Disposal System Revenue Bonds in an Aggregate Amount Not to Exceed \$115,427,477 (Ordinance 2025-05) for FY 2026 Clean Water State Revolving Fund Project
 - B. Government Finance Officers Association (GFOA) Distinguished (Page 37) Budget Presentation Award
 - C. *Action Item:* Proposed Calendar Year 2026 Audit Committee (Page 38) Meeting Dates
8. REPORTS
 - A. CFO Report (Page 39)
 - B. FY 2025 Preliminary Financial Report (Unaudited) (Page 40)
 - C. Gifts, Grants & Other Resources Report through September 30, (Page 44) 2025
 - D. Affordability & Assistance Update (Page 53)
 - E. Semiannual Debt Report as of September 30, 2025 (Page 72)
 - F. FY 2025 Quarterly Construction Work in Progress Report through (Page 89) June 30, 2025
 - G. Charges Outreach & Modeling Update (Page 120)
 - H. Annual Conflict of Interest (Page 121)

Note: Binders 1, 2 and agenda items 8B and 9A have been combined and PDF was renumbered

9. COMMUNICATIONS

A. The Procurement Pipeline for October 2025 (Page 123)

10. LOOK AHEAD

A. Next Audit Committee Meeting: November 21, 2025, at 8:00 a.m.

11. OTHER MATTERS

12. ADJOURNMENT



Great Lakes Water Authority

735 Randolph Street
Detroit, Michigan 48226
glwater.legistar.com

Meeting Minutes - Draft

Audit Committee

Friday, September 26, 2025

8:00 AM

Zoom Telephonic Meeting

Join Zoom Meeting:

<https://glwater.zoom.us/j/83131609023?pwd=amg9P3OqSi30uUpZ2K6tCbUXo9QPpr.1>

Join by Telephone

US Toll-Free:

888 788 0099; or 877 853 5247

Meeting ID: 831 3160 9023

Passcode: 397997

1. Call To Order

Chairperson Baker called the meeting to order at 8:01 a.m.

2. Quorum Call

Present: 3 - Chairperson Brian Baker, Director Gary Brown, and Director Jaye Quadrozzi

3. Approval of Agenda

Chairperson Baker requested a Motion to Approve the Agenda.

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Approved

The motion carried by a unanimous vote.

4. Approval of Minutes

A [2025-262](#) Minutes of August 22, 2025

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [4A Minutes - August 22, 2025 Audit Committee Meeting.pdf](#)

Chairperson Baker requested a Motion to Approve the Audit Committee Meeting Minutes of August 22, 2025.

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Approved

The motion carried by a unanimous vote.

5. Public Comment

There were no public comments.

6. Old Business

None

7. New Business

- A. [2025-301](#) **Requisition No. REQ-0002876**
 Investment Advisor
 Vendor: PFM Asset Management, a division of U.S Bancorp Asset
 Management, Inc.
 Status: New Contract/PO

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [7A1 GLWA Audit Committee Memo Investment Advisor Appointment.pdf](#)
[7A3 REQ-0002876A -Procurement Board Report.pdf](#)
[7A4 Attachment 1.pdf](#)

Motion By: Gary Brown
Support By: Jaye Quadrozzi
Action: Recommended for Approval to the Board of Directors
Agenda of October 22, 2025
The motion carried by a unanimous vote.

8. Reports

- A [2025-314](#) CFO Report

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8A1 CFO Report September 2025.pdf](#)
[8A2 FY27 Charges Rollout Letter.pdf](#)

Motion By: Gary Brown
Support By: Jaye Quadrozzi
Action: Received and Filed
The motion carried by a unanimous vote.

B [2025-315](#) Grants, Gifts, and Other Resources Report Through August 31, 2025

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8B1 Grants Gifts and Other Resources Report.pdf](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

C [2025-316](#) Max Day - Peak Hour Annual Report 2025

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8C Max Day - Peak Hour Annual Report 2025.pdf](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

D [2025-317](#) Qualified Financial Institutions

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8D1 Memo Qualified Financial Institution Review.pdf](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

9. Communications**A** [2025-318](#) The Procurement Pipeline for September 2025

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [9A The Procurement Pipeline for September 2025.pdf](#)

No Action Taken

10. Look Ahead

The next Audit Committee Meeting is scheduled for October 24, 2025 at 8:00 a.m.

11. Other Matters

There were no other matters.

12. Adjournment

Chairperson Baker requested a Motion to Adjourn.

Motion By: Gary Brown

Support: Jaye Quadrozzi

Action: Approved

The motion carried unanimously.

There being no further business, the meeting was adjourned at 8:29 a.m.



Financial Services Audit Committee Communication

Date: October 24, 2025

To: Great Lakes Water Authority Audit Committee

From: Steve Hoover, CPA, Financial Reporting Manager

Re: Annual Financial Audit Update

Background: Each year, the Great Lakes Water Authority (GLWA) prepares an Annual Comprehensive Financial Report (ACFR) and Schedule of Expenditures of Federal Awards (SEFA) in accordance with financial accounting standards and federal guidelines.

Baker Tilly US, LLP (Baker Tilly) has been engaged to perform the annual financial audit for GLWA and issue an independent opinion as to whether the financial statements are fairly stated in accordance with generally accepted accounting principles. This engagement covers the fiscal years ending June 30, 2025, 2026 and 2027.

Analysis: The GLWA Financial Services area has substantially finalized the FY 2025 trial balance and provided nearly all workpapers. Baker Tilly has conducted most of their fieldwork from September 29, 2025 through October 10, 2025. Some follow-up will continue for any open items. Open items are common, as questions arise during fieldwork that require time to provide accurate and appropriate responses.

During our weekly audit check-in on Monday, October 20, 2025, Baker Tilly noted that the 2025 Compliance Supplement, issued by the Office of Management and Budget (OMB), is still in draft status. According to the American Institute of Certified Public Accountants (AICPA) Governmental Audit Quality Center (GAQC) alert #492, the delay is a result of the current administration's focus on passing a budget bill. This could cause a delay, beyond GLWA's and Baker Tilly's control, in filing the SEFA. We will continue to monitor the situation until the final 2025 Compliance Supplement is issued.

The financial audit reports remain on track for December 2025 issuance, consistent with prior years. A detailed timeline from Baker Tilly is attached with one open item which is a request for a date and time for special Audit Committee meeting the first week in December.

Proposed Action: Receive and file this report.



Memo

To: Great Lakes Water Authority Audit Committee

From: Stephanie Silva, Manager (Baker Tilly)

c.c. Jodi Dobson, Partner (Baker Tilly)

Date: October 25, 2025

Subject: Great Lakes Water Authority Audit Status and Annual Comprehensive Financial Report (ACFR)

We have prepared this memo to communicate to the audit committee our expectations regarding the timing of fieldwork, review, draft reports and issuance of the ACFR. The schedule below summarizes expected milestone dates to meet a deadline of issuance on December 10, 2025.

	Due Date Friday, December 10, 2025
All audit workpapers uploaded to portal for audit	Friday, October 10, 2025 Complete with open items
End of Fieldwork (Including first review)	Friday, October 17, 2025 Complete
GLWA to provide preliminary draft of footnotes	Wednesday, October 29, 2025
Baker Tilly to complete all internal reviews - comments accumulated and provided to GLWA	Friday, November 14, 2025
Final draft provided to Baker Tilly (Notes, Required Supplemental Information, Supplemental Information and available statistical schedules)	Wednesday, November 19, 2025
Presentation of draft to Audit Committee	To Be Determined
Preparation of separate water and sewage reports (internal)	Monday, December 1, 2025
Presentation of draft to full Board of Directors	Wednesday, December 10, 2025
Issuance of the ACFR	Friday, December 10, 2025

* - Comments should include everyone on team in addition to various third parties (i.e. attorneys, bond advisors, etc.). Ideally, all changes would be accumulated into one file and given to us.

The information provided here is of a general nature and is not intended to address the specific circumstances of any individual or entity. In specific circumstances, the services of a professional should be sought. Baker Tilly US, LLP trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. © 2018 Baker Tilly US, LLP



Financial Services Audit Committee Communication

Date: October 24, 2025

To: Great Lakes Water Authority Audit Committee

From: Nick Fedewa, CPA, Public Finance Manager

Re: Arbitrage Rebate Liability for the Regional System

Background & Analysis: An arbitrage rebate liability is the amount of excess “profit” (arbitrage) that an issuer of a tax-exempt bond must pay to the Internal Revenue Service (IRS) pursuant to 26 U.S. Code § 148(f). This liability arises when the bond issuer, such as the Great Lakes Water Authority (GLWA), invests bond proceeds in higher-yielding investments than the bond's own yield rate assigned at the time of issue, creating a profit that is subject to rebate unless an exemption applies. Inherently, this calculation is performed on a lookback basis in order to compare actual investment yield rate versus the yield rate on the bond issue.

GLWA's Public Finance team oversees compliance with applicable laws and regulations related to debt management. This encompasses engaging external subject matter experts to ensure the highest level of compliance. For arbitrage compliance GLWA utilizes the services of PFM Asset Management (“PFMAM”). In addition, this work is also performed in consultation with GLWA's bond counsel, financial advisor, and investment manager.

In September 2025, PFMAM completed an arbitrage rebate and yield restriction compliance analysis (the “Report”) for the period of September 13, 2022 to June 30, 2025 (the “Computation Period”) for eligible water system bonds and the period of September 13, 2022 to August 15, 2025 for eligible sewer system bonds. The summary results for each system are shown below which compare the “Allowable Yield on Investments” as defined by IRS Code with the “Aggregate Internal Rate of Return (IRR) on Investments based on GLWA's actual investment performance.

Water System: The arbitrage analysis applies to the 2022A and 2022B Water Supply Revenue Bonds. The summary result of the computation from PFMAM for the Water Supply Revenue Bonds is shown in the table below. Despite the Excess Yield noted in that table, the arbitrage rebate due is zero. This is because there is a two-year spending exception pursuant to Treasury Regulations Section 1.148-7 which was applicable to the calculation for the water system for the time period specified above.

As of the Interim Computation Date of June 30, 2025:

ARBITRAGE REBATE LIABILITY

Allowable Yield on Investments:	3.857049%
Aggregate IRR on Investments:	4.808712%
Excess Yield:	0.951663%
Arbitrage Rebate Due¹:	\$0.00

Sewer System: The arbitrage analysis applies to the 2022A, 2022B and 2022C Sewage Disposal System Revenue Bonds. The summary result of the computation from PFMAM for the Sewage Disposal System Revenue Bonds is shown in the table below. In this instance, the gross proceeds of the sewer disposal system bonds have accrued a liability of approximately \$3.3 million for the computation period noted above.

As of the Installment Computation Date of August 15, 2025:

ARBITRAGE REBATE LIABILITY

Allowable Yield on Investments:	3.938113%
Aggregate IRR on Investments:	4.905690%
Excess Yield:	0.967577%
Arbitrage Rebate Liability:	\$3,325,139.85

Technically, GLWA could have deferred this required payment until mid-November 2027. However, rules distinguish “interest” and “penalties” for late arbitrage payments. The increase is a function of how the rules require the liability to be calculated (on a future value basis as of the calculation date used to make the payment). Based on the calculation rules, the liability would have increased by an estimated \$10,000 per month until paid. For this reason, it was determined that making this payment in October 2025 would be the most cost-effective approach.

It should also be noted that this calculation was performed in a timely manner that aligned with the FY 2025 year-end close. The liability noted above was recorded with the offset being a reduction to the investment earnings in the Sewage Disposal Construction Fund.

Proposed Action: Receive and file this report.



Financial Services Audit Committee Communication

Date: October 24, 2025

To: Great Lakes Water Authority Audit Committee

From: Jacqueline Morgan, CTP, State Revolving Fund Program Finance Manager

Re: Resolution for Approval of Series Ordinance Authorizing Issuance and Sale of Sewage Disposal System Revenue Bonds in an Aggregate Amount Not to Exceed \$115,427,477 (Ordinance 2025-05) for FY 2026 Clean Water State Revolving Fund Project

Background & Analysis: The following documents are attached.

1. Draft Great Lakes Water Authority (GLWA) Board letter
2. Series Ordinance Authorizing Issuance and Sale of Sewage Disposal System Revenue Bonds for the GLWA Rehabilitation of Screened Final Effluent (SFE) Pump Station Project
3. Resolution to Approve the Series Ordinance

Proposed Action: The GLWA Audit Committee recommends that the Great Lakes Water Authority Board approve a resolution for approval of Series Ordinance Authorizing Issuance and Sale of Sewage Disposal System Revenue Bonds in an Aggregate Amount Not to Exceed \$115,427,477 for FY 2026 Clean Water State Revolving Fund Project as presented and authorizes the Chief Executive Officer (CEO) to take such other action as may be necessary to accomplish the intent of this vote.

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..Title

Resolution for Approval of Series Ordinance Authorizing Issuance and Sale of Sewage Disposal System Revenue Bonds in an Aggregate Amount Not to Exceed \$115,427,477 (Ordinance 2025-05) for FY 2026 Clean Water State Revolving Fund Project

..Body

Agenda of: November 20, 2025
Item No.: **2025-338**
Amount: Not to Exceed \$115,427,477

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Suzanne R. Coffey, P.E.
Chief Executive Officer
Great Lakes Water Authority

DATE: November 20, 2025

RE: Resolution for Approval of Series Ordinance Authorizing Issuance and Sale of Sewage Disposal System Revenue Bonds in an Aggregate Amount Not to Exceed \$115,427,477 (Ordinance 2025-05) for FY 2026 Clean Water State Revolving Fund Project

MOTION

Upon recommendation of Nicolette N. Bateson, Chief Financial Officer (CFO) and Treasurer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **approves a resolution for Approval of Series Ordinance Authorizing Issuance and Sale of Sewage Disposal System Revenue Bonds in an Aggregate Amount Not to Exceed \$115,427,477 (Ordinance 2025-05) for FY 2026 Clean Water State Revolving Fund Project as presented**, and authorizes the Chief Executive Officer (CEO) to take such other action as may be necessary to accomplish the intent of this vote.

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BACKGROUND

Annually, the Great Lakes Water Authority (GLWA) submits projects to the Michigan Department of Environment, Great Lakes, and Energy (EGLE) for low-interest funding consideration through the Clean Water State Revolving Fund (CWSRF). The Rehabilitation of Screened Final Effluent (SFE) Pump Station project was awarded funding for EGLE's FY 2026 funding year.

The SFE Pump Station project has an anticipated loan closing date of February 9, 2026, and to issue debt, a Series Ordinance (2025-05) must be adopted by the GLWA Board. Due to the timing for Board review and the Michigan Finance Authority (MFA) FY 2026 Financing Schedule, the Series Ordinance will need to be adopted in 2025 and designated as a 2025 Series Ordinance; however, the bond itself will be designated 2026 (Series 2026-SRF-1) based on the closing date.

There are two key drivers related to this resolution: CWSRF funding and financing.

CWSRF Funding

Rehabilitation of SFE Pump Station – (CIP No. 216008, SRF No. 5839-01): On May 22, 2022, the GLWA Board adopted a resolution approving the SFE Pump Station project plan for submittal to EGLE's FY 2023 CWSRF program following a public hearing on the same date. The project was not funded in FY 2023 but was resubmitted several times for reconsideration. Ultimately, the project was approved for funding in the amount of \$104,265,000 as notified on EGLE's final FY 2026 CWSRF Intended Use Plan (IUP) in October 2025. The funding allocation is summarized below.

CWSRF Loan Amount:	\$ 90,710,550
Principal Forgiveness:	<u>13,554,450</u>
Total IUP Award Amount:	\$104,265,000

The current estimated project cost has increased to \$104,934,070, which differs from what was presented at the Public Hearing. This is due to design detail and cost estimates being refined during the formal bid process. GLWA intends to request additional CWSRF funding of \$669,070 to include this increased cost. ELGE's approval is based on availability of funds.

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Financing

The 2026 SRF-1 Junior Lien Bonds will be sold through the MFA under the state of Michigan's CWSRF program. The amount to be financed is within GLWA's authorized bond limits. This bond will be supported by two GLWA Board approved resolutions. Resolution 2022-312, "Authorizing Publication of Notice of Intent (NOI) to Issue Sewage Disposal System Revenue Bonds" in a principal amount not to exceed \$650,000,000 (the "Notice of Intent") was approved on July 27, 2022, and is the tenth series of sewer bonds from that NOI. Resolution 2024-359, "Authorizing Publication of Notice of Intent to Issue Sewage Disposal System Revenue Bonds" in the amount of not to exceed \$300,000,000 was approved on November 21, 2024, and is the first series of sewer bonds from that NOI.

The calculation for this Series Ordinance represents a potential loan amount of \$104,934,070, which is the revised estimated project cost based on current bid information. The not-to-exceed (NTE) amount is also based on this revised project cost and includes a 10% loan financing contingency to allow for fluctuations in the final SRF award amount which is an acceptable practice.

The NTE calculation is summarized below with additional details in Attachment 1 Table 1.

Estimated SRF Project Cost:	\$104,934,070
Loan Financing Contingency:	<u>10,493,407</u>
Series Ordinance NTE amount:	\$115,427,477

JUSTIFICATION

The approval of this series ordinance is the next formal step required by the GLWA Board in the bond issuance process. This proposed action authorizes the bonds to be issued. The SFE Pump Station project has an anticipated MFA Quarter 1.5 loan closing in February 2026 with MFA, and the bond will be supported by this series ordinance. The series ordinance sets forth the guidelines for CWSRF bonds, designates the bonds as 2026 SRF-1 Junior Lien Bonds, and authorizes the CEO or CFO/Treasurer to execute the final terms of the bonds, paying issuance costs, and signing of the Purchase Contract and Sale Order within the parameters set forth in the Series Ordinance.

In addition to eligibility for CWSRF funds, GLWA was designated as an overburdened applicant that qualifies for a lower interest rate than a standard applicant. The current interest rate on a 20-year and 30-year loan for an overburdened applicant is 2.00%. Potential dollar savings are significant when compared to municipal bond interest rates in

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a market-based transaction. For example, the anticipated CWSRF loan for the SFE Pump Station project is approximately \$105 million (rounded). Compared to an estimated market-based rate of 4.5%, potential interest savings on a 20-year loan would be approximately \$33.0 million and \$52.8 million for a 30-year loan. See Attachment 2 Table 1 for additional cost savings details.

Another program advantage is that interest costs are only incurred on the amount drawn from the loan as project expenditures are incurred. This results in additional debt service savings early in the term of the loan compared to market-based transactions. Further, use of SRF funding as Junior Lien does not impact GLWA debt reserve requirements.

BUDGET IMPACT

Debt service for the project is anticipated to begin in April 2027 and will be included as part of the FY 2026 – FY 2027 biennial budget.

COMMITTEE REVIEW

This matter was reviewed by the GLWA Audit Committee at its meeting on October 24, 2025. The Audit Committee [*insert action taken*] the Board of Directors approve a resolution for Approval of Series Ordinance Authorizing Issuance and Sale of Sewage Disposal System Revenue Bonds in an Aggregate Amount Not to Exceed \$115,427,477 (Ordinance 2025-05) for FY 2026 Clean Water State Revolving Fund Project as presented and authorizes the Chief Executive Officer (CEO) to take such other action as may be necessary to accomplish the intent of this vote.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD beyond the terms outlined above as well as reimbursement of financing costs incurred.

Table 1: Series Ordinance Not to Exceed (NTE) Calculation

GLWA Rehabilitation of SFE Pump Station Project

Estimated SRF Project Cost	\$ 104,265,000
Project Cost Increase	\$ 669,070
Total Estimated SRF Project Cost (revised)	\$ 104,934,070
Loan Financing Contingency (10% of estimated SRF project costs)	10,493,407
Series Ordinance NTE Amount	\$ 115,427,477

Table 1: Potential Loan Savings Comparison – CWSRF versus Estimated Market Rate

GLWA Rehabilitation of SFE Pump Station

Anticipated CWSRF Loan Amount: \$105.0 million (rounded)

20-year Loan Term	CWSRF Interest Rate*	Estimated Market Rate
Interest Rate	2.00%	4.50%
Total Debt Service Payments (rounded)	\$128.4 million	\$161.4 million
Potential Cost Savings (rounded)	\$33.0 million	

30-year Loan Term	CWSRF Interest Rate*	Estimated Market Rate
Interest Rate	2.00%	4.50%
Total Debt Service Payments (rounded)	\$140.6 million	\$193.4 million
Potential Cost Savings (rounded)	\$52.8 million	

Note:

*The CWSRF interest rate of 2.00% is for an overburdened applicant, which applies to GLWA.

GREAT LAKES WATER AUTHORITY
ORDINANCE NO. 2025-05

**SERIES ORDINANCE AUTHORIZING ISSUANCE AND SALE OF
SEWAGE DISPOSAL SYSTEM REVENUE BONDS IN
AN AGGREGATE AMOUNT NOT TO EXCEED \$115,427,477**

WHEREAS, pursuant to Resolution No. 2015-10-03 adopted by the Board of Directors of the Great Lakes Water Authority (the “Authority”) on October 7, 2015, the Authority Board approved and adopted Master Bond Ordinance No. 2015-02 (as subsequently amended through the date hereof, the “Ordinance”), which authorizes the issuance by the Authority of Sewage Disposal System Revenue Bonds; and

WHEREAS, the Ordinance authorizes the issuance of such Sewage Disposal System Revenue Bonds in one or more Series pursuant to a Series Ordinance authorizing the issuance and sale of such Series; and

WHEREAS, the Authority Board has determined that it is necessary to authorize at this time one or more Series of SRF Junior Lien Bonds (the “2026 SRF-1 Junior Lien Bonds”) to provide moneys to pay the costs of the hereinafter described repairs, extensions, enlargements and improvements to the Regional Sewer System identified in the Capital Improvement Program (the “2026 SRF-1 Project”).

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE GREAT LAKES WATER AUTHORITY AS FOLLOWS:

Section 1. Authority for this Series Ordinance. This Series Ordinance (the “2026 SRF-1 Series Ordinance”) is adopted pursuant to Section 1102(1) of the Ordinance.

Section 2. Definitions. Except as otherwise provided in this 2026 SRF-1 Series Ordinance, all terms which are defined in Section 101 of the Ordinance shall have the same meanings, respectively, in this 2026 SRF-1 Series Ordinance as such terms are given in the Ordinance. In addition, the following terms shall have the following meanings unless the context shall clearly indicate some other meaning:

(a) “2026 SRF-1 Junior Lien Bonds” means the Bonds authorized by Section 5 of this 2026 SRF-1 Series Ordinance for the purpose of paying and/or reimbursing costs of the 2026 SRF-1 Project.

(b) “SRF-1 Project” means improvements to the Regional Sewer System, including but not limited to improvements to the Screened Final Effluent (“SFE”) Pump Station. The improvements include but are not limited to replacement of the existing SFE pumps and the addition of treatment processes at the SFE Pump Station to allow the SFE to be used in place of potable water for plant operations, thereby enhancing overall system resiliency, together with all work, equipment, and appurtenances necessary or incidental to such improvements.

(c) “Authorized Denomination” means any denomination as determined by an Authorized Officer in the Sale Order.

(d) “Authorized Officer” means either the Chief Executive Officer or the Chief Financial Officer.

(e) “Interest Payment Date” means except as otherwise set forth in the Sale Order each April 1 and October 1.

(f) “Maturity Date” means such dates of maturity of the 2026 SRF-1 Junior Lien Bonds as determined in the Sale Order.

(g) “MFA” means the Michigan Finance Authority.

(h) “Person” means any natural person, association, corporation, trust, partnership, joint venture, joint-stock company, municipal corporation, public body or other entity, however organized.

(i) “Project Costs” means the costs of acquiring, constructing, equipping, installing and financing the 2026 SRF-1 Project, including Issuance Costs relating to the 2026 SRF-1 Junior Lien Bonds.

(j) “Purchase Contract” means the Purchase Contract between the MFA and the Authority with respect to the purchase by the MFA and the sale by the Authority of a Series of the 2026 SRF-1 Junior Lien Bonds.

(k) “Regional Construction Fund, Series 2026 SRF-1” means a subaccount of the Construction Fund established in accordance with Section 11 of this 2026 SRF-1 Series Ordinance relating to the construction of the 2026 SRF-1 Project to be paid with the proceeds of the 2026 SRF-1 Junior Lien Bonds.

(l) “Regular Record Date” means except as otherwise set forth in the Sale Order the fifteenth day of the calendar month immediately preceding an Interest Payment Date.

(m) “Sale Order” means any one or more Sale Orders of an Authorized Officer authorizing acts consistent with the Ordinance and this 2026 SRF-1 Series Ordinance necessary and appropriate to complete the sale, execution and delivery of the 2026 SRF-1 Junior Lien Bonds and to complete the other transactions contemplated herein.

(n) “Supplemental Agreement” means the Supplemental Agreement among the Authority, the MFA and the State of Michigan acting through the Department of Environment, Great Lakes, and Energy, with respect to the 2026 SRF-1 Junior Lien Bonds.

(o) “Taxable 2026 SRF-1 Junior Lien Bonds” means any 2026 SRF-1 Junior Lien Bonds other than Tax-Exempt 2026 SRF-1 Junior Lien Bonds.

(p) “Tax-Exempt 2026 SRF-1 Junior Lien Bonds” means any 2026 SRF-1 Junior Lien Bonds that are Tax-Exempt Bonds.

Section 3. Approval of 2026 SRF-1 Project. It is hereby determined to be necessary for the public health, benefit and welfare of the area served by the Regional Sewer System to acquire, construct and undertake the 2026 SRF-1 Project, and the 2026 SRF-1 Project is hereby approved and accepted.

Section 4. Estimated Cost and Period of Usefulness of 2026 SRF-1 Project. The Project Costs are estimated by the Authority Board to be \$104,934,070.00 and the Project Costs are hereby approved and confirmed. The period of usefulness of the 2026 SRF-1 Project is estimated to be not less than 40 years.

Section 5. Authorization of 2026 SRF-1 Junior Lien Bonds.

(a) Authorization of Borrowing. The Authority may borrow an amount not in excess of \$115,427,477, as is finally determined in the Sale Order, and issue the 2026 SRF-1 Junior Lien Bonds in one or more Series, all to evidence such borrowing pursuant to Act 233, Act 94 and the Ordinance, as 2026 SRF-1 Junior Lien Bonds, all as finally determined in the Sale Order. The amount of the 2026 SRF-1 Junior Lien Bonds authorized in this Section 5(a) shall include the amount of the net original issue premium, if any.

(b) Purpose of 2026 SRF-1 Junior Lien Bonds. The 2026 SRF-1 Junior Lien Bonds shall be issued as Additional Bonds for the purpose of paying and/or reimbursing Project Costs.

(c) Priority of Lien. The 2026 SRF-1 Junior Lien Bonds shall be issued as SRF Junior Lien Bonds.

(d) Insufficient Proceeds. To the extent that proceeds of SRF-1 Junior Lien Bonds are insufficient to pay Project Costs, the insufficiency shall be paid from the proceeds of future Additional Bonds, if any, and/or moneys of the Regional Sewer System on hand and legally available therefor, as determined by the Authority Board.

(e) Taxable and Tax-Exempt 2026 SRF-1 Junior Lien Bonds. The 2026 SRF-1 Junior Lien Bonds may be issued as Taxable 2026 SRF-1 Junior Lien Bonds or Tax-Exempt 2026 SRF-1 Junior Lien Bonds, or as separate subseries of both, as set forth in the Sale Order.

(f) Source of Payment and Security. The 2026 SRF-1 Junior Lien Bonds shall be payable and secured as provided in Section 8.

(g) Applicability of Ordinance. Except as otherwise provided in this 2026 SRF-1 Series Ordinance or in the Sale Order, all of the provisions of the Ordinance shall apply to the 2026 SRF-1 Junior Lien Bonds as if set forth in full in this 2026 SRF-1 Series Ordinance, the purpose of this 2026 SRF-1 Series Ordinance being to supplement the Ordinance to authorize the issuance of 2026 SRF-1 Junior Lien Bonds for the purposes set forth herein.

Section 6. 2026 SRF-1 Junior Lien Bond Details.

(a) Designation.

- (1) The 2026 SRF-1 Junior Lien Bonds shall bear the designations Sewage Disposal System Revenue Bonds, Series 2026-SRF-1 and shall include such other designations, including, without limitation, designations for multiple subseries, as determined by an Authorized Officer as shall be set forth in the Sale Order and not inconsistent with the Ordinance or this 2026 SRF-1 Series Ordinance.
- (2) If the 2026 SRF-1 Junior Lien Bonds are not issued in 2026, an Authorized Officer is authorized in her discretion to re-designate the year and Series designation of such Series of 2026 SRF-1 Junior Lien Bonds and the various funds and accounts established hereunder to correspond with the year of issuance of such Series of 2026 SRF-1 Junior Lien Bonds. Furthermore, an Authorized Officer is authorized to establish designations within the various funds and accounts established hereunder if necessary in order to differentiate such funds and accounts from other similarly named funds and accounts related to other Bonds.

(b) Numbering. The 2026 SRF-1 Junior Lien Bonds shall be numbered in such manner as shall be determined in the Sale Order.

(c) Principal. The 2026 SRF-1 Junior Lien Bonds shall be issued in the form of Serial Bonds or Term Bonds, or any combination of Serial Bonds and Term Bonds, in any Authorized Denomination, and the principal thereof shall mature on October 1, or such other date as set forth in the Sale Order, in such years and amounts, and shall be or not be subject to redemption prior to maturity, all as shall be determined in the Sale Order subject to the following limitations:

- (1) No 2026 SRF-1 Junior Lien Bonds shall mature later than 40 years after the date of issuance thereof.
- (2) The 2026 SRF-1 Junior Lien Bonds shall only be issued with annual principal and interest installments permitted by the Ordinance, including Section 207 thereof.

(d) Interest. 2026 SRF-1 Junior Lien Bonds or portions thereof shall bear interest at a rate or rates as set forth in the Sale Order not in excess of 2.75% per annum. Interest on 2026 SRF-1 Junior Lien Bonds shall be payable on each Interest Payment Date.

(e) Payment of Principal and Interest. The principal of, premium, if any, and interest on the 2026 SRF-1 Junior Lien Bonds shall be payable in lawful money of the United States. Except as otherwise provided in the Sale Order, so long as the 2026 SRF-1 Junior Lien Bonds are owned by the MFA, the 2026 SRF-1 Junior Lien Bonds are payable as to principal, redemption premium, if any, and interest at U.S. Bank Trust Company, National Association, or at such other place as shall be designated in writing to the Authority by the MFA (the MFA's Depository"), and the Authority agrees that it will deposit with the MFA's Depository payments of the principal of,

premium, if any, and interest on the 2026 SRF-1 Junior Lien Bonds in immediately available funds by 12:00 noon at least five Business Days prior to the date on which any such payment is due, whether by maturity, redemption or otherwise. If the 2026 SRF-1 Junior Lien Bonds are not registered in the name of the MFA, the principal of and premium, if any, on the 2026 SRF-1 Junior Lien Bonds are payable upon the surrender thereof at the corporate trust office of the Trustee and the interest is payable by check or draft drawn on the Trustee and mailed to the registered owners as of the immediately preceding Regular Record Date at their address shown on the registration books of the Authority maintained by the Trustee.

(f) Dating. The 2026 SRF-1 Junior Lien Bonds shall be dated such date as determined in the Sale Order.

(g) Reserve Requirement. There shall be no Reserve Requirement with respect to the 2026 SRF-1 Junior Lien Bonds.

(h) Exchange. The registered owner of any 2026 SRF-1 Junior Lien Bond may exchange such 2026 SRF-1 Junior Lien Bond for a new 2026 SRF-1 Junior Lien Bond or Bonds of the same interest rate, maturity and Priority of Lien in an equal aggregate principal amount in one or more of the Authorized Denominations by surrendering such 2026 SRF-1 Junior Lien Bond to be exchanged at the designated office of the Trustee together with an assignment duly executed by the registered owner thereof or his attorney or legal representative in such form as shall be satisfactory to the Trustee. As provided in Section 206 of the Ordinance, the Trustee shall be responsible for the registration, transfer and exchange of 2026 SRF-1 Junior Lien Bonds and shall indicate its acceptance of such duties by a document filed with an Authorized Officer concurrently with the delivery of the 2026 SRF-1 Junior Lien Bonds.

(i) Execution and Delivery of 2026 SRF-1 Junior Lien Bonds. The 2026 SRF-1 Junior Lien Bonds shall be executed in the name of the Authority by manual or facsimile signature of the Chief Executive Officer of the Authority and countersigned by the manual or facsimile signature of the Secretary of the Authority Board, and shall have the Authority's seal or facsimile thereof affixed or printed thereon. The Chief Financial Officer is authorized to deliver the 2026 SRF-1 Junior Lien Bonds to the MFA upon receiving the purchase price therefor in lawful money of the United States.

(j) Form of 2026 SRF-1 Junior Lien Bonds. The 2026 SRF-1 Junior Lien Bonds shall be in substantially the following form, subject to such changes, additions or deletions as determined by the Chief Executive Officer within the parameters of this 2026 SRF-1 Series Ordinance:

R-__

**UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTIES OF MACOMB, OAKLAND AND WAYNE
GREAT LAKES WATER AUTHORITY
SEWAGE DISPOSAL SYSTEM REVENUE BOND,
SERIES 2026-SRF-1**

REGISTERED OWNER: Michigan Finance Authority

PRINCIPAL AMOUNT: \$ _____

INTEREST RATE: _____%

ORIGINAL ISSUE DATE:

The Great Lakes Water Authority, Counties of Macomb, Oakland and Wayne, State of Michigan (the “Issuer”), upon authorization from the Board of Directors of the Issuer (the “Board”), has issued this Bond. The Issuer, for value received, promises to pay, in lawful money of the United States of America, but only from the Pledged Assets (as defined below), to the Registered Owner named above, or registered assigns, the Principal Amount stated above, or so much thereof as shall have been advanced to the Issuer and not prepaid or reduced pursuant to a Purchase Contract between the Issuer and the Michigan Finance Authority (the “MFA”), a Supplemental Agreement by and among the Issuer, the MFA and State of Michigan acting through the Department of Environment, Great Lakes, and Energy and the Order of Approval issued by the Department of Environment, Great Lakes, and Energy. The Principal Amount shall be payable on the dates and in the principal installments set forth in Schedule A attached hereto.

In the event less than the Principal Amount of this Bond is disbursed by the MFA, any portion of the Principal Amount is prepaid as provided herein, or any serial principal payment becomes due before the Issuer has received proceeds from corresponding purchased principal installments of at least a like amount, then the MFA may prepare a new serial principal installment repayment schedule which shall be presented to the Issuer and be effective upon receipt as provided in the Purchase Contract.

Interest on this Bond shall accrue from the Original Issue Date set forth above at the Interest Rate set forth above, only on that portion of installments of the Principal Amount which have been disbursed by the MFA, shall be payable on _____, 20__ and semiannually on each April 1 and October 1 thereafter (each an “Interest Payment Date”).

If the MFA is not the registered owner of this Bond, principal of this Bond is payable upon presentation and surrender at the designated office of U.S. Bank Trust Company, National Association, as Trustee under the Ordinance (as defined below) or such other trustee as the Issuer may hereafter designate by notice mailed to the registered owner not less than 60 days prior to any Interest Payment Date (the “Trustee”).

Interest on this Bond is payable to the registered owner of record as of the close of business on the 15th day of the month immediately preceding any Interest Payment Date as shown on the registration books kept by the Trustee by check or draft mailed by the Trustee to the registered owner at the registered address. Interest on this Bond shall be computed on the basis of a 360-day year comprised of twelve 30-day months. During the time funds are being drawn down by the Issuer under this Bond, the MFA will periodically provide the Issuer with a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided, that no failure on the part of the MFA to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding principal amount actually advanced [(subject to any principal forgiveness as provided for herein)], all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest that is two percent above the MFA's cost of providing funds (as determined by the MFA) to make payment on the bonds of the MFA issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the MFA has been fully reimbursed for all costs incurred by the MFA (as determined by the MFA) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the MFA. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the MFA) the investment of amounts in the reserve account established by the MFA for the bonds of the MFA issued to provide funds to purchase this bond fails to provide sufficient available funds (together with any other funds that may be made available for such purpose) to pay the interest on outstanding bonds of the MFA issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the MFA) of such deficiency as additional interest on this Bond.

Notwithstanding any other provision of this Bond, so long as the MFA is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at U.S. Bank Trust Company, National Association, or at such other place as shall be designated in writing to the Issuer by the MFA (the "MFA's Depository"); (b) the Issuer agrees that it will deposit with the MFA's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the MFA's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the MFA as invoiced by the MFA an amount to recover the MFA's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the MFA's Depository at least 40 days prior to the date on which redemption is to be made.

This Bond is one of a series of bonds designated "Sewage Disposal System Revenue Bonds, Series 2026-SRF-1" and is issued pursuant to the provisions of (i) Act 233, Public Acts of Michigan, 1955, as amended ("Act 233"), and Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"), (ii) Master Bond Ordinance No. 2015-02 adopted by the Board on October 7, 2015, as

amended (the “Bond Ordinance”), (iii) the Series Ordinance Authorizing Issuance and Sale of Sewage Disposal System Revenue Bonds in an Aggregate Amount not to Exceed \$_____, adopted by the Board on _____, 2025 (the “Series Ordinance”), and (iv) a Sale Order of the Chief Executive Officer of the Issuer dated _____, 2026 (the “Sale Order,” and, collectively with the Bond Ordinance and the Series Ordinance, the “Ordinance”). This Bond is issued for the purposes set forth in the Series Ordinance and the Sale Order.

For the prompt payment of the principal of and interest on this Bond, and other bonds issued by the Issuer pursuant to the Bond Ordinance, the Issuer has irrevocably pledged the Pledged Assets (as defined in the Bond Ordinance), which includes the revenues of the Sewer System (as defined in the Bond Ordinance), after provision is made for reasonable and necessary expenses of operation, maintenance and administration of the Sewer System (the “Net Revenues”), and a statutory lien on the Net Revenues and Pledged Assets is hereby recognized and acknowledged. Such lien is a third lien, subject to obligations heretofore and hereafter issued or incurred under the Bond Ordinance secured by a first or second lien on the Pledged Assets. This Bond is of equal standing on a parity with all other obligations heretofore and hereafter issued or incurred under the Bond Ordinance and secured by a third lien on the Pledged Assets.

For a complete statement of the revenues from which and the conditions under which this Bond is payable, a statement of the conditions under which Additional Bonds (as defined in the Bond Ordinance) of senior or equal standing and Additional Bonds of junior standing may hereafter be issued and the general covenants and provisions pursuant to which this Bond is issued, reference is made to the Bond Ordinance.

This Bond is subject to redemption prior to maturity at the option of the Issuer and with the prior written consent of and upon such terms as may be required by the MFA. That portion of this Bond called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the Trustee to redeem the same.

THIS BOND IS ISSUED UNDER ACT 233 AND ACT 94. IT IS A SELF-LIQUIDATING BOND AND IS NOT A GENERAL OBLIGATION OF THE ISSUER AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN ANY CONSTITUTIONAL OR STATUTORY LIMITATION, BUT IS PAYABLE, BOTH AS TO PRINCIPAL AND INTEREST SOLELY FROM THE PLEDGED ASSETS OF THE SEWER SYSTEM. THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND ARE SECURED BY A STATUTORY LIEN ON THE PLEDGED ASSETS AS DESCRIBED HEREIN.

The Issuer has covenanted and agreed, and hereby covenants and agrees, to fix and maintain, or cause to be fixed and maintained, at all times while any bonds payable from the Pledged Assets of the Sewer System shall be outstanding, such rates for service furnished by the Sewer System as shall be sufficient to provide for payment of the interest upon and the principal of this Bond and all other Bonds (as defined in the Bond Ordinance) assumed or issued and to be issued under the Bond Ordinance as and when the same shall become due and payable, to create and maintain a bond redemption fund therefor, including a bond reserve for Bonds other than this Bond, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the Sewer System as are necessary to preserve the same in good repair and

working order, and to provide for such other expenditures and funds for the Sewer System, all as are required by the Bond Ordinance.

This Bond is transferable only upon the books of the Issuer kept for that purpose at the office of the Trustee by the registered owner hereof in person, or by his attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new registered bond or bonds of the same type, in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the Ordinance and upon the payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required by law precedent to and in the issuance of this Bond have been done and performed by regular and due time and form as required by law.

This Bond is not valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon has been executed by the Trustee.

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IN WITNESS WHEREOF, the Great Lakes Water Authority, Counties of Macomb, Oakland and Wayne, State of Michigan, has caused this Bond to be signed in its name by the facsimile signatures of its Chief Executive Officer and its Secretary of the Board and its corporate seal or a facsimile thereof to be printed, impressed or otherwise reproduced hereon, all as of the Original Issue Date.

GREAT LAKES WATER AUTHORITY

By: _____
Chief Executive Officer

Countersigned:

By: _____
Secretary, Board of Directors

[Seal]

CERTIFICATE OF AUTHENTICATION

This Bond is authenticated as the bond designated by the Issuer as “Sewage Disposal System Revenue Bond, Series 2026-SRF-1”.

U.S. Bank Trust Company, National Association,
Trustee

By:_____

Date of Authentication: _____, 2026

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto _____ this Bond and all rights hereunder and hereby irrevocably appoints _____ attorney to transfer this Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular.

Schedule A

The principal amounts and maturity dates applicable to the Bond to which this Schedule A is attached are as follows:

Date

Amount

Based on the schedule provided above unless revised as provided in this paragraph, repayment of the Principal Amount shall be made according to such schedule until the full Principal Amount disbursed to the Issuer is repaid; provided, however, that the Issuer shall have no obligation to repay any serial principal installment for which the Issuer did not receive a disbursement of Principal Amount by the date such serial principal installment is due. In the event the Order of Approval issued by the Department of Environment, Great Lakes, and Energy (the "Order") approves a principal amount of assistance less than the amount of the Bond, the MFA shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule described above provides for payment of a total principal amount greater than the amount of assistance approved by the Order, (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the MFA or (3) of prepayment [or principal forgiveness] of the Bond, the MFA shall prepare a new payment schedule that shall be effective upon receipt by the Issuer.

END OF BOND FORM

Section 7. Concerning the Securities Depository.

(a) As used herein:

“Beneficial Owner” means any Person who indirectly owns 2026 SRF-1 Junior Lien Bonds pursuant to the indirect ownership system maintained by a securities depository (the “Securities Depository”) and its Participants, commonly known as the “Book-Entry Only System.”

“Participant” means any Person whose ownership of 2026 SRF-1 Junior Lien Bonds is shown on books of the Securities Depository.

(b) The 2026 SRF-1 Junior Lien Bonds will initially be registered in the name of the MFA, or such other purchasers as designated in the Sale Order. In the event 2026 SRF-1 Junior Lien Bonds are later to be registered in the name of a Securities Depository or its nominee, neither the Authority nor the Trustee shall have any responsibility or obligation to any Participant or to any Beneficial Owner with respect to any matter, including the following:

- (1) the accuracy of the records of the Securities Depository, its nominee or any Participant with respect to any ownership interest in 2026 SRF-1 Junior Lien Bonds,
- (2) the delivery to any Participant, Beneficial Owner or any other Person other than the Securities Depository of any notice with respect to any 2026 SRF-1 Junior Lien Bonds, including any notice of redemption, or
- (3) the payment to any Participant, Beneficial Owner or any other Person, other than the Securities Depository of any amount with respect to the principal (and premium, if any) of or interest on any 2026 SRF-1 Junior Lien Bonds.

(c) The Trustee shall pay all principal (and premium, if any) of and interest on the 2026 SRF-1 Junior Lien Bonds only to or upon the order of the MFA, or the Securities Depository, as applicable, and all such payments shall be valid and effective fully to satisfy and discharge the Authority’s obligations with respect to the principal (and premium, if any) of, and interest on such 2026 SRF-1 Junior Lien Bonds to the extent of the sum or sums so paid.

(d) If 2026 SRF-1 Junior Lien Bonds become registered in the name of the Securities Depository and (1) the Authority receives a written notice from the Securities Depository to the effect the Securities Depository is unable or unwilling to discharge its responsibilities or (2) the Authority determines that it is in the best interests of the Beneficial Owners of 2026 SRF-1 Junior Lien Bonds that they be able to obtain 2026 SRF-1 Junior Lien Bonds in certificated form, then, in either event, the Authority shall notify the Trustee and, in the case of clause, (2), the Securities Depository.

(e) Upon discontinuance of the use of the Book-Entry Only System maintained by the Securities Depository, if any, pursuant to subsection (d), above and upon receipt of notice from the Securities Depository containing sufficient information, the Authority shall execute and the Trustee shall authenticate and deliver 2026 SRF-1 Junior Lien Bonds in certificated form to

Beneficial Owners in exchange for the beneficial interests of such Beneficial Owners in corresponding principal amounts and in any Authorized Denominations.

(f) Notwithstanding any other provision of this 2026 SRF-1 Series Ordinance to the contrary, so long as any 2026 SRF-1 Junior Lien Bond is registered in the name of the Securities Depository or its nominee:

- (1) all payments with respect to the principal, premium, if any, and interest on such 2026 SRF-1 Junior Lien Bond and all notices of redemption, tender and otherwise with respect to such 2026 SRF-1 Junior Lien Bond shall be made and given, respectively, to the Securities Depository as provided in the letter of representations from the Authority to the Securities Depository with respect to such 2026 SRF-1 Junior Lien Bonds or any master letter of representations from the Authority to the Securities Depository;
- (2) if less than all of the 2026 SRF-1 Junior Lien Bonds of the same type of any maturity are to be redeemed, then the particular 2026 SRF-1 Junior Lien Bonds or portions of 2026 SRF-1 Junior Lien Bonds of such type and maturity to be redeemed shall be selected by the Securities Depository in any such manner as the Securities Depository may determine;
- (3) all payments with respect to principal of the 2026 SRF-1 Junior Lien Bonds and premium, if any and interest on the 2026 SRF-1 Junior Lien Bonds shall be made in such manner as shall be prescribed by the Securities Depository; and
- (4) if a 2026 SRF-1 Junior Lien Bond is redeemed or tendered in part, then all amounts payable in respect of such redemption or tender shall be paid without presentation and surrender of such 2026 SRF-1 Junior Lien Bond pursuant to the procedures of the Securities Depository.

Section 8. Payment of 2026 SRF-1 Junior Lien Bonds; Confirmation of Statutory Lien.

(a) The 2026 SRF-1 Junior Lien Bonds and the interest thereon shall be payable solely from the Pledged Assets.

(b) To secure payment of the 2026 SRF-1 Junior Lien Bonds, the statutory lien upon the whole of the Pledged Assets established by Act 94 and the pledge created in Section 501 of the Ordinance is hereby confirmed in favor of the 2026 SRF-1 Junior Lien Bonds as follows: Such lien in favor of the 2026 SRF-1 Junior Lien Bonds shall be a statutory third lien on the Pledged Assets of equal standing and Priority of Lien with all issued, to be issued and outstanding SRF Junior Lien Bonds.

Section 9. Funds and Accounts; Flow of Funds. Except as otherwise provided in this 2026 SRF-1 Series Ordinance, all of the provisions relative to funds and accounts, their maintenance, the flow of funds and other details relative thereto, shall remain as specifically set forth in the Ordinance.

Section 10. Disposition of Proceeds.

(a) Disposition of Accrued Interest and Capitalized Interest. From the proceeds of the sale of the 2026 SRF-1 Junior Lien Bonds there shall be immediately deposited in the SRF Junior Lien Debt Service Account, an amount equal to any accrued interest received on the delivery of the 2026 SRF-1 Junior Lien Bonds and any capitalized interest on the 2026 SRF-1 Junior Lien Bonds, and the Authority may take credit for the amount so deposited against the amount required to be deposited in the SRF Junior Lien Debt Service Account for payment of the next maturing interest payment on the 2026 SRF-1 Junior Lien Bonds.

(b) Construction Fund. The balance of the proceeds of the 2026 SRF-1 Junior Lien Bonds shall be deposited in the Construction Fund and used to pay Project Costs as provided in Section 11.

Section 11. Construction Fund.

(a) A subaccount of the Authority Regional Construction Account of the Construction Fund established by the Ordinance shall be established for the 2026 SRF-1 Junior Lien Bonds and designated the "Construction Fund, Series 2026 SRF-1," and shall be established and maintained as a separate depository account with a Custodian as designated by the Chief Financial Officer.

(b) Moneys in the Construction Fund, Series 2026 SRF-1 shall be applied solely to payment of Project Costs (or to the reimbursement of Project Costs paid by the Authority from other funds prior to the issuance of the 2026 SRF-1 Junior Lien Bonds).

(1) Payments or reimbursements for Project Costs for construction, either on account or otherwise, shall not be made unless the registered engineer in charge of such work shall file with an Authorized Officer a signed statement to the effect that the work has been completed in accordance with the plans and specifications therefor, that it was done in accordance with the contract therefor, that such work is satisfactory and that such work has not been previously paid for.

(2) Payment or reimbursement for Project Costs consisting of Issuance Costs and engineering, legal and financial costs shall be made upon submission of appropriate documentation to an Authorized Officer.

Section 12. Tax Covenant.

(a) The Authority hereby covenants and represents with the registered owners of the Tax-Exempt 2026 SRF-1 Junior Lien Bonds, that so long as any of the Tax-Exempt 2026 SRF-1 Junior Lien Bonds remain outstanding and unpaid as to either principal or interest, the Authority shall, to the extent permitted by law, take all actions within its control to maintain, and will refrain from taking any action which would impair, the exclusion of the interest on the Tax-Exempt 2026 SRF-1 Junior Lien Bonds from gross income for federal income tax purposes under the Code.

(b) The actions referred to in subsection (a), above include, but are not limited to actions relating to any required rebate of arbitrage earnings and the expenditure and investment of

proceeds of Tax-Exempt 2026 SRF-1 Junior Lien Bonds and moneys deemed to be proceeds of Tax-Exempt 2026 SRF-1 Junior Lien Bonds, and to prevent Tax-Exempt 2026 SRF-1 Junior Lien Bonds from being or becoming “private activity bonds” as that term is used in the Code.

(c) Pursuant to Section 512(a) of the Ordinance, the Chief Financial Officer is hereby authorized to designate separate accounts in the Construction Fund, Series 2026 SRF-1, if determined necessary and desirable, for administrative purposes and to better able the Authority to comply with tax covenants, including rebate covenants, relating to the 2026 SRF-1 Junior Lien Bonds in connection with maintaining the exclusion, if any, from gross income for federal income tax purposes of interest on the 2026 SRF-1 Junior Lien Bonds. The Authority Board acknowledges, further, in accordance with Section 514 of the Ordinance, the establishment of a Rebate Fund, under Section 502 of the Ordinance, which shall be maintained by the Trustee as a separate depository account, for the sole purpose of paying to the United States of America the amounts required to be rebated pursuant to the Code. In accordance with Section 514 of the Ordinance, the Authorized Officer is authorized to direct the Trustee to transfer to the Rebate Fund, an amount sufficient to make the amount on deposit in the Rebate Fund equal to 100% of the amount certified by the Authority as the amount required to be rebated to the United States pursuant to the Code as of the close of the bond year (as defined in the Code) for a related Series of Bonds. Such amount shall be certified by an Authorized Officer to the Trustee.

Section 13. Sale of 2026 SRF-1 Junior Lien Bonds; Purchase Contract; Expiration of Referendum Period.

(a) The 2026 SRF-1 Junior Lien Bonds shall be sold by negotiated sale to the MFA pursuant to a Purchase Contract in customary form with such changes thereto as an Authorized Officer shall determine are in the best interests of the Authority, within the parameters established by this 2026 SRF-1 Series Ordinance. Such determination shall be conclusively established by the Authorized Officer’s execution of the Purchase Contract to the MFA.

(b) The Authority Board hereby determines that the sale of the 2026 SRF-1 Junior Lien Bonds by negotiated sale as described in subsection (a) is in the best interests of the Authority and will allow the 2026 SRF-1 Junior Lien Bonds to receive a subsidized interest rate through participation in the MFA’s State Revolving Fund Program.

(c) An Authorized Officer is authorized to accept, on behalf of the Authority, an offer from the MFA to purchase the 2026 SRF-1 Junior Lien Bonds subject to the following limitations:

- (1) The interest rate with respect to any Series of the 2026 SRF-1 Junior Lien Bonds shall not exceed 2.75%.
- (2) The aggregate purchaser’s discount at which any Series of the 2026 SRF-1 Junior Lien Bonds shall be sold to the MFA shall not exceed 2.00%.

(d) An Authorized Officer shall confirm in the Sale Order that there was no petition meeting the requirements of Section 33 of Act 94 that was filed with the Secretary of the Authority Board within 45 days of the date of publication of the notice of intent to issue bonds with respect to the 2026 SRF-1 Junior Lien Bonds as required by Section 33 of Act 94.

Section 14. Delegation of Authority to and Authorization of Actions of Authorized Officers.

(a) An Authorized Officer shall make all determinations herein provided to be made in the Sale Order and shall make all such determinations in accordance with the best interests of the Authority within the parameters of this 2026 SRF-1 Series Ordinance.

(b) In addition to determinations authorized elsewhere in this 2026 SRF-1 Series Ordinance, an Authorized Officer shall determine the aggregate principal amount of 2026 SRF-1 Junior Lien Bonds to be issued, but not in excess of the aggregate principal amount authorized by this 2026 SRF-1 Series Ordinance, on the basis of her evaluation of the maximum amount of 2026 SRF-1 Junior Lien Bonds which can be sold, given anticipated interest rates and the revenue coverage requirements with respect to the 2026 SRF-1 Junior Lien Bonds and for any other reasons the Authorized Officer deems appropriate.

(1) Such determination shall also include the redemption provisions for the 2026 SRF-1 Junior Lien Bonds.

(2) An Authorized Officer shall also determine and establish, in accordance with this 2026 SRF-1 Series Ordinance, the maturities of each Series of the 2026 SRF-1 Junior Lien Bonds, whether such maturities shall be serial or term maturities and the Mandatory Redemption Requirements for any term maturities.

(c) An Authorized Officer is authorized, if necessary, to file applications and to pay the related fees, if any, to the Michigan Department of Treasury at her discretion under Act 34 for one or more orders of approval to issue all or a portion of the 2026 SRF-1 Junior Lien Bonds, and such waivers or other Treasury approvals as necessary to implement the sale, delivery and security for the 2026 SRF-1 Junior Lien Bonds as authorized herein, and as required by the Michigan Department of Treasury or Act 34.

(d) An Authorized Officer shall determine in the Sale Order that the requirements set forth in Section 207 of the Ordinance with respect to the issuance of the 2026 SRF-1 Junior Lien Bonds as Additional Bonds have been satisfied.

(e) An Authorized Officer is hereby authorized and directed to do and perform any and all other acts and things with respect to the 2026 SRF-1 Junior Lien Bonds which are necessary or appropriate to carry into effect, consistent with the Ordinance and this 2026 SRF-1 Series Ordinance, the authorizations therein and herein contained including without limitation the securing of ratings by bond rating agencies, and the incurring of reasonable fees costs and expenses incidental to the foregoing, for and on behalf of the Authority.

Section 15. Advancement of Project Costs. At the direction of an Authorized Officer, the Authority may advance certain Project Costs from the Authority's funds prior to the issuance of the 2026 SRF-1 Junior Lien Bonds to the extent that such costs are expenditures appropriate for reimbursement under applicable law, including the Code in the case of Tax-Exempt 2026 SRF-1 Junior Lien Bonds. The Authority hereby declares its official intent to issue the 2026 SRF-1 Junior

Lien Bonds to finance the Project Costs, and hereby declares that it reasonably expects to reimburse the Authority's advances of Project Costs as anticipated by this declaration.

Section 16. Ratification. All determinations and decisions of an Authorized Officer heretofore taken with respect to the issuance and sale of the 2026 SRF-1 Junior Lien Bonds as permitted or required by the Ordinance or law are hereby ratified, confirmed and approved.

Section 17. Additional Authorization. The Chief Executive Officer, the Chief Financial Officer, the Chief Administrative and Compliance Officer and the General Counsel of the Authority, any such officials acting in an interim or acting capacity to such officers, their deputies and staff, or any of them, are hereby authorized to execute and deliver such certificates, Supplemental Agreements, other agreements, documents, instruments, opinions and other papers as may be deemed necessary or appropriate to complete the sale, execution and delivery of the 2026 SRF-1 Junior Lien Bonds and otherwise give effect to the transactions contemplated by this 2026 SRF-1 Series Ordinance, as determined by such officials executing and delivering the foregoing items.

Section 18. 2026 SRF-1 Series Ordinance a Contract. The provisions of this 2026 SRF-1 Series Ordinance shall constitute a contract between the Authority and each registered owner of an outstanding 2026 SRF-1 Junior Lien Bond.

Section 19. Professional Services.

(a) Dickinson Wright PLLC is hereby appointed as Bond Counsel for the 2026 SRF-1 Junior Lien Bonds, notwithstanding the periodic representation by Dickinson Wright PLLC in unrelated matters of other parties and potential parties to the issuance of the 2026 SRF-1 Junior Lien Bonds.

(b) PFM Financial Advisors LLC is hereby appointed as Financial Advisor for the 2026 SRF-1 Junior Lien Bonds, notwithstanding the periodic representation by PFM Financial Advisors LLC in unrelated matters of other parties and potential parties to the issuance of the 2026 SRF-1 Junior Lien Bonds.

(c) The fees and expenses of Dickinson Wright PLLC and PFM Financial Advisors LLC shall be payable as an Issuance Cost from the proceeds of the 2026 SRF-1 Junior Lien Bonds or other available funds.

(d) An Authorized Officer is authorized to engage financial and other consultants as she deems necessary or appropriate in connection with the sale, issuance and delivery of the 2026 SRF-1 Junior Lien Bonds and to pay the fees and expenses thereof from the proceeds of the 2026 SRF-1 Junior Lien Bonds or other available funds.

Section 20. Severability; Headings; and Conflict. If any section, paragraph, clause or provision of this 2026 SRF-1 Series Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this 2026 SRF-1 Series Ordinance. The section and paragraph headings in this 2026 SRF-1 Series Ordinance are furnished for convenience of reference only and shall not be considered to be part of this 2026 SRF-1 Series Ordinance.

Section 21. Publication and Recordation. This 2026 SRF-1 Series Ordinance shall be published in full in the Detroit Legal News, a newspaper of general circulation within the geographic boundaries of the Authority qualified under State law to publish legal notices, promptly after its adoption, and shall be maintained in the official records of the Authority and such recording authenticated by the signatures of the Chairperson and Secretary of the Authority Board.

Section 22. Repeal. All ordinances, resolutions, indentures or orders, or parts thereof, in conflict with the provisions of this 2026 SRF-1 Series Ordinance are, to the extent of such conflict, repealed.

Section 23. Effective Date. This 2026 SRF-1 Series Ordinance shall be effective upon adoption.

Adopted and signed on the ____ day of _____, 2025.

GREAT LAKES WATER AUTHORITY

Signed _____
Chairperson

Signed _____
Secretary

Great Lakes Water Authority

Resolution 2025-338

**RE: Approval of Series Ordinance Authorizing Issuance and Sale of Sewage Disposal
System Revenue Bonds in an Aggregate Amount not to Exceed \$115,427,477
Ordinance 2025-05**

By Board Member: _____

Whereas There has been presented to the Board of Directors of the Great Lakes Water Authority (the “Authority”) an ordinance entitled “Series Ordinance Authorizing the Issuance and Sale of Sewage Disposal System Revenue Bonds in an Aggregate Amount not to Exceed \$115,427,477” (the “2026 SRF-1 Series Ordinance”), which ordinance is a Series Ordinance as defined and described in Master Bond Ordinance No. 2015-02 adopted by the Board of Directors on October 7, 2015, as amended on December 9, 2015, January 27, 2016, August 10, 2016 and February 12, 2020.

Whereas The Articles of Incorporation of the Authority provide that at least 5 of the 6 members of the Authority Board must vote to approve the 2026 SRF-1 Series Ordinance.

Now, Therefore Be It:

Resolved That the 2026 SRF-1 Series Ordinance, in the form presented to this meeting, is approved and adopted, and the Chairperson and the Secretary are authorized to authenticate the 2026 SRF-1 Series Ordinance in the form approved; **And Be it Further**

Resolved That an affirmative vote of at least 5 members of the Authority Board is necessary for the passage of this Resolution.

Adopted by the Great Lakes Water Authority Board on: _____, 2025



Financial Services Audit Committee Communication

Date: October 24, 2025

To: Great Lakes Water Authority Audit Committee

From: Cindy Cezat, Director, Financial Management and Planning
David Slowik, Manager, Financial Planning and Analysis

Re: Government Finance Officers Association (GFOA) Distinguished Budget
Presentation Award

Highlights: For the seventh consecutive year, GLWA has been awarded the Distinguished Budget Presentation Award by the Government Finance Officers Association (GFOA) of the United States and Canada. To receive the budget award, GLWA had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as:

- ✓ A policy document
- ✓ A financial plan
- ✓ An operations guide, and
- ✓ A communications device.

Background: This award represents a significant achievement by GLWA, reflecting the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. Budget documents must be rated "proficient" in all four categories, and in the fourteen mandatory criteria within those categories, to receive the award.

In addition to receiving the award, GLWA's budget document received special recognition for Strategic Goals & Strategies. Special recognition is given when all reviewers of the document give the highest possible score in particular categories.

There are over 1,900 participants in the Budget Awards Program. The most recent Budget Award Recipients, along with their corresponding budget documents, are posted quarterly on GFOA's website. Award recipients have pioneered efforts to improve the quality of budgeting and provide an excellent example for other governments throughout North America.

Many groups, areas and teams throughout GLWA contribute to the development of the budget document. Leading this effort are Cindy Cezat, David Slowik, Robert Arbaugh along with CFO Executive Assistant Phyllis Walsh and the entire Financial Planning and Analysis team. The *GLWA FY 2026 and FY 2027 Biennial Budget & Five-Year Financial Plan FY 2026 through FY 2030* can be found on the GLWA website <https://www.glwater.org/financials/>.

Proposed Action: Receive and file this report.



Financial Services Audit Committee Communication

Date: October 24, 2025

To: Great Lakes Water Authority Audit Committee

From: Nicolette Bateson, CPA
Chief Financial Officer/Treasurer

Re: Proposed Calendar Year 2026 Audit Committee Meeting Dates

Background: Annually the Audit Committee establishes its meeting schedule for the upcoming calendar year.

Analysis: Listed below are the proposed 2026 Audit Committee meeting dates following the cadence of meeting on the *fourth* Friday of each month with some exceptions as noted below.

The proposed meeting time is 8:00 a.m. with the meetings continuing to be held online and/or as posted to provide for remote telephonic and online participation by the public.

January 30, 2026*	May 22, 2026	September 25, 2026
February 27, 2026	June 26, 2026	October 23, 2026
March 27, 2026	July 24, 2026	November 20, 2026**
April 24, 2026	August 28, 2026	December 18, 2026**

* Moved back by one week to better align with charges rollout meetings

** Moved up by one week earlier due to holidays scheduled.

It should be noted that the Audit Committee is a sub-quorum advisory committee which, except for the meetings where the Audit Committee selects an external auditor, the Committee is not subject to the Open Meetings Act. As a matter of practice, the GLWA Audit Committee encourages public participation by remote telephonic and electronic means with access information posted on the Audit Committee agendas.

Proposed Action: Approve the meeting schedule as proposed or amended.



Financial Services Audit Committee Communication

Date: October 24, 2025

To: Great Lakes Water Authority Audit Committee

From: Nicolette N. Bateson, CPA, Chief Financial Officer & Treasurer

Re: CFO Report

Charges Outreach and Modeling Coordinates One Water Partnership Workshops

On Thursday, September 18, 2025, the Charges Outreach and Modeling team coordinated in a special One Water Partnership workshop in Grosse Pointe Shores. GLWA's charges consultants Jeff McGarvey and Kevin Burnett of Willdan Financial Services were on site for the rate-setting workshop focused on local retail rates. This provided an opportunity for member partners to ask questions, discuss scenarios and think locally about their own processes. Feedback from the event was overwhelmingly positive.

Also, Matt Lane, Charges Outreach and Modeling Manager continues his work as Communications Council Chair for the Michigan Section - American Water Works Association as the new co-host of the Michigan Section's podcast called The Current.

GLWA Team Member Recognized by Workday

We would like to congratulate Sonya Beaver, Financial Services Payroll Manager, on earning her Workday Pro U.S. Payroll Certification. This achievement places her among a select group of Workday experts worldwide. Her certification allows her to join the Workday Pro Collaboration Group, where she can share ideas and learn new ways to use Workday effectively. This not only highlights Sonya's dedication and expertise but also shows her commitment to improving our organization.

First Annual FSA All Day Training Event

On Wednesday, October 15, 2025 nearly all members of the Financial Services Area engaged in an all-day, off-site training event related to the public service aspects of their shared responsibilities. Sessions covered such topics as public procurement, the Open Meetings Act, GLWA Board and Committee functions, the Freedom of Information Act, and preparing Audit Committee and Board communications. FSA was pleased to welcome GLWA Deputy CEO Bill Wolfson and General Counsel David Jones as special speakers. Team members provided very positive feedback. FSA Leadership is now looking at dates for a 2026 event.



GREAT LAKES WATER AUTHORITY

FY 2025 Preliminary Financial Report (Unaudited)

Audit Committee Meeting October 24, 2025

FY 2025 Fiscal Year End Notes

- 💧 **Note: All amounts are unaudited in this report**
- 💧 First fiscal using Workday FINS (financial system) which went live on July 1, 2024
- 💧 One non-routine year-end adjustment to the sewer construction fund for \$3.3 million for arbitrage (see related report in the October 24, 2025 Audit Committee binder)
- 💧 Positive cash flow for the water and sewer systems for both GLWA and DWSD
- 💧 Subsequent slides provide budget basis and unaudited accrual basis preliminary performance
- 💧 The unaudited June 30, 2025 report will be distributed prior to the next Audit Committee

Performance Aligns with Budget

As of June 30, 2025				
Metric	FY 2025 Budget	FY 2025 Amended Budget	FY 2025 Actual	Variance from Financial Plan
Wholesale Water Billed Revenue (\$M)	\$354.4	\$354.4	\$352.0	-1%
Wholesale Water Billed Usage (mcf)	13,274,000	13,274,000	12,997,000	-2%
Wholesale Sewer Billed Revenue (\$M)	\$286.6	\$286.6	\$286.6	0%
Wholesale Water Operations & Maintenance (\$M)	\$169.6	\$182.2	\$175.4	-4%
Wholesale Sewer Operations & Maintenance (\$M)	\$228.9	\$235.2	\$229.7	-2%
Investment Income (\$M)	\$32.5	\$47.5	\$47.0	-1%
Water Prorated Capital Spend w/SRA* (\$M)	\$207.3	\$207.3	\$158.3	-24%
Sewer Prorated Capital Spend w/SRA* (\$M)	\$169.2	\$169.2	\$175.8	4%

*SRA refers to the capital spending ratio assumption which allows capital program delivery realities to align with the financial plan.

- Amended budget includes first, second and third quarter budget amendments. The third quarter budget amendments were approved by the GLWA Board of Directors on June 25, 2025.
- One notable variance is the water capital spend which reflects a significant budget variance. This is largely due to the Jefferson Main Replacement project that has been delayed.

Improving Net Position (Deficit)

Table 2 – Statement of Revenues, Expenses and Changes in Net Position
– All Funds Combined – Draft
For the Twelve Months ended June 30, 2025
(\$000)

Unaudited

	Water	Percent of Revenue	Sewage Disposal	Percent of Revenue	Total Business- Type Activities	Comparative June 30, 2024
Revenue						
Wholesale customer charges	\$ 348,976	92.7%	\$ 287,691	56.7%	\$ 636,667	\$ 599,569
Local system charges	27,095	7.2%	205,925	40.6%	233,020	222,107
Industrial waste charges	-	0.0%	8,849	1.7%	8,849	8,617
Pollutant surcharges	-	0.0%	4,584	0.9%	4,584	4,089
Other revenues	383	0.1%	565	0.1%	948	1,149
Total Revenues	376,455	100.0%	507,614	100.0%	884,068	835,531
Operating expenses						
Operations and Maintenance	174,142	46.3%	227,976	44.9%	402,118	376,757
Depreciation	94,928	25.2%	147,559	29.1%	242,487	265,044
Amortization of intangible assets	4,951	1.3%	1,824	0.4%	6,774	4,837
Total operating expenses	274,020	72.8%	377,359	74.3%	651,379	646,638
Operating Income	102,434	27.2%	130,255	25.7%	232,689	188,893
Total Nonoperating (revenue) expense	67,627	18.0%	38,980	7.7%	106,607	147,736
Increase/(Decrease) in Net Position	34,807	9.2%	91,275	18.0%	126,082	41,157
Net Position (deficit), beginning of year	(111,131)		(79,294)		(190,425)	(231,582)
Net position (deficit), end of year	\$ (76,324)		\$ 11,981		\$ (64,342)	\$ (190,425)

Totals may be off due to rounding

💧 Net position/(deficit) continues to steadily improve

💧 Decreased depreciation

💧 Decreased nonoperating expense



Financial Services Audit Committee Communication

Date: October 24, 2025

To: Great Lakes Water Authority Audit Committee

From: Greg Bolterman, CFO Services Management Professional

Re: Grants, Gifts, and Other Resources Report Through September 30, 2025

Highlights: The Grants, Gifts, and Other Resources Report highlights changes from the prior report in yellow. Four projects were updated this month. Of particular note are the following.

- ✓ **2023-019 American Rescue Plan – State Revolving Fund (ARPA) Funded Project 7532-02 96 Inch Water Transmission Main Relocation Phase 2 EGLE (CIP Project 122004)** – Reimbursement request of \$298,168 received.
- ✓ **2025-005 American Rescue Plan – State Revolving Fund (ARPA) Funded Project 5840-01 Northwest Interceptor to Oakwood CSO Sewer (CIP Project 222001)** – Reimbursement of \$179,688 received, also submitted and received a reimbursement request for \$943,888.
- ✓ **2025-007 State Revolving Fund Clean Water Initiative/Strategic Water Quality Initiative Project 5980-01 West Chicago South Stormwater Improvements (DWSD Grant)** – Reimbursement of \$2,050,504 received, also submitted and received a reimbursement request of \$182,373.
- ✓ **2023-002 FY 2022 Environmental Protection Agency Community Grant – Detroit River Interceptor (CIP Project 222002)** – Submitted and received reimbursement request of \$2,000,000. Project moved to Post Award section.

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 ⁽¹⁾ as stated in Article 4 – Powers, Section B (4):

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.

(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 ⁽²⁾.

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 programs that GLWA will not continue to pursue** is a table that reflects programs that GLWA was 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 2024, FY 2025 and FY 2026 to date. The summarized activity below identifies two earmarked EPA Community Grants and two Cybersecurity Grants.

Table 2 - Awarded Programs reflects all open, awarded grants from FY 2021 through FY 2026. Current month summarized activity below includes one EPA Community Grant, the I-94 Modernization Project, two awards for local nonprofit apprenticeship grants, three reimbursement requests submitted for three associated FEMA Flood projects, one reimbursement request for COVID-19 related management costs, two

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

SRF funded projects with grant components, a Department of Energy grant, a Building Resilient Infrastructure and Communities (BRIC) Grant, two DWSD pass through grants, a flood study grant where we are required to track costs incurred by GLWA, and a subrecipient grant for scale up of the hydrothermal liquefaction process.

Table 3 – Post Award Programs Seven FEMA Flood projects are fully received and in the process of being closed out as is one EPA Community Grant.

Table 4 – Programs not awarded or Programs that GLWA will not continue to pursue is a table that reflects programs that GLWA was not awarded, or alternatively, programs that will not continue to be pursued by GLWA. There is no current activity in this category.

Proposed Action: Receive and file this report.



Financial Services Audit Committee Communication

Table 1 – Pre-Award Programs reflects open submissions for FY 2024, FY 2025, and FY2026 to date. The programs listed under this section do not have a grant agreement between the awarding agency and GLWA at this time, but an application has been submitted, or the funds have been identified in legislation (i.e. earmarks). The summarized activity below identifies two earmarked EPA Community Grants and two Cybersecurity Grants.

Table 1 – Pre-Award Programs

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2024-009	3/9/2024	FY 2024 Environmental Protection Agency Community Grant – Pump Station #2 Rack & Grit (CIP Project 211007)	Federal Grant (Reimbursement Basis)	\$959,752	Federal Audit Requirements	Earmark (20% Cost Share). Working with Project Manager to develop project workplan.
2024-009b	3/9/2024	FY 2024 Environmental Protection Agency Community Grant – Oakwood District Intercommunity Relief Sewer Modifications (CIP Project 222001)	Federal Grant (Reimbursement Basis)	\$959,752	Federal Audit Requirements	Earmark (20% Cost Share)
2025-001	12/19/2024	State and Local Cybersecurity Grant Program (SLCGP) - Cybersecurity Assessments	Federal Grant (Reimbursement Basis)	\$80,000	Federal Audit Requirements	Application Submitted by GLWA, under review by FEMA.
2025-002	12/19/2024	State and Local Cybersecurity Grant Program (SLCGP) - Cybersecurity Professional Training for IT/Security Staff	Federal Grant (Reimbursement Basis)	\$191,194	Federal Audit Requirements	Application Submitted by GLWA, under review by FEMA.

Table 2 Awarded Programs reflects all open, awarded grants from FY 2021 through FY 2026. Current month summarized activity below includes one EPA Community Grant, the I-94 Modernization Project, two awards for local nonprofit apprenticeship grants, three reimbursement requests submitted for three associated FEMA Flood projects, one reimbursement request for COVID-19 related management costs, two SRF funded projects with grant components, a Department of Energy grant, a Building Resilient Infrastructure and Communities (BRIC) Grant, two DWSD pass through grants, a flood study grant where we are required to track costs incurred by GLWA, and a subrecipient grant for scale up of the hydrothermal liquefaction process.

Table 2 – Awarded Programs

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2023-003	12/19/2022	FY2023 Environmental Protection Agency Community Grant – PFAS Compounds remediations project	Federal Grant (Reimbursement Basis)	\$3,452,972	Federal Audit Requirements	Received notification of award June 6, 2025.
2023-005	3/28/2023	Department of Energy – Hydrothermal Liquefaction Project	Federal Grant (Reimbursement Basis)	\$1,000,000	Federal Audit Requirements	Reimbursement requests of \$657,158 received through July 2025.
2023-013	8/06/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 714729 Outfalls (CIP Project 260201)	Federal pass-through State (Reimbursement Basis)	\$247,650	Federal Audit Requirements	Reimbursement request of \$247,650 submitted in February 2024. Project closeout in progress.
2023-014	8/28/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 664811 Conner Creek Sewer System (CIP Project 260204)	Federal pass-through State (Reimbursement Basis)	\$1,910,621	Federal Audit Requirements	Reimbursement request of \$1,910,621 submitted in February 2024. Project closeout in progress.
2023-015	10/3/2024	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)	\$90,541	Federal Audit Requirements	Reimbursement request of \$90,541 submitted in November 2024. Project closeout in progress.
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 (CIP Project 122004)	Federal pass-through State (Reimbursement Basis)	\$11,751,730	Federal Audit Requirements	Received reimbursement request of \$298,168. Total reimbursement request received to date \$9.0M.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2023-023	8/30/2023	I-94 Modernization Project (CIP Project 270001)	MDOT Federal pass-through State (Reimbursement Basis)	\$34,400,000	Federal Audit Requirements	Wade Trim has been selected as vendor. Kick-off meeting postponed until October.
2024-005	12/15/2023	Fiscal Year 2023 Building Resilient Infrastructure and Communities (BRIC) Project Scoping/Feasibility Study (design and engineering only – no construction)	Federal pass-through State (Reimbursement Basis)	\$856,000	Federal Audit Requirements	\$856,000 Grant awarded January 2025 – currently on hold.
2024-011	7/10/2024	Southeast Michigan Flood Study	Federal (Cost Share Only)	\$0	Federal Audit Requirements	Cost Share Agreement – GLWA share \$1.5M.
2024-014	6/7/2023	Focus Hope – Michigan Industry Cluster Approach (MICA 4.0)	Focus Hope (Nonprofit)	\$43,000	None	\$17,000 Received to date.
2025-004	5/1/2025	Scale-up of Hydrothermal Liquefaction with Supercritical Water Oxidation in an Integrated Biorefinery	Federal Grant (Cost Share)	\$0	Federal Audit Requirements	Cost Share Agreement – GLWA share \$250,000.
2025-005	9/6/2024	American Rescue Plan – State Revolving Funded Project 5840-01 Northwest Interceptor to Oakwood CSO Sewer (CIP Project 222001)	Federal pass-through State (Reimbursement Basis)	\$20,000,000	Federal Audit Requirements	Received reimbursement of \$179,688 submitted in August. Submitted and received additional reimbursement request of \$943,888 in September. Total reimbursement received to date \$13.3M.
2025-006	5/8/2025	Detroit Employment Solutions Corp (DESC) Apprentice Grant	DESC (Nonprofit)	Currently \$5,000 per Apprentice, will decrease to \$4,000 per Apprentice July 2025	None	\$5,000 received in July, total reimbursements to date - \$107,000.
2025-007	8/22/2024	State Revolving Fund Clean Water Initiative/Strategic Water Quality Initiative 5980-01 West Chicago	Pass Through to DWSD	\$14,011,908	Federal Audit Requirements	Received reimbursement request of \$2,050,504 submitted in August.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
		South Stormwater Improvements (DWSD Grant)				Submitted and received additional reimbursement request of \$182,373. Total reimbursement received to date \$4.8M.
2025-008	6/3/2025	Federal Emergency Management Agency (FEMA) COVID-19 DR-4494 Project 953011 - CAT-Z – Allocation of Management Costs	Federal pass-through State (Reimbursement Basis)	\$100,398	Federal Audit Requirements	Reimbursement request of \$100,398 submitted June 2025. Project closeout in progress.
2025-009	8/27/2025	State Revolving Fund Drinking Water Initiative - Water Main Replacement & Lead Service Line Replacement (WS742) 7888-01 (DWSD Grant)	State of Michigan Grant	\$2,949,704	State Audit Requirements	Received notification of award August 27, 2025

Table 3 – Post Award Programs the awards below were completed. GLWA reimbursement has been received in full, and the programs are in the process of being closed out, including any closeout reporting requirements. Seven FEMA Flood projects are fully received and in the process of being closed out as is one EPA Community Grant.

Table 3 – Post Award Programs

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2023-002	6/6/2025	FY 2022 Environmental Protection Agency Community Grant – Detroit River Interceptor (CIP Project 222002)	Federal Grant (Reimbursement Basis)	\$2,000,000	Federal Audit Requirements	Submitted and received reimbursement request for \$2,000,000. Funds received as of September 25, 2025. Working with MSP to close out grant.
2023-006	2/22/2023	Federal Emergency Management Agency (FEMA), June Flood DR-4607 Project 660138 Seven Mile CSO	Federal pass through-State (Reimbursement Basis)	\$46,996	Federal Audit Requirements	Funds received as of June 30, 2023. Working with MSP to close out grant.
2023-007	4/3/2023	Federal Emergency Management Agency (FEMA), June Flood DR-4607 Project 660076 Springwell Water Treatment Plant	Federal pass through-State (Reimbursement Basis)	\$180,000	Federal Audit Requirements	Funds received as of June 30, 2023. Working with MSP to close out grant.
2023-008	4/3/2023	Federal Emergency Management Agency (FEMA), June Flood DR-4607 Project 668336 Fairview PS Protective Measures (CIP Project 232001)	Federal pass through-State (Reimbursement Basis)	\$180,000	Federal Audit Requirements	Funds received as of June 30, 2023. Working with MSP to close out grant.
2023-009	4/3/2023	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	Funds received June 20, 2025. Working with MSP to close out grant.
2023-010	4/10/2023	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	Funds received June 20, 2025. Working with MSP to close out grant.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2023-011	8/29/2022	Federal Emergency Management Agency (FEMA) June 25-26 Flood, DR-4607 Project 668672 - System Wide Emergency Protective Measures	Federal pass-through State (Reimbursement Basis)	\$43,031	Federal Audit Requirements	Funds received June 20, 2025. Working with MSP to close out grant.
2023-012	4/3/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660110 – Obligated \$319,911 Fairview PS (CIP Project 232001)	Federal pass-through State (Reimbursement Basis)	\$319,911	Federal Audit Requirements	Funds received as of March 6, 2025. Working with MSP to close out grant.

Table 4 –Programs not awarded or Programs that GLWA will not continue to pursue is a table that reflects programs that GLWA was not awarded, or alternatively, programs that will not continue to be pursued by GLWA. There is no Table 4 presented this month because there was no activity in the month of September.



Financial Services Audit Committee Communication

Date: October 24, 2024

To: Great Lakes Water Authority Audit Committee

From: Haran Stanley, Affordability & Assistance Manager

Re: Affordability & Assistance Update

Water Residential Assistance Program (WRAP) Update

With the start of FY 2026, July 2025 saw the implementation of a few changes within WRAP:

- GLWA adjusted the WRAP service areas from five areas to six areas. Washtenaw County, a new and separate service area, is now served by United Way for Southeastern Michigan (United Way SEM) as WRAP Area 6.
- Genesee County Community Action Resource Department (GCCARD) is now the new service delivery partner for the City of Flint, WRAP Area 2.
- The Wayne Metropolitan Community Action Agency (Wayne Metro) continues to serve Area 3 but is focused only on Wayne County (excluding the City of Detroit) and Monroe County.

On October 1, 2025, all four WRAP service delivery partners - GCCARD, United Way SEM, Wayne Metro, and Macomb Community Action Agency (MCA) - were invited to take a tour of the GLWA Water Resource Recovery Facility. Sajit George, the Manager of Operations, and his team led the group on a two-hour tour, describing and showcasing the various processes involved in wastewater treatment.

Affordability Updates

There are several updates this month.

- The Water Affordability Workgroup continues meeting biweekly to discuss, review, and revise the Water Affordability bills planned for presentation to the Michigan Senate during the current term.
- The state budget now includes \$5 million for water affordability programs.
- On October 12, 2025, The Detroit News published an Op-ed written by Jeff Miles, vice president of Community Impact at United Way for Southeastern Michigan. That op-ed is attached.
- The Michigan Senate Committee on Housing & Human Services will have a hearing on Tuesday, October 28, 2025 to hear testimony in support of the water affordability bills, SB248 – SB253, from advocates, utilities, and other stakeholders from across Michigan.

- The Michigan Department of Health and Human Services, in conjunction with the Bureau of Community Action and Economic Opportunity, has created a [Water Assistance Program dashboard](#). This interactive site enables viewers to access grant program information, including the number of households enrolled by county or city, grantee allocation, amount expended, amount remaining, and grantee contact details.

Conferences and Events

During the recent American Water Works Association (AWWA) Michigan Section Annual Conference & Exhibits (ACE) in September 2025, as chair of the Women On Water Committee, I led a group of nearly 30 women in an event that focused on Mindfulness and Gratitude. The group was joined by special guest GLWA Organizational Development – Benefits and Wellness Manager,

On September 29, 2025, I attended the Michigan Environment, Great Lakes, and Energy 2025 Environmental Justice Conference. This was the third conference, which is held every other year. This year's focus was on air quality and energy justice. The importance of water was highlighted through a panel discussion on community involvement in water advocacy.

Annual Fiscal Year Report

Included with this month's update is a review of WRAP's success for the fiscal year 2025, as highlighted in the attached report. This report provides an overview of the number of households that have received WRAP services and offers a comprehensive breakdown of the program's utilization by service area.

Proposed Action: Receive and file this update and report.



Water Residential Assistance Program

Fiscal Year 2025 Review

Presented to the Great Lakes Water Authority
Audit Committee on October 24, 2025

WHAT IS WRAP?



The Water Residential Assistance Program (WRAP) assists eligible low-income households receiving water and/or sewer services through Great Lakes Water Authority (GLWA) Member Partner Communities.

WHAT DOES WRAP OFFER?

- Income-based bill credits
- Payment of past-due balances
- Healthy Home and Conservation measures like minor plumbing repairs

HOW LONG CAN A HOUSEHOLD BE IN WRAP?



The program lasts for two years, however, households with eligible seniors and persons with permanent disabilities can be enrolled in WRAPfinity which allows for bill credit assistance without an expiration date.



Purpose of This Report

This report provides a review of the FY 2025 WRAP budget and spending for all areas serviced by WRAP as defined below:

- ✓ **Area 1** – The City of Detroit – WRAP is one of the City of Detroit’s funding resources for its water affordability program, the Lifeline Plan. This program is managed by the Detroit Water and Sewerage Department (DWSD), which provides detailed reports outlining the services provided to Detroit households
- ✓ **Area 2** - The City of Flint
- ✓ **Area 3** – Wayne County (outside of the City of Detroit), Monroe, and Washtenaw Counties
- ✓ **Area 4** – Oakland County
- ✓ **Area 5** – Macomb, Lapeer, and St. Clair Counties

Background

WRAP, a first-of-its-kind program in the country, was created by representatives from throughout the region. GLWA partners with agencies like Genesee County Community Action Resource Department (GCCARD), Macomb Community Action (MCA), United Way for Southeastern Michigan (United Way), and Wayne Metropolitan Community Action Agency (Wayne Metro) to be service delivery partners that deliver WRAP services to residents.

How does GLWA fund WRAP?

One-half of one percent (0.5%) of GLWA’s budgeted revenues is allocated to fund WRAP. The funds are distributed equitably across the GLWA service region using a funding allocation model.

WRAP Service Delivery Partners have leveraged other funding sources using the Water Assistance Network to supplement WRAP funding and ensure households are able to continue receiving services.

GLWA WRAP Service Areas and Service Delivery Partners



	Wayne Metropolitan Community Action Agency	United Way for Southeastern Michigan	Macomb Community Action Agency
Area 1 - City of Detroit	✗		
Area 2 - City of Flint	✗		
Area 3 - Wayne, Monroe, Washtenaw Counties	✗		
Area 4 - Oakland County		✗	
Area 5 - Macomb, Lapeer, St. Clair Counties			✗

FY 2025 WRAP Highlights

Service Areas 2 – 5

(Service Areas Outside City of Detroit)

2025 Fiscal Year: July 2024 – June 2025



3,042

new households
enrolled in Direct
Payment Assistance
Services



475

new households
enrolled in
Conservation/ Healthy
Home Services



258

new households
enrolled in WRAPfinity

Note: 151 were Area 5 – MCA enrollees

WRAP Enrollments & WRAP Spending

💧 Enrollment Period

- 💧 Households enroll in WRAP year-round. The start and end dates for enrollment are unique to each household.
- 💧 Example: WRAP year one could be from July 15, 2025 to July 15, 2026, or October 2, 2025 to October 2, 2026.

💧 Recertification

- 💧 Each household GLWA enrolled in WRAP must recertify before beginning WRAP year two.
- 💧 This allows the Service Delivery Partners to verify that the household still qualifies for benefits.
- 💧 WRAPfinity households also must recertify yearly.

💧 Funding Commitments

- 💧 Once a household is enrolled in the WRAP Income-Based Plan (IBP), the bill credits/award amount is “committed” and reserved for the full year of enrollment.

💧 Reporting

- 💧 The WRAP funding spent for an enrollee can cross fiscal years, because WRAP is a two-year program and WRAPfinity has no expiration.
- 💧 Households’ bill credits and associated administration fees are sometimes recorded across fiscal years.



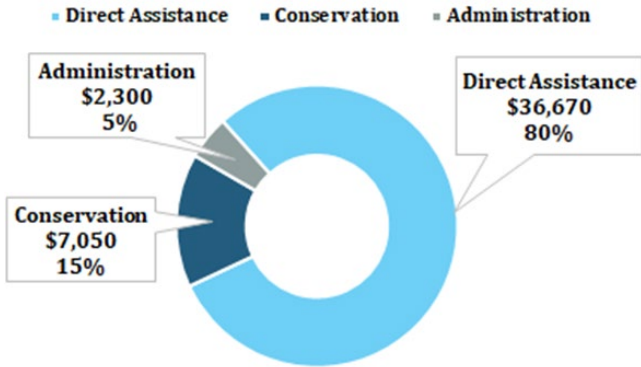


AREA 2: City of Flint

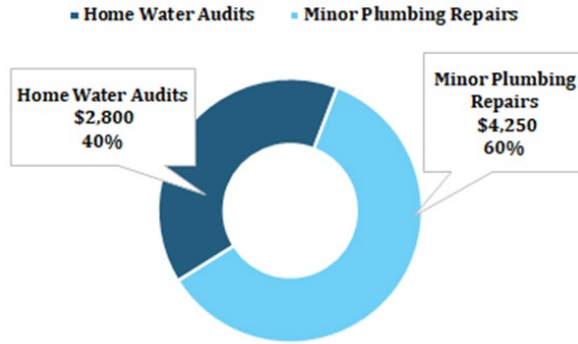
Service Delivery Partner Wayne Metropolitan Community Action Agency provides WRAP services to residents throughout the City of Flint.



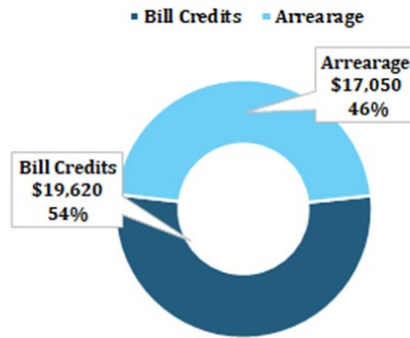
FY 2025 TOTAL FUNDS SPENT



FY 2025 CONSERVATION FUNDS SPENT



FY 2025 Direct Assistance Funds Spent



20 New Households enrolled in **Direct Payment Assistance**

7 New Households enrolled in **Conservation / Healthy Home Services**

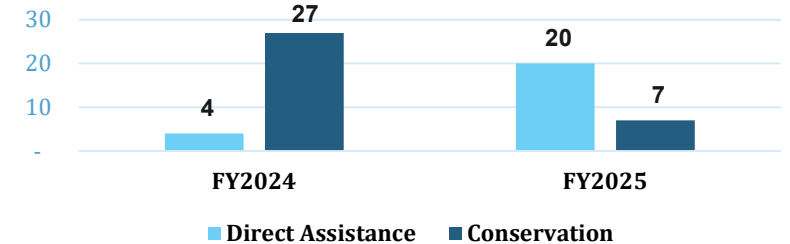


83% of FY 2025 WRAP budget allocation **utilization**

WRAP FY 2025 Funding			
	FY 2024 Carry Forward	Budget	Actual Spend
Direct Assistance	-	\$37,264	\$36,670
Conservation	-	9,316	7,050
Administration	-	8,220	2,300
Total	\$0	\$54,800	\$46,020

Direct Assistance spend shown above reflects bill credits for new enrollments and continuing enrollments from the previous fiscal year.

Area 2 - New WRAP Household Enrollments by GLWA Fiscal Year (July-June)



Other News



As of July 1, 2025, Genesee County Community Action Resource Department (GCCARD) will serve as the Service Provider for WRAP Area 2, City of Flint.



Water Residential Assistance Program

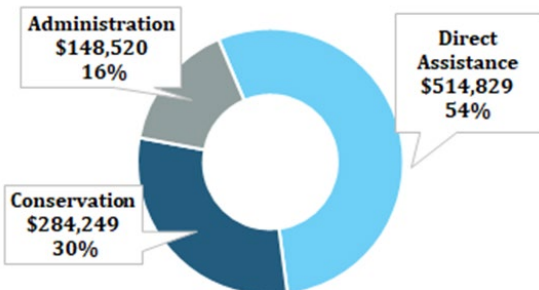
AREA 3: Wayne County (outside the City of Detroit), Washtenaw & Monroe Counties

Service Delivery Partner Wayne Metropolitan Community Action Agency provides WRAP services to residents throughout Wayne County and portions of Washtenaw and Monroe Counties.



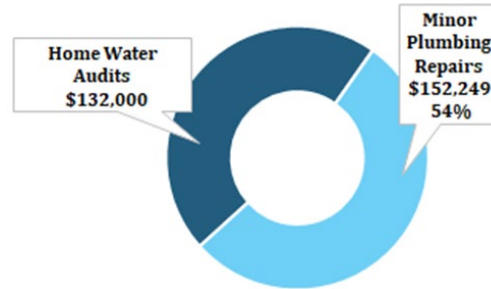
FY 2025 TOTAL FUNDS SPENT

■ Direct Assistance ■ Conservation ■ Administration



FY 2025 CONSERVATION FUNDS SPENT

■ Home Water Audits ■ Minor Plumbing Repairs



FY 2025 DIRECT ASSISTANCE FUNDS SPENT

■ Bill Credits ■ Arrearage Assistance



1444 New Households enrolled in
Direct Payment Assistance

330 New Households enrolled in
Conservation / Healthy Home Services



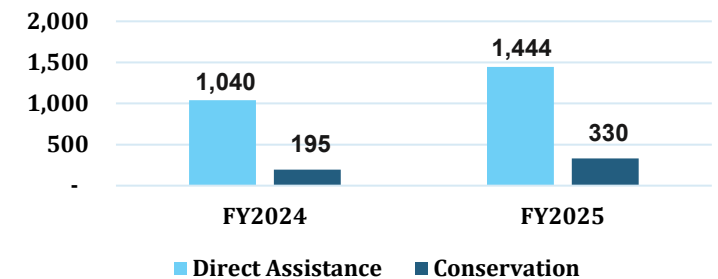
78% of FY 2025
WRAP budget allocation **utilization**

WRAP FY 2025 Funding

	FY 2024 Carry Forward	Budget	Actual Spend
Direct Assistance	\$360,813	\$827,106	\$514,829
Conservation	90,203	206,754	284,249
Administration	79,591	182,430	148,520
Total	\$530,608	\$1,216,200	\$947,598

Direct Assistance spend shown above reflects bill credits for new enrollments and continuing enrollments from the previous fiscal year.

Area 3 - WRAP Household Enrollments by GLWA Fiscal Year (July-June)



Other News



United Way for Southeastern Michigan (UWSEM) will be the Service Provider for WRAP Area 6, Washtenaw County, as of July 1, 2025.



Water Residential Assistance Program

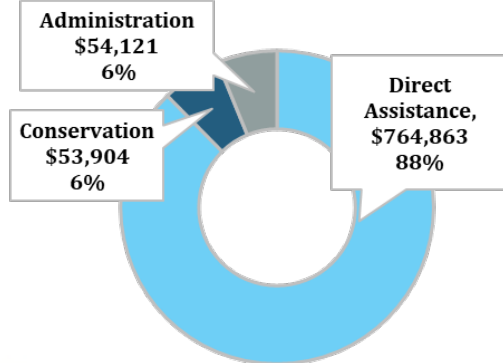
AREA 4: Oakland County

Service Delivery Partner United Way for Southeastern Michigan provides WRAP services to residents throughout Oakland County.

United Way
for Southeastern Michigan

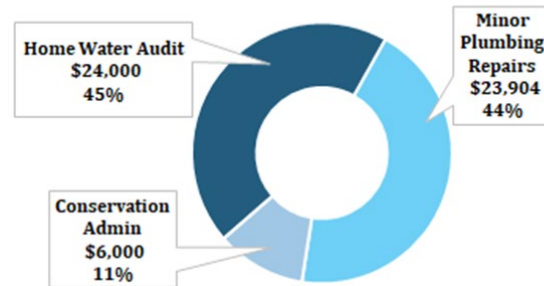
FY 2025 TOTAL FUNDS SPENT

■ Direct Assistance ■ Conservation ■ Administration



FY 2025 CONSERVATION FUNDS SPENT

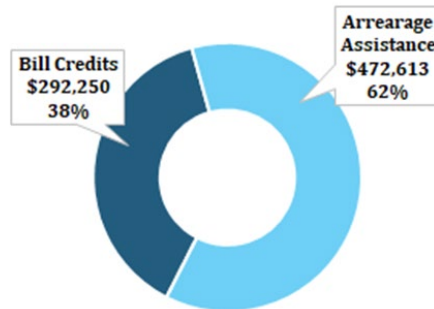
■ Home Water Audit ■ Minor Plumbing Repairs ■ Conservation Admin



**Conservation services were subcontracted, requiring an administration fee for the subcontractor.*

FY 2025 DIRECT ASSISTANCE FUNDS SPENT

■ Bill Credits ■ Arrearage Assistance



683 New Households enrolled in
Direct Payment Assistance

34 New Households enrolled in
Conservation / Healthy Home Services



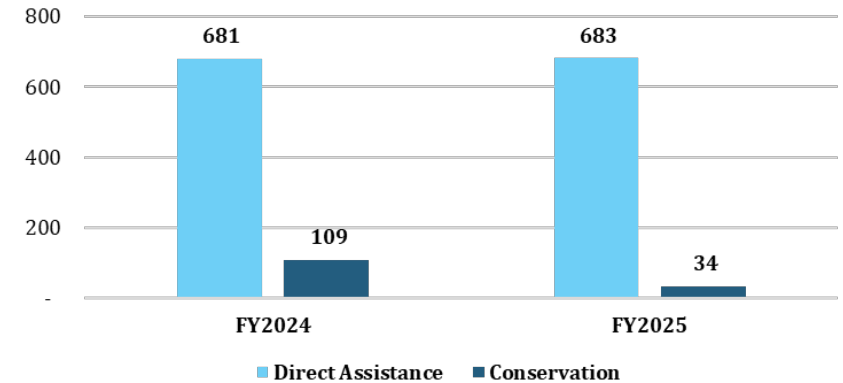
87% of FY 2025
WRAP budget allocation **utilization**

WRAP FY 2025 Funding

	FY 2024 Carry Forward	Budget	Actual Spend
Direct Assistance	\$835,283	\$684,148	\$764,863
Conservation	208,821	171,037	53,904
Administration	184,254	150,915	54,121
Total	\$1,228,358	\$1,006,100	\$872,888

Direct Assistance spend shown above reflects bill credits for new enrollments and continuing enrollments from the previous fiscal year.

Area 4 - WRAP Household Enrollments by GLWA Fiscal Year (July-June)

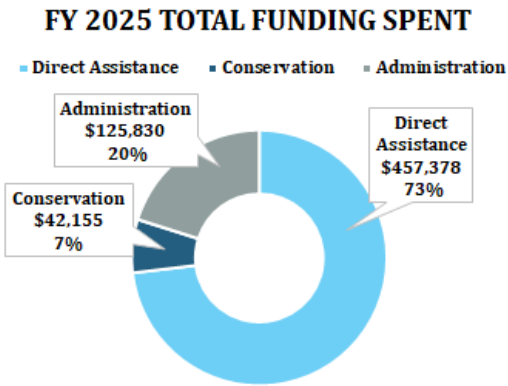


The decrease in Conservation enrollments from FY 2024 and FY 2025 was due to third party contract negotiations between United Way and their contractor for Conservation services.

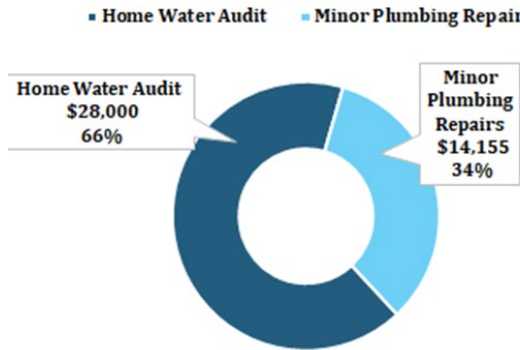


AREA 5: Macomb, Lapeer, and St. Clair Counties

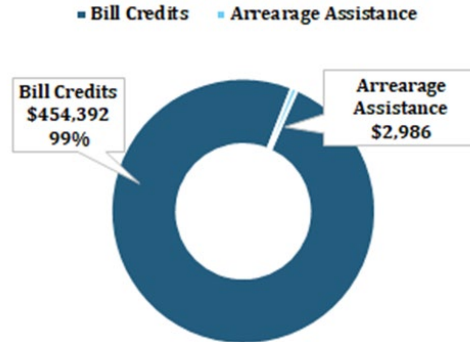
Service Delivery Partner Macomb Community Action provides WRAP services to residents throughout Macomb County and portions of St. Clair and Lapeer Counties.



FY 2025 CONSERVATION FUNDS SPENT



FY 2025 DIRECT ASSISTANCE FUNDS SPENT



895 New Households enrolled in **Direct Payment Assistance**

104 New Households enrolled in **Conservation / Healthy Home Services**

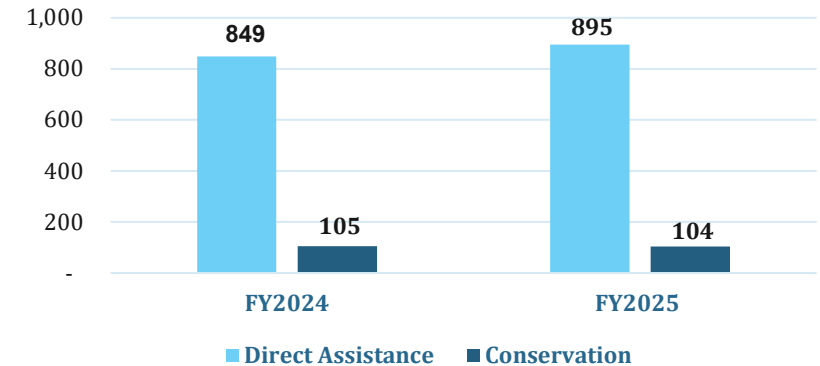


77% of FY 2025 WRAP budget allocation **utilization**

WRAP FY 2025 Funding			
	FY 2024 Carry Forward	Budget	Actual Spend
Direct Assistance	\$(33,394)	\$539,220	\$457,378
Conservation	-	130,720	42,155
Administration	(1,891)	147,060	125,830
Total	\$(35,285)	\$817,000	\$625,363

Direct Assistance spend shown above reflects bill credits for new enrollments and continuing enrollments from the previous fiscal year.

Area 5 - WRAP Household Enrollments by GLWA Fiscal Year (July-June)



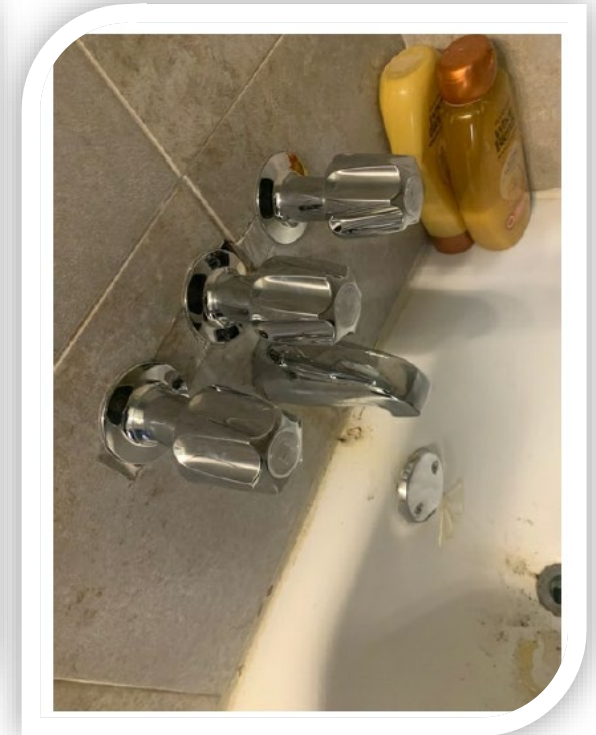
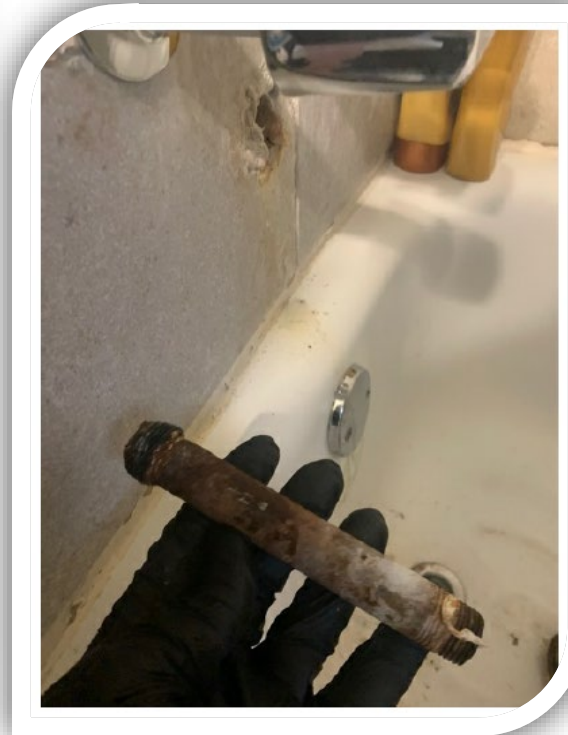
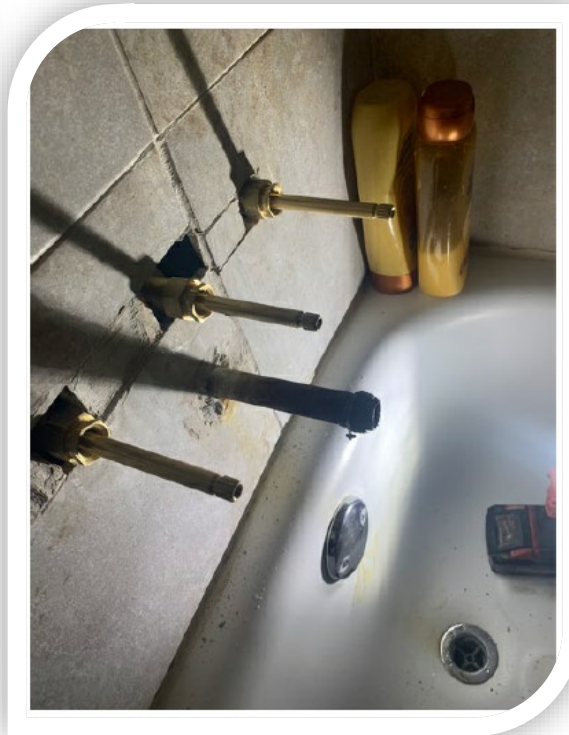
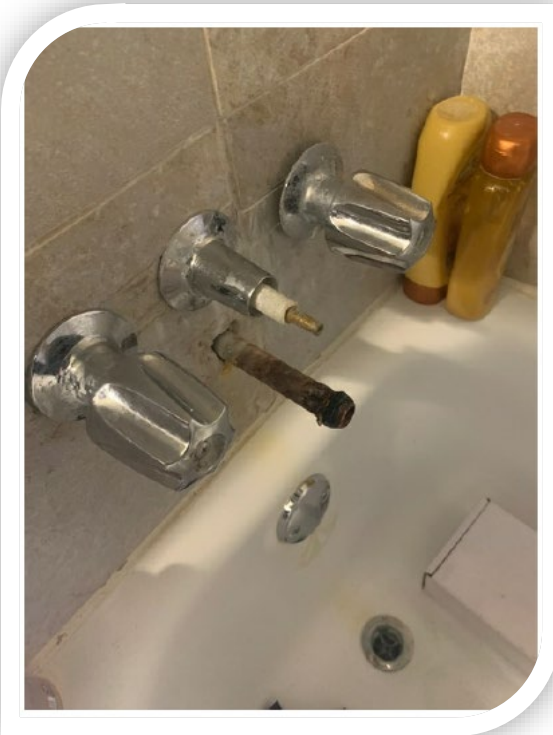
Exceedance Request

- 💧 A Service Delivery Partner can make an exceedance request if a household experiences a situation where their need is more than the (Year 1) \$1,200 for Direct Assistance or the \$2,000 allowed for Conservation Assistance.
- 💧 In FY 2025, a total of 29 Exceedance Requests were made – 28 related to Direct Assistance and 1 for Conservation.
- 💧 All Direct Assistance exceedance requests were made to prevent the household from having their water shut off.
 - 💧 All 27 of the AREA 4 requests were emergency requests. Four different municipalities comprise the 27 households, with 23 households coming from a single municipality.
 - 💧 The one AREA 5 request was for a senior household that is 201.39% above the Federal Poverty Level.
- 💧 The Conservation Exceedance Request was for AREA 3.
 - 💧 An elderly household in need of \$19,350 in repairs. WRAP covered \$2,675, and the LWUA (Local Water Utility Assistance) grant covered the remaining balance.

Direct Assistance Exceedance Request			
WRAP Service Area	Number of Households	Total (\$) Spent	Average (\$) Per Household
Area 2 – City of Flint	0	0	0
Area 3 – Wayne, Monroe, Washtenaw Counties	1	2,504	2,504
Area 4 – Oakland County	27	41,275	1,529
Area 5 – Macomb, Lapeer, St. Clair Counties	1	805	805

Example: WRAP's Healthy Home Focus

In addition to leaking fixtures, WRAP will fund the replacement of lead-based fixtures in the kitchen, bathroom, and utility room.





Look Ahead to FY 2026

- ◆ **Area 1** – Lifeline – changes to come soon with the new Lifeline H2O program.
- ◆ **Area 2** – Genesee County Community Action Resource Department has hit the ground running with over \$1,000 in Direct Assistance support committed.
- ◆ **Area 3** – Wayne Metro Community Action Agency is managing enrollments with a new staffing plan.
- ◆ **Area 4** – United Way for Southeastern Michigan (UWSEM) is working through managing their budget, increasing their enrollments, and spending.
- ◆ **Area 5** – Macomb Community Action Agency has made staffing adjustments to handle its call volume and process applications more quickly.
- ◆ **Area 6** – UWSEM has already enrolled 25 households in Direct Assistance services in the first quarter, improving from the 19 enrollments for all FY 2025.

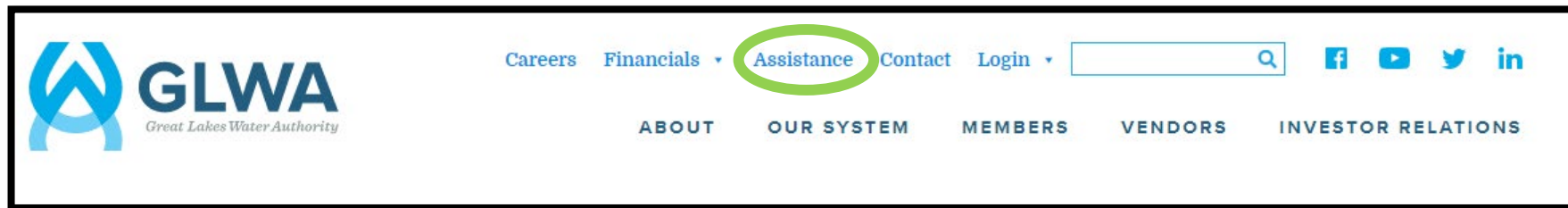
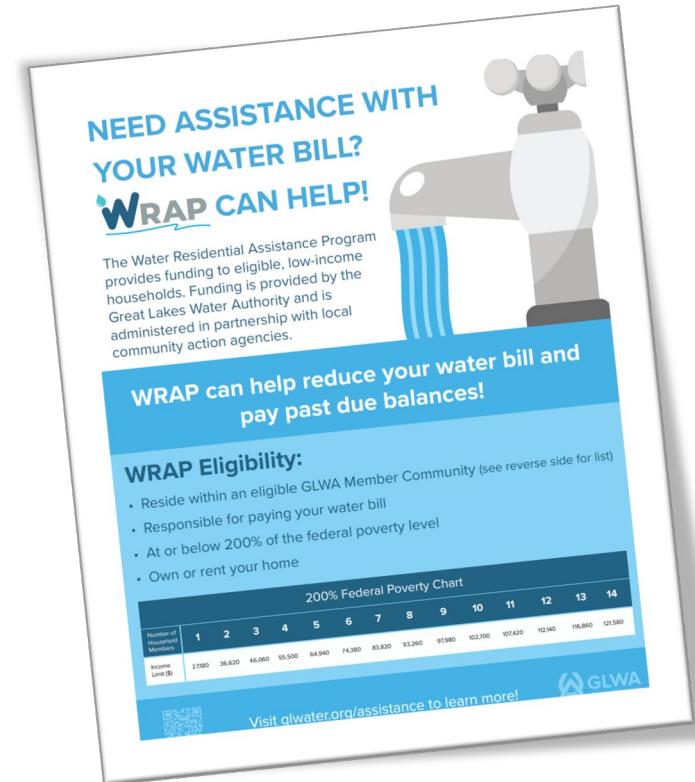


Look Ahead to FY 2026

- 💧 The Affordability & Assistance team is working with the WRAP Service Delivery Partners to maximize the program spending. This includes but is not limited to:
- 💧 staffing changes,
 - 💧 operational reviews,
 - 💧 new conservation partnerships,
 - 💧 increased community outreach, and
 - 💧 increased communication with GLWA member partners.

WRAP Toolbox

- 💧 Visit www.glwater.org/assistance
- 💧 Email WRAP@glwater.org
- 💧 WRAP Materials:
 - 💧 Service Delivery Partner Information
 - 💧 Flyers
 - 💧 Frequently Asked Questions
 - 💧 Infographics



The Detroit News

SERVING MICHIGAN SINCE 1873

OPINION *This piece expresses the views of its author(s), separate from those of this publication.*

Miles: Michigan must adopt a state-wide water affordability system

Jeff Miles

Oct. 12, 2025, 7:59 p.m. ET

From our peninsula-themed state motto to our “Great Lakes State” moniker, Michigan’s identity revolves around water. Every year, people flock to our state seeking its lakes, rivers and streams. However, even with this abundance of water, we face a growing crisis: many Michiganders can’t afford the water flowing into their homes.

Since 1980, water prices across the state have nearly doubled — that’s after adjusting for inflation. More than 145,000 Michigan households spent more than 5% of their income on water and sewer bills alone in 2022. Rising water rates particularly harm seniors on fixed incomes, who must choose whether to use their limited resources on water or crucial medicines.

The water affordability crisis touches every part of our state, from the rural Upper Peninsula to Metro Detroit. According to United Way’s 2025 Asset Limited, Income Constrained, Employed (ALICE) report, 41% of households in Macomb, Oakland, Washtenaw and Wayne counties don’t make enough to cover a bare-bones budget. These are households that live one health problem or car repair away from not having the money to pay their water bills, plunging them into debt or facing their water being shut off.

We hear these families’ stories every day. Since the beginning of 2023, more than 10,000 people in southeastern Michigan have called our 2-1-1 helpline asking for assistance with their water bills. In 2023, we began working with Oakland County

and the Great Lakes Water Authority to run the Water Residential Assistance Program (WRAP) and the Hardship Assistance Program (HAP), which helps struggling households pay their water bills and make basic repairs that lower their bills long term. Since Oct. 1, we've expanded our role with WRAP to Washtenaw County and enrolled more than 800 Oakland and Washtenaw families in bill and repair assistance.

Each year, programs like ours in communities across the state are stretched for funding. Our current patchwork system leaves some areas without enough money to meet the need, forcing community agencies to place families on wait lists or unenroll them when funding runs out. And when people can't afford their bills, we all pay: with shutoffs increasing illness, evictions and foreclosures and driving higher rates when water providers try to recoup their losses.

The water affordability bill package (Senate Bills 248-256) introduced in the state Senate this April, offers a bipartisan solution to address this problem. This legislation would cap water rates at manageable levels for low-income families, protect people with qualifying health conditions from water shutoffs and help eligible homeowners make low-cost repairs.

To maintain the program, each water customer would contribute \$1.25 per month, reinvested in households within their region. That small fee does more than keep our neighbors' taps on for cooking, cleaning and drinking — it's a smart, shared investment that benefits everyone. Much of our state's water system is more than 50 years old, and replacing pipes or making repairs is costly. When many households fall behind on their bills, public utilities face budget shortfalls and must either defer critical maintenance — driving up the cost of breakdowns — or raise rates across the board. This modest contribution helps prevent both.

Our state offers similar, and very effective, assistance programs that help residents afford their electricity and heating bills. It's time for Michigan to adopt a state-wide water affordability system that will make sure we can all get the water we need at rates we can afford.

Jeff Miles is Vice President of Community Impact at United Way for Southeastern Michigan.



Financial Services Audit Committee Communication

Date: October 24, 2025

To: Great Lakes Water Authority Audit Committee

From: Nick Fedewa, CPA, Public Finance Manager

Re: Semiannual Debt Report as of September 30, 2025

Background: The purpose of the semiannual debt report is to provide a resource for stakeholders and to support management decisions as capital financing needs evolve.

Analysis: The attached report contains summarized information on the background, existing debt, debt service coverage, refinancings and a look ahead of the five-year capital financing plan with respect to GLWA's debt portfolio.

Proposed Action: Receive and file this report.



The Semiannual Debt Report includes the following:

- 1. Key Takeaways
- 2. Background
- 3. Look Ahead – Five Year Capital Financing Plan
- 4. Existing Debt
- 5. Debt Service Coverage
- 6. Refinancing

Key Takeaways

- ✓ The purpose of this report is to provide a resource for stakeholders and to support management decisions as capital financing needs evolve.
- ✓ GLWA continues to enhance transparency by including the Debt Summary Report in the Audit Committee Binder semiannually.
- ✓ GLWA has twenty-six active State Revolving Fund (SRF) loans, twelve for water and fourteen for sewer. GLWA administers five of those water loans and four of those sewer loans on behalf of DWSD.
- ✓ GLWA completed a refunding transaction for water and sewer in June 2025.
- ✓ Other key items of interest include the following balances as of September 30, 2025.

As of September 30, 2025 (\$ Millions)		
	Water	Sewer
FY 2026 Approved SRF Projects - Table 5	\$75.7	\$261.9
DWSD Obligation Receivable - Table 6	\$504.3	\$326.8
GLWA Outstanding Debt - Table 8	\$2,629.4	\$2,662.8

Background

Pursuant to leases that became effective on January 1, 2016, the Great Lakes Water Authority (GLWA) assumed possession and control of the regional assets of both the water supply and sewage disposal systems owned by the City of Detroit (City), which were previously operated by the Detroit Water and Sewerage Department (DWSD). GLWA assumed certain liabilities including State Revolving Fund loans and 100% of the revenue bond debt issued by DWSD prior to January 1, 2016.

The bonds are repaid by the revenues of the water and sewage disposal systems including the DWSD retail system (local system) revenues which are the exclusive property of GLWA in accordance with Section 5.7 of each lease agreement. DWSD is GLWA’s agent for purposes of billing and collection of the retail system revenues for both the water and sewer system, as set forth in a water and sewer services agreement between the City and GLWA. All revenue receipts are deposited into a trust and administered in compliance with the Master Bond Ordinance, applicable to each system (referred to herein collectively as the “MBO”).

The leases also provide that GLWA will finance local system improvements of DWSD. GLWA is the obligor of 100% of the debt payable which is recorded in GLWA's books. An "obligation receivable" is recorded by GLWA which represents the amount related to the DWSD local system improvements. Accordingly, DWSD records a corresponding "obligation payable" for a like amount.

GLWA maintains detailed records of all debt issuances and how the responsibility for payment of debt is allocated between the regional system and local system, as well as between the water and sewer systems. GLWA and DWSD regularly reconcile interrelated accounts between the entities.

The lease agreements, water and sewer services agreement, and MBO noted above are available on GLWA's website at www.glwater.org. The above explanation is a synopsis of key points and is not intended to fully represent the agreements or any sub-sections thereof.

Look Ahead - Five Year Capital Financing Plan

The following tables summarize the projected Capital Improvement Program (CIP) funding to be provided by proceeds received from the issuance of new revenue bonds and draws on committed SRF loans. *The financing plan is dynamic and changes with the pace of capital spending and alignment with refunding opportunities.*

GLWA closed on revenue bond transactions in June 2025 to refinance existing obligations of GLWA for debt service savings. This transaction achieved substantial reductions in future cash flow savings requirements of \$33.7 million for water system and \$43.6 million for sewer system.

Table 1 - GLWA Projected Financing FY 2026 – FY 2030 provides a breakdown of projected financing based on the FY 2026 and FY 2027 Biennial Budget adopted by the GLWA Board of Directors and the related Five-Year Financial Plan. Estimated SRF loan draws are net of loan forgiveness and grants.

Projected Funding Needs for Regional System					
	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Water					
Revenue Bonds	\$ 222,000,000	\$ 290,000,000	\$ 209,000,000	\$ 138,000,000	\$ 124,000,000
Estimated SRF loan draws	\$ 1,400,000	\$ -	\$ -	\$ -	\$ -
Total projected funding Water	\$ 223,400,000	\$ 290,000,000	\$ 209,000,000	\$ 138,000,000	\$ 124,000,000
Sewer					
Revenue Bonds	\$ 101,000,000	\$ 125,000,000	\$ 111,000,000	\$ 83,000,000	\$ 57,000,000
Estimated SRF loan draws	\$ 52,900,000	\$ 99,700,000	\$ 103,800,000	\$ 93,700,000	\$ 50,700,000
Total projected funding Sewer	\$ 153,900,000	\$ 224,700,000	\$ 214,800,000	\$ 176,700,000	\$ 107,700,000

Table 2 - DWSD Projected Financing FY 2026 – FY 2030 provides a breakdown of projected financing based on the current FY 2026 Ten Year Financial Projection. GLWA and DWSD coordinate the timing for additional revenue bonds to ensure efficiency in the debt management process. Estimated SRF loan draws are net of loan forgiveness and grants.

Projected Funding Needs for Local System					
	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Water					
Revenue Bonds	\$ -	\$ -	\$ 45,000,000	\$ -	\$ -
Estimated SRF loan draws	\$ 8,000,000	\$ 60,000,000	\$ 56,000,000	\$ 16,000,000	\$ 16,000,000
Total projected funding Water	\$ 8,000,000	\$ 60,000,000	\$ 101,000,000	\$ 16,000,000	\$ 16,000,000
Sewer					
Revenue Bonds	\$ -	\$ -	\$ 50,000,000	\$ -	\$ -
Estimated SRF loan draws	\$ 8,000,000	\$ 37,900,000	\$ 42,100,000	\$ 25,700,000	\$ 28,000,000
Total projected funding Sewer	\$ 8,000,000	\$ 37,900,000	\$ 92,100,000	\$ 25,700,000	\$ 28,000,000

Existing Debt

Current Debt Ratings: Bond ratings are a key measure of an organization’s financial strength. Ratings are established by independent agencies that conduct detailed reviews of an organization’s operational and financial performance to assist those seeking to invest in an organization through the purchase of bonds. GLWA actively monitors its debt ratings and continually seeks to make operational and financial improvements to improve its bond ratings. Achieving higher ratings will allow GLWA to finance its capital needs at lower interest rates.

In advance of the June 2025 bond transaction, GLWA secured affirmation of the ‘AA’ category from two bond rating agencies and an upgrade from the third. Moody’s Investors Service affirmed GLWA’s senior lien debt rating at ‘Aa3’ for both the water and sewer systems. Fitch Ratings moved GLWA’s senior lien debt for the sewer system into ‘AA’ (up from ‘AA-’) and affirmed its A+ rating for the water system. Standard & Poor Global Ratings affirmed its outstanding senior lien water and sewer system debt at ‘AA-’.

Table 3 – Debt Ratings by System provides a summary of the debt ratings.

Current Debt Ratings			
	S&P Global Ratings	Moody's Investors	Fitch Ratings
Water Supply System Revenue Bonds			
Senior lien	AA-	Aa3	A+
Second lien	A+	A1	A
Junior lien	A+	N/A	N/A
Outlook	Stable	Stable	Stable
Sewage Disposal System Revenue Bonds			
Senior lien	AA-	Aa3	AA
Second lien	A+	A1	AA-
Junior lien	A+	N/A	N/A
Outlook	Stable	Stable	Stable

Debt Allocation: GLWA has over \$2.6 billion in water system debt and nearly \$2.7 billion in sewer system debt for a combined total of over \$5.3 billion. Debt within each system is prioritized according to its security interest, or lien category, with senior lien debt having the highest security interest, followed by second lien and finally junior lien.

Chart 1 - Debt Type by Lien – Water provides a breakdown of the total water system debt for both the regional and local systems by lien type.

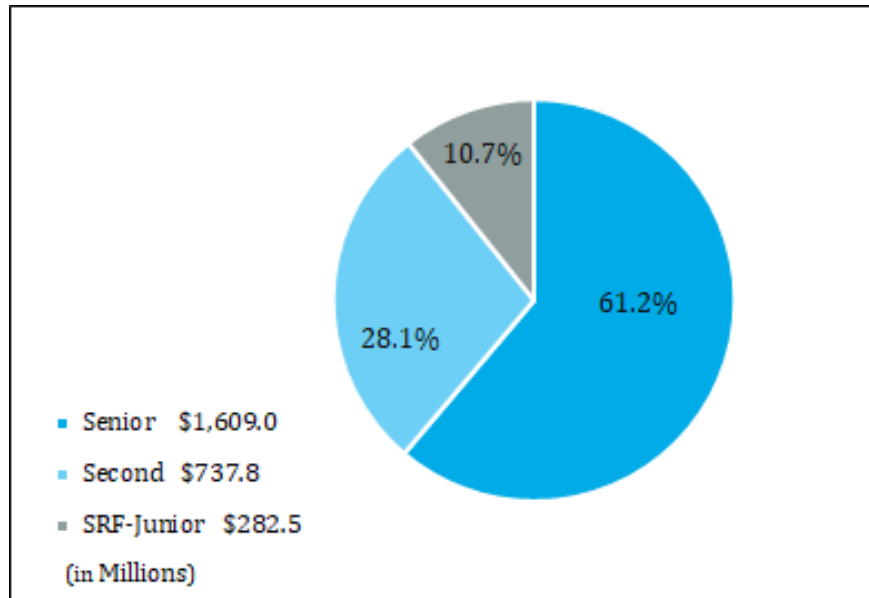


Chart 2 - Debt Type by Lien – Sewer provides a breakdown of the total sewer system debt for both the regional and local systems by lien type.

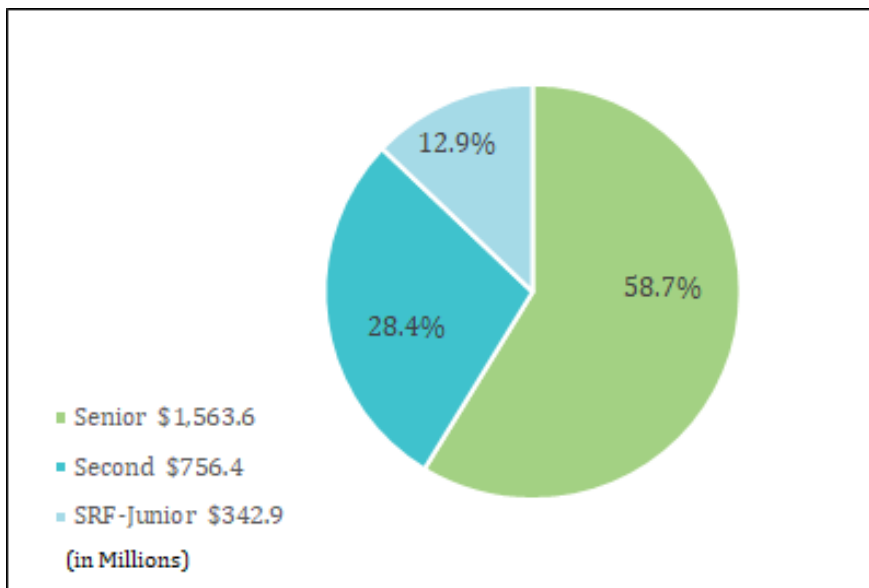


Chart 3 – Annual Debt Service Payments by Lien – Water provides the annual debt service installment requirements for each fiscal year base on payment dates.

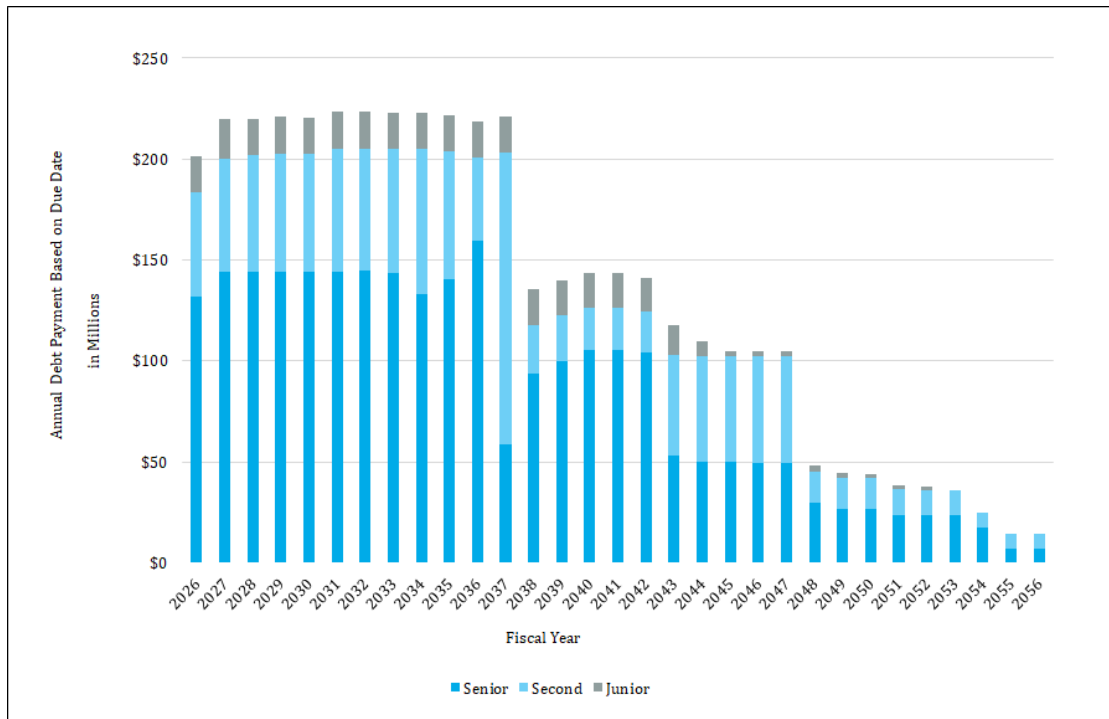
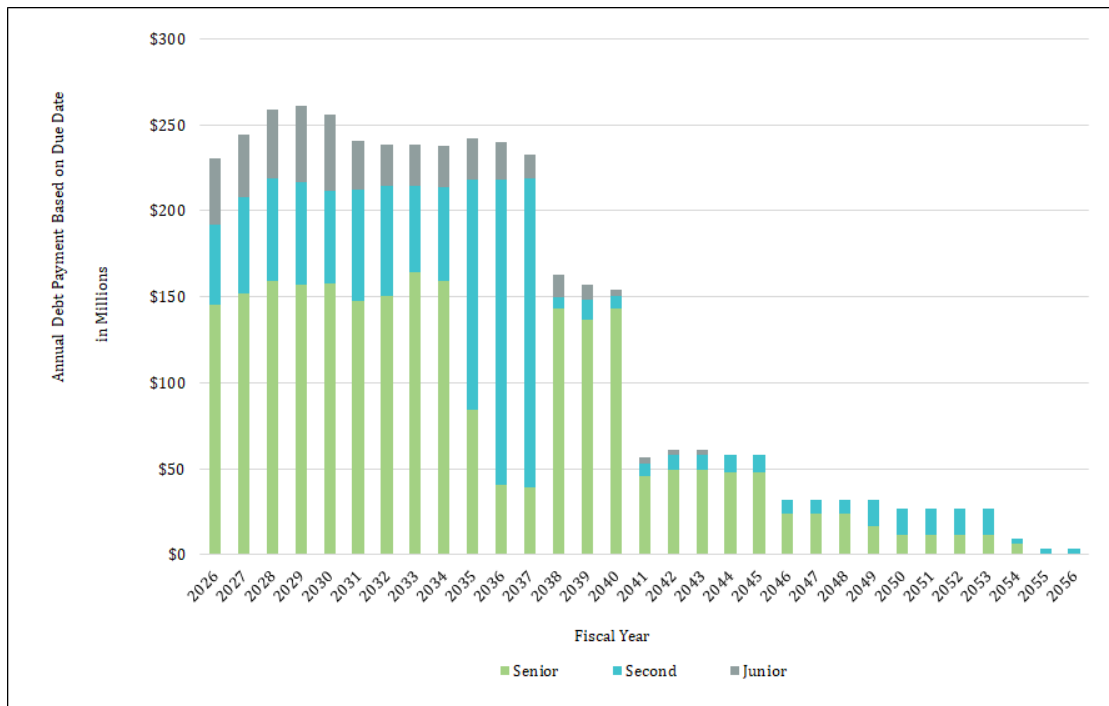


Chart 4 – Annual Debt Service Payments by Lien – Sewer provides the annual debt service installment requirements for each fiscal year base on payment dates.



Note: The figures in these charts reflect the debt service installment requirements for each fiscal year, which are required by the MBO to be set aside monthly in advance of actual payment dates. This information is based on the most recent DRAFT Annual Comprehensive Financial Report through June 30, 2025.

State of Michigan's State Revolving Fund (SRF) Programs: GLWA participates in the Clean Water State Revolving Fund (CWSRF) to finance qualified sewage disposal system projects and the Drinking Water State Revolving Fund (DWSRF) to finance qualified water supply system projects. For the purposes of this report, both water and sewer projects financed through these programs will be referred to as either water or sewer SRF loans.

These loan programs have interest rates that are well below open market interest rates (current estimate approximately 4.5%) and are repaid over 20-30 years. For the State's 2026 fiscal year, the DWSRF and CWSRF program rates are 2.5% for 20-year loans and 2.75% for 30-year loans. Overburdened applicant's rates are 2.0% and significantly overburdened applicant's rates are 1.0% for 20 and 30 year loans. Interest on each loan is based on the amount of funds disbursed and not the full loan amount.

In order to be considered for funding through the CWSRF or DWSRF program, GLWA must submit an Intent to Apply Form for each new project submission or resubmission (carryover from previous years) by November 1st. A Board approved project planning document is due to the Michigan Department of Environment, Great Lakes, and Energy ("EGLE", and formerly known as the Michigan Department of Environmental Quality or MDEQ) for each new project submission by May 1 for CWSRF and June 1 for DWSRF. Once the project is approved for funding, and the loan closing occurs, GLWA may begin drawing down on the loan. A disbursement request can be made after engineering and/or construction costs are paid.

State Revolving Fund Loans: GLWA's strategy is to maximize its use of SRF loans to finance qualified capital projects. GLWA currently has \$282.5 million in outstanding water SRF loans and \$342.9 million in outstanding sewer SRF loans.

Table 4 - Active SRF Project Summary provides information regarding each loan currently being drawn down including the loan award date which is also referred to as the Order of Approval date by the State of Michigan.

State Loan #	CIP Reference	Description	Order of Approval	Project Total (\$ Millions)
SRF Water - DWSD Projects				
7460-01	WS-710 & 711	Water Main Replacement	7/15/2020	\$22.3
7483-01	WS-715 & 718	Water Main Replacement	9/9/2020	\$12.3
7484-01	WS-713	Water Main Replacement - Jefferson Chalmers	8/6/2021	\$11.7
7548-01	WS-721	Lead Service Line Water Main Replacement	4/8/2022	\$10.0
7888-01	WS-742	Water Main Replacement, Various Locations in Detroit District 2	8/6/2025	\$20.7
SRF Water - GLWA Projects				
7445-01	122003	Northeast Transmission Phase 1	8/9/2019	\$29.1
7445-02	122003	Northeast Transmission Main - Phase 2a	8/7/2020	\$7.2
7445-04	122003	Northeast Transmission Main - Phase 3a	5/28/2021	\$4.2
7461-01	122013	14 Mile Transmission Main Loop - Phase 1	8/7/2020	\$9.0
7461-02	122013	14 Mile Transmission Main Loop - Phase 2	8/6/2021	\$104.7
7532-01	122004	96-inch Water Transmission Main Relocation Project - Phase 1	8/29/2022	\$34.1
7532-02	122004	96-inch Water Transmission Main Relocation Project - Phase 2	6/26/2023	\$48.2
			Total Water	\$313.4
SRF Sewer - DWSD Projects				
5688-01	DWS-916	Sewer Main Rehab/Rplcmt - Project A	9/9/2020	\$4.0
5706-01	DWS-917 & 918	Sewer Main Replacements - Project B	9/9/2021	\$9.2
5980-01	PC-818	CSO West Chicago South Stormwater Improvements	8/7/2024	\$5.1
6002-01		Sewer System Rehabilitations - District 1, 2, 4, 5, 6 and 7	8/6/2025	\$11.2
SRF Sewer - GLWA Projects				
5655-02	222002	Detroit River Interceptor Segment 2	3/27/2020	\$28.4
5655-03	222002	Detroit River Interceptor Segment 3	5/16/2020	\$34.2
5673-01	211008	PS-1 Ferric Chloride System Rehabilitation	2/26/2021	\$12.9
5708-01	232005	Freud Pump Station	4/8/2024	\$126.8
5741-01	260701	In-System Storage Device & Dam & Valve Remote Evaluation & Rehabilitation	8/29/2022	\$19.0
5742-01	260204	Connor Creek Sewer System Rehabilitation	8/8/2022	\$50.2
5836-01	211006	Pump Station #1 Rehabilitation	5/15/2023	\$98.4
5838-01	212008	WRRF Aeration Improvements 1 and 2	4/8/2024	\$175.0
5840-01	222001	Oakwood District Intercommunity Relief Sewer Modification	12/20/2023	\$80.5
6001-01	270004	CSO Improvement Project - Oakwood & Lieb	8/15/2025	\$67.3
			Total Sewer	\$722.2

Chart 5 - Open State Revolving Fund Loans summarizes all current SRF loans held by GLWA (including financings on behalf of DWSD) that are active (reference Table 4 above for project descriptions). It summarizes the original award amount remaining and the amount drawn down as of September 30, 2025 for each loan. On September 30, 2025, the amount of SRF loans authorized and unissued is \$27.0 million for the Water fund and \$533.1 million for the Sewerage Disposal Fund.

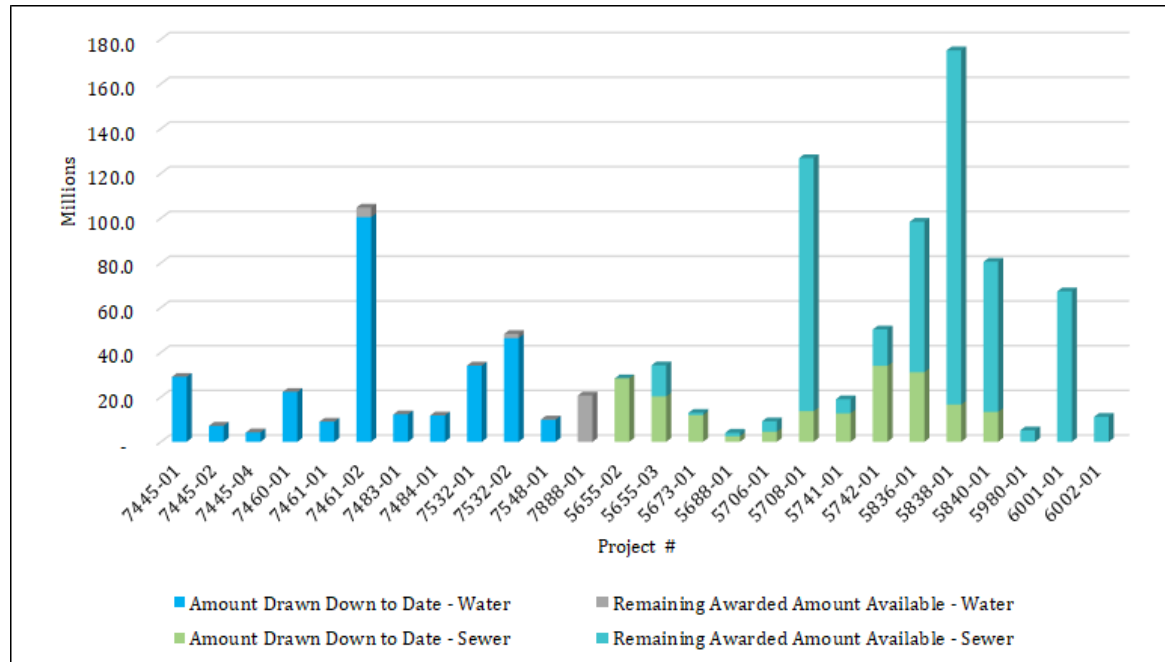


Table 5 - Project Plans Approved by EGLE for FY 2026 provides a list of all projects that were approved for funding in EGLE's Final Intended Use Plan. The Intended Use Plan outlines how EGLE will distribute funds for the upcoming fiscal year.

Project Owner	CIP Number	Description	Estimated Award Amount	Anticipated Funding Date
Water SRF				
DWSD	WS-741	Water Main Replacement, Various Locations in Detroit District 1	\$ 25,670,000	FY 2026
DWSD	N/A	Water Main Replacements & Lead Service Line Replacements	\$ 40,000,000	FY 2026
DWSD	N/A	Lead Service Line Replacements at Select Locations in Detroit	\$ 10,000,000	FY 2026

Total Water SRF **\$ 75,670,000**

Sewer SRF				
GLWA	213006	Water Resource Recovery Facility (WRRF) Improvements to the sludge Feed System for Solids Processing	\$ 26,550,000	FY 2026
GLWA	273001	Hubbell Southfield CSO Facility Improvements	\$ 67,483,000	FY 2026
GLWA	270006	CSO Facilities Improvements II	\$ 23,578,000	FY 2026
GLWA	216008	Rehabilitation of Screened Final Effluent (SFE) Pump Station	\$ 104,266,994	FY 2026
GLWA	211005.2	Pump Station #2 VFD Replacement	\$ 20,000,000	FY 2026
DWSD	N/A	Sewer Rehabilitation in th Neighbohods of Hubbard Farms and North Corktown	\$ 20,000,000	FY 2026

Total Sewer SRF **\$ 261,877,994**

DWSD Obligation Receivable: GLWA holds an obligation receivable from DWSD as an asset to account for the amount due for financing local system capital projects. DWSD carries a like amount of this as an obligation payable on its statement of net assets.

There are three components to the calculation of the DWSD obligation receivable.

1. An agreed upon amount for pre-January 1, 2016 (i.e. "pre-bifurcation") debt as documented in a 2018 Memorandum of Understanding (\$455 million for water system and \$370 million for sewer per agreed-upon amortization schedules),
2. New revenue bonds issued after January 1, 2016 to specifically fund the DWSD local system capital improvement projects which are payable based on the allocable share of the actual bonds debt service schedule, and
3. SRF loans issued after January 1, 2016 for specific DWSD capital projects which are payable based on the allocable share of the actual loan payment schedule.

All retail customer revenues are deposited into a trust to fund these financial obligations in accordance with the MBO flow of funds.

Chart 6 - DWSD Obligation Receivable by Type summarizes the total DWSD obligation receivable balance for both Water and Sewer as of September 30, 2025 by pre-bifurcation, revenue bond and SRF component.

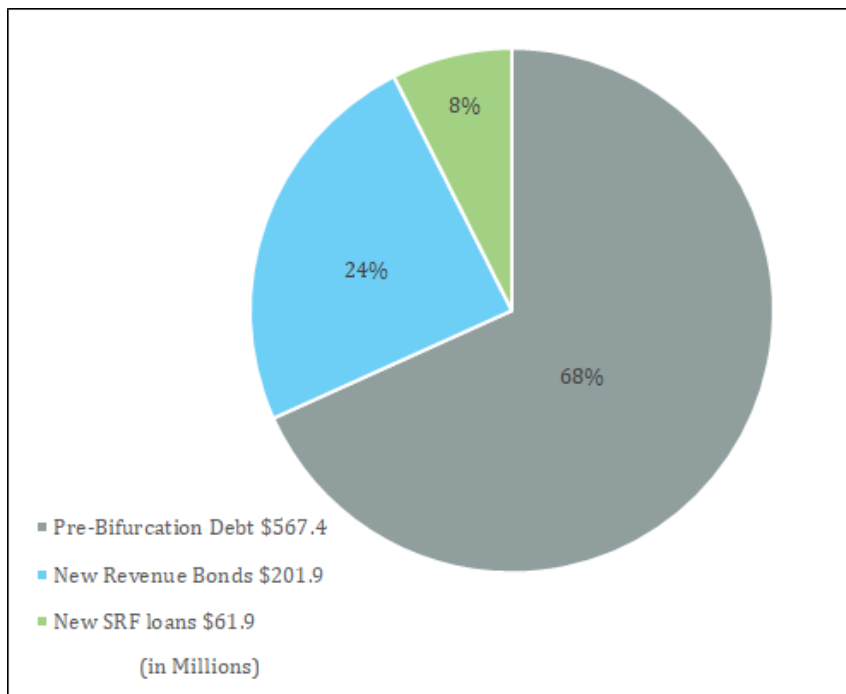


Chart 7 - Obligation Receivable Compared to Total Debt - Water provides context by comparing the Water System Obligation Receivable to the Total Water Debt (excludes unamortized premiums).

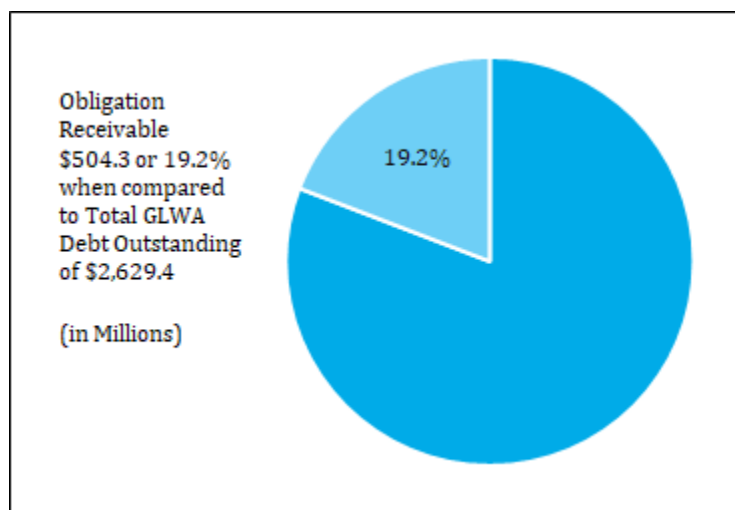


Chart 8 – Obligation Receivable Compared to Total Debt - Sewer provides context by comparing the Sewer System Obligation Receivable to the Total Sewer Debt (excludes unamortized premiums).

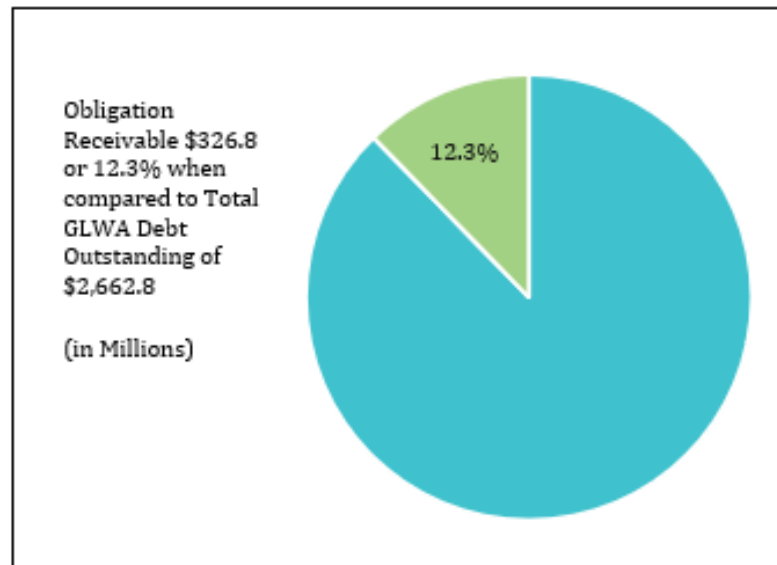


Table 6 - DWSD Obligation Receivable provides obligation receivable detail including fiscal year 2026 beginning balances by debt type and loan issue (for revenue bonds and SRF loans), year-to-date activity and ending balances as of September 30, 2025. Total DWSD debt totals \$854.7 million. This differs slightly from the total in Chart 6 due to the inclusion of unamortized premiums.

Debt Type	DWSD Obligation Receivable (\$ Thousands)					
	July 1, 2025 Beg Balance	Increase	Decrease	Refunding	Debt Forgiveness	September 30, 2025 End Balance
Water Fund						
Revenue Bonds	\$ 451,583	\$ -	\$ (6,412)	\$ -	\$ -	\$ 445,171
State Revolving Loans	61,070	-	(1,930)	-	-	59,140
Total Installment Debt	512,653	-	(8,342)	-	-	504,311
Unamortized Premiums / Discounts	16,497	-	(202)	-	-	16,295
Subtotal: Water	529,150	-	(8,544)	-	-	520,606
Sewer Fund						
Revenue Bonds	\$ 329,607	\$ -	\$ (5,535)	\$ -	\$ -	\$ 324,072
State Revolving Loans	3,226	-	(450)	-	-	2,776
Total Installment Debt	332,833	-	(5,985)	-	-	326,848
Unamortized Premiums / Discounts	7,309	-	(106)	-	-	7,204
Subtotal: Sewer	340,142	-	(6,091)	-	-	334,051
Total Combined, Long Term Debt	\$ 869,292	\$ -	\$ (14,635)	\$ -	\$ -	\$ 854,657

Table 7 – DWSD Loan Forgiveness provides a summary of loan principal forgiven on DWSD SRF loans closed after January 1, 2016. EGLE grants principal loan forgiveness on qualified planning costs for disadvantaged communities. Through September 30, 2025, \$38.5 million or 27% of approved DWSD SRF loans with loan forgiveness have been forgiven as a disadvantaged community.

State Loan #	Approved Amount	Loan Forgiveness
DWSD Water SRF		
SRF 7412-01	10,605,000	1,000,000
SRF 7413-01	5,180,000	1,000,000
SRF 7414-01	8,675,000	2,000,000
SRF 7447-01	16,500,000	4,711,944
SRF 7460-01	22,281,502	2,005,335
SRF 7483-01	12,262,579	1,103,632
SRF 7484-01	11,741,247	1,111,420
SRF 7548-01	9,832,180	9,832,180
SRF 7888-01	17,765,296	5,336,296
Subtotal: Water	114,842,804	28,100,808
DWSD Sewer SRF		
SRF 5688-01	4,040,000	808,000
SRF 5706-01	9,175,000	2,293,750
SRF 5980-01	5,088,092	5,088,092
SRF 6002-01	11,180,000	2,236,000
Subtotal: Sewer	29,483,092	10,425,842
Total DWSD Debt	\$ 144,325,896	\$ 38,526,650

Table 8 – GLWA Loan Forgiveness provides a summary of loan principal forgiven on GLWA SRF loans closed after January 1, 2016. EGLE grants principal loan forgiveness on qualified planning costs for disadvantaged communities. Through September 30, 2025, \$34.1 million or 10% of approved GLWA SRF with loan forgiveness loans have been forgiven.

State Loan #	Approved Amount	Loan Forgiveness
GLWA Water SRF		
Subtotal: Water	-	-
GLWA Sewer SRF		
SRF 5836-01	96,037,720	7,217,720
SRF 5838-01	175,000,000	20,000,000
SRF 6001-01	67,270,000	6,852,000
Subtotal: Sewer	338,307,720	34,069,720
Total GLWA Debt	\$ 338,307,720	\$ 34,069,720

Annual Change in Outstanding Debt: It is the goal of GLWA to ensure the long-term sustainability of the water and sewer systems. One of the best ways to accomplish this is by reducing the debt service payments on existing bonds as well as reducing the amounts of future bond issues by using revenue financed (also known as pay as you go) capital.

Table 9 - Long-Term Debt Summary provides of GLWA's fiscal year 2026 beginning balances by debt type and loan issues, year-to-date activity, and ending balances as of September 30, 2025. GLWA debt includes financing for both the regional and local share.

Debt Type	Long-Term Debt Summary (\$ Thousands)					
	July 1, 2025 Beg. Balance	Increase	Decrease	Refunding	Debt Forgiveness	September 30, 2025 End Balance
Water Fund						
Revenue Bonds	\$ 2,427,660	\$ -	\$ (80,840)	\$ -	\$ -	\$ 2,346,820
State Revolving Loans	285,768	4,954	(8,180)	-	-	282,541
Total Installment Debt	2,713,428	4,954	(89,020)	-	-	2,629,361
Unamortized Premiums / Discounts	179,277	-	(4,404)	-	-	174,872
Subtotal: Water	2,892,704	4,954	(93,425)	-	-	2,804,234
Sewer Fund						
Revenue Bonds	2,413,300	-	(93,355)	-	-	2,319,945
State Revolving Loans	350,798	12,853	(20,790)	-	-	342,861
Total Installment Debt	2,764,098	12,853	(114,145)	-	-	2,662,806
Unamortized Premiums / Discounts	114,319	-	(2,058)	-	-	112,260
Subtotal: Sewer	2,878,416	12,853	(116,203)	-	-	2,775,066
Total Combined, Long Term Debt	\$ 5,771,121	\$ 17,808	\$ (209,628)	\$ -	\$ -	\$ 5,579,300

Debt Service Coverage

GLWA is committed to ensuring the long-term sustainability of the water and sewer systems and has pledged specific revenue streams to secure the repayment of the revenue bonds and SRF loans associated with them. The MBO establishes minimum debt coverage levels at 1.20 for senior lien bonds, 1.10 for second lien bonds and 1.00 for any junior lien bonds, other than second lien bonds. Debt service coverage ratios are inclusive of all debt held on behalf of both GLWA and DWSD.

GLWA computes the debt service coverage ratio using two different methodologies. The Rate Covenant Method uses the cash basis in computing pledged revenue and the GAAP Method uses the accrual basis in computing pledged revenue. Pledged revenue is divided by the debt service requirements of each lien on a set aside basis to compute the debt service coverage ratio. The set aside basis is defined as the cash available to make the debt service payments on the due dates. The following table details the components of the pledged revenue for each methodology.

Components of Pledged Revenue	Pledged Revenue Calculation	Rate Covenant Basis	GAAP Basis
Revenues	Addition	Cash basis	Accrual basis
GLWA O&M expenses	Subtraction	Cash basis	Accrual basis
GLWA O&M pension	Subtraction	Cash basis	Cash basis
DWSD O&M expenses & O&M pension	Subtraction	Cash transfers to DWSD	Cash transfers to DWSD

Table 10: Debt Service Coverage Ratios - Water provides a summary of the MBO required minimum, historical, and budgeted debt service coverage ratios for the Water fund.

Debt Service Coverage Water System								
	MBO Required Minimum	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Adopted Budget 2025	Adopted Budget 2026	Adopted Budget 2027
Rate Covenant Basis								
Senior Lien Bonds	1.20	1.99	1.88	1.88	1.87	1.89	1.80	1.72
Senior and second lien bonds	1.10	1.40	1.37	1.37	1.36	1.38	1.36	1.32
All bonds, including SRF junior lien	1.00	1.38	1.33	1.31	1.26	1.26	1.24	1.21
GAAP Basis								
Senior Lien Bonds		1.95	2.00	1.99	1.96			
Senior and second lien bonds		1.38	1.45	1.45	1.42			
All bonds, including SRF junior lien		1.35	1.41	1.38	1.32			

Table 11: Debt Service Coverage Ratios - Sewer provides a summary of the MBO required minimum, historical, and budgeted debt service coverage ratios for the Sewer fund.

Debt Service Coverage Sewage Disposal System								
	MBO Required Minimum	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Adopted Budget 2025	Adopted Budget 2026	Adopted Budget 2027
Rate Covenant Basis								
Senior Lien Bonds	1.20	2.92	2.35	2.17	2.06	2.15	2.19	2.14
Senior and second lien bonds	1.10	1.97	1.68	1.72	1.54	1.59	1.62	1.59
All bonds, including SRF junior lien	1.00	1.51	1.30	1.37	1.24	1.31	1.37	1.34
GAAP Basis								
Senior Lien Bonds		2.50	2.64	2.13	2.04			
Senior and second lien bonds		1.68	1.89	1.69	1.53			
All bonds, including SRF junior lien		1.29	1.46	1.34	1.23			

Refinancing

To reduce the annual water and sewer debt service payments, GLWA monitors its outstanding water and sewer debt portfolios to determine if it can refund existing bond issues with new, lower interest rate bonds. On an ongoing basis, GLWA's registered municipal advisor, PFM Financial Advisors, LLC (PFM) monitors GLWA's bond refunding opportunities based on the current municipal interest rate environment and the existing debt service on GLWA's callable bonds.

On June 30, 2025, \$309.3 million of water supply system refunding bonds and \$387.6 million of sewage disposal system refunding bonds were issued. GLWA received significant investor interest despite heavy tax-exempt supply in the market on the same day, driven by recent decreases in interest rates and favorable tax-exempt ratios.

Key elements of this transaction include:

- Rating agency upgrade achieved from Fitch (Sewer), continuing the Authority's positive rating trajectory and credit story
- The bond transaction focused on securing \$230 million in new money bond proceeds to replenish funding for water system capital improvement projects and \$50 million in new money bond proceeds to replenish funding for wastewater system capital improvements
- Innovative Tender Refunding Plus Current Refunding Results in Significant Savings. Because of a market opportunity to buy back bonds at an attractive price and reduce regional system debt service, GLWA invited the holders of \$1.37 billion of previously issued water and sewer bonds to sell their bonds back to the Authority. Holders of \$625.3 million of bonds accepted GLWA's offer, representing a participation rate of 46 percent, which exceeded expectations as that level is well above the average level of similar transactions over the past year. GLWA sold \$415 million of refunding bonds to pay for the purchase, in conjunction with the new money and current refunding transactions.
- Ultimately, the tender refunding transaction will reduce GLWA debt service future cash flow needs by \$43 million through 2040, representing a present value savings to GLWA of \$32 million. The transaction underscores GLWA's commitment to pursuing innovative financing strategies to reduce its debt service costs for member partners.
- In addition to the tender refunding, a current refunding resulted in further decreased future cash flow needs by \$34 million through 2040, representing a present value savings to GLWA of \$29 million.
- The combined effect of the two refunding strategies is \$77 million of cash flow savings (\$61 million of present value savings).
- On the heels of its rating upgrade, GLWA engaged in a comprehensive investor outreach. This outreach, combined with a strong day within the financial markets, attracted orders from nearly 70 unique institutional investors. In addition, retail orders were placed on behalf of several individual retail investors.

Table 12: History of Cash Flow Savings - since 2016 through the leadership of the Authority's management team, the financing team has been able to achieve over \$973.8 million in savings from future cash flow debt service requirements for the systems.

Revenue Refunding Bonds Savings (\$ millions)				
Issue	Refunding Bond Amount	Future Cash Flow Savings	Release (used to obtain savings) Savings	Net PV Savings
Water System				
Series 2016	\$ 666.0	\$ 185.4	\$ 25.2	\$ 120.8
Series 2018	155.6	30.9	1.6	24.9
Series 2020	377.5	103.1	10.5	66.5
Series 2023	67.2	11.2	-	7.9
Series 2024	384.1	67.5	16.1	39.3
Series 2025	309.3	33.7	-	27.1
Total Water	\$ 1,959.7	\$ 431.8	\$ 53.4	\$ 286.4
Sewage Disposal System				
Series 2016	\$ 421.3	\$ 123.7	\$ 23.8	\$ 71.2
Series 2018	175.9	54.0	11.2	34.5
Series 2020	687.5	221.0	33.6	122.9
Series 2022	12.5	2.0	1.6	0.2
Series 2023	200.2	34.8	0.2	20.9
Series 2024	387.6	62.9	16.1	37.3
Series 2025	387.6	43.6	-	34.4
Total Sewer	\$ 2,272.5	\$ 542.0	\$ 86.5	\$ 321.3
Combined				
Series 2016	\$ 1,087.3	\$ 309.1	\$ 49.0	\$ 191.9
Series 2018	331.5	84.9	12.8	59.4
Series 2020	1,065.0	324.1	44.1	189.4
Series 2022	12.5	2.0	1.6	0.2
Series 2023	267.4	45.9	0.2	28.8
Series 2024	771.7	130.4	32.2	76.6
Series 2025	696.8	77.3	-	61.5
Total Combined	\$ 4,232.1	\$ 973.8	\$ 139.9	\$ 607.7

The next available refunding opportunity is for bonds with a call date of July 1, 2026, for both the water fund and sewage disposal fund. Approximately \$628.0 million in water bonds and \$232.0 million in sewer bonds will be callable at that time. GLWA continues to work with its registered municipal advisor on these bonds.

GLWA does not have any defeased debt as of September 30, 2025.



Financial Services Audit Committee Communication

Date: October 24, 2025

To: Great Lakes Water Authority Audit Committee

From: William Baker, Financial Management Professional, Construction Accounting & Reporting

Re: FY 2025 Q4 Construction Work-in-Progress Report through June 30, 2025
(Unaudited)

Background: The quarterly construction work-in-progress (CWIP) provides information and analysis related to the execution of the Great Lakes Water Authority capital improvement program (CIP).

Analysis: The attached documents summarize the FY 2025 Q4 CWIP activity. It also provides additional information and analysis to inform decision makers and stakeholders.

Proposed Action: Receive and file this report.



**Construction Work-in-Progress Quarterly Report
(Unaudited)**

As of June 30, 2025

For questions, please contact:

William Baker
Construction Accounting and Reporting
Phone: 313.378.9760
Email: william.baker@glwater.org

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October 24, 2025**To Our Stakeholders:**

The contents of this report represent the financial presentation of construction work-in-progress activity for the Great Lakes Water Authority (GLWA) as of June 30, 2025. The information in this report presents a detailed snapshot and is important as we track the execution of the FY 2025–2029 Capital Improvement Plan (CIP) and look to inform decision makers as we evaluate the FY 2026–2030 CIP.

As we continue to refine this report to better communicate pertinent information to inform decision makers and stakeholders, content and formatting may be changed. With the summary of active projects now regularly being reported to the Capital Planning Committee the project highlights previously being reported have been removed from this report.

Report Contents and Organization

Construction Work-in-Progress (CWIP) Appendices: Includes breakdown by jurisdiction which provides a summary of the planned and actual project activity by the jurisdictions identified within the FY 2025 – 2029 Board Approved CIP Plan, detailed CWIP rollforward, which lists all projects in the CIP along with financial activity. These tables may be used to revisit priorities, workload, and phasing. In addition, this section contains project amendment summaries which consider the award of CIP contracts and the related execution thereof may result in deviations from the amount and timing of project activity. Project amendments are prepared to fund the related increase or decrease with either an adjustment to Capital Reserve or Program / Allowance accounts to amend the board approved fiscal year CIP accordingly and to inform decision makers in the development of future Capital Improvement Plans.

Financial Information

All project amounts are unaudited. This means that direct contractor costs are generally included in these totals with most pay estimates entered through June 30, 2025. There may, however, be some pay estimates that lag. The totals do not include indirect overhead.

Budget vs. Plan

Generally, GLWA's CIP projects span two or more fiscal years. The GLWA Board of Directors adopts a biennial "budget" and a five-year capital improvement "plan".

- ✓ The adopted **budget** relates to operations and maintenance expense, annual fixed commitments such as debt service, and incremental adjustments to reserves. The budget provides authority to spend within defined amounts. The budget is also referred to as the "revenue requirement" for the utility.
- ✓ After contracts are awarded at amounts variant from the CIP plan and more reliable anticipated spend data becomes available, the amended budget for the current fiscal year may increase or decrease by way of "Capital Reserve" budget amendments.
- ✓ The five-year capital improvement **plan** is a rolling plan that is updated at an administrative tracking level as projects move from estimated to actual bid numbers. An updated mid-cycle CIP would be presented to the Board for approval if the prioritization strategy was revised and/or the plan was in need of material revisions.
- ✓ In addition, the Board of Directors adopts a capital spending ratio assumption (SRA) which allows the realities of capital program delivery to align with the financial plan. The SRA is an analytical approach to bridge the total dollar amount of projects in the CIP with what can realistically be spent due to limitations beyond GLWA's control and/or delayed for nonbudgetary reasons. Those limitations, whether financial or non-financial, necessitate the SRA for budgetary purposes, despite the prioritization established.

Executive Summary

The rate of spend is a key performance indicator. The development of the FY 2025-2029 and related CIP Plan for FY 2025 were based on anticipation of FY 2025 activity resulting in 100% of planned spend for the Water system and 100% of planned spend for the Wastewater system.

The Water System spend for the period ending June 30, 2025, is 76.6% of the FY 2025 board approved CIP, 76.3% of the FY 2025 board approved CIP with project amendments, 76.6% of the FY 2025 Approved Capital Spending Rate Assumption (SRA) and 76.6% of the FY 2025 Adjusted Capital Spending Rate Assumption (SRA). Detailed analysis of the projects for which FY 2025 Board Approved CIP was amended from \$207.3M to \$207.9M is provided in the subsequent Project Amendment Summary appendix of this report.

				FY 2024		FY 2025		FY 2025	
				FY 2024	FY 2024	FY 2025	FY 2025	FY 2025	FY 2025
Water System Projects				Activity	Percentage	Prorated	Activity	Percentage	Percentage
(in millions)						(Twelve Months)	(Unaudited)		
FY 2024 Board Approved CIP	\$	239.3	\$	177.6	74.2%				
FY 2024 Board Approved CIP With Project Amendments		200.7		177.6	88.5%				
FY 2024 Capital Spend Rate Assumption (SRA) - Approved		239.3		177.6	74.2%				
FY 2024 Capital Spend Rate Assumption (SRA) - Adjusted		190.0		177.6	93.5%				
FY 2025 Board Approved CIP			\$	207.3	\$	207.3	\$	158.7	76.6%
FY 2025 Board Approved CIP With Project Amendments				207.9	\$	207.9		158.7	76.3%
FY 2025 Capital Spend Rate Assumption (SRA) - Approved				207.3	\$	207.3		158.7	76.6%
FY 2025 Capital Spend Rate Assumption (SRA) - Adjusted				207.3	\$	207.3		158.7	76.6%

Executive Summary (Continued)

The Wastewater System spend for the period ending June 30, 2025, is 103.8% of the FY 2025 board approved CIP, 97.9% of the FY 2025 board approved CIP with project amendments, 103.8% of the FY 2025 Approved Capital Spending Rate Assumption (SRA) and 103.8% of the FY 2025 Adjusted Capital Spending Rate Assumption (SRA). Detailed analysis of the projects for which FY 2025 Board Approved CIP was amended from \$169.2M to \$179.5M is provided in the subsequent Project Amendment Summary appendix of this report.

					FY 2025						
					Prorated	FY 2025					
					(Twelve	Activity	FY 2025				
					Months)	(Unaudited)	Percentage				
Wastewater System Projects		FY 2024	FY 2024	FY 2024	FY 2025						
		Activity	Percentage								
(in millions)											
FY 2024 Board Approved CIP	\$	199.0	\$	136.4	68.5%						
FY 2024 Board Approved CIP With Project Amendments		206.6		136.4	66.0%						
FY 2024 Capital Spend Rate Assumption (SRA) - Approved		199.0		136.4	68.5%						
FY 2024 Capital Spend Rate Assumption (SRA) - Adjusted		139.9		136.4	97.5%						
FY 2025 Board Approved CIP					\$	169.2	\$	169.2	\$	175.7	103.8%
FY 2025 Board Approved CIP With Project Amendments						179.5	\$	179.5		175.7	97.9%
FY 2025 Capital Spend Rate Assumption (SRA) - Approved						169.2	\$	169.2		175.7	103.8%
FY 2025 Capital Spend Rate Assumption (SRA) - Adjusted						169.2	\$	169.2		175.7	103.8%

Appendix A - Construction Work-in-Progress Rollforward Summaries by Jurisdiction

The purpose of the construction work-in-progress (CWIP) summary rollforward by jurisdiction is to provide a high-level overview of the financial status of the projects identified within the current board approved CIP by their jurisdiction. Within the FY 2025 – 2029 Board Approved CIP Plan, projects are identified and categorized as either City of Detroit, Wayne County - Outside Detroit, Lapeer County, Macomb County, Oakland County, Saint Clair County or Multiple Counties and reflected accordingly in this report.

\$550.4 million is in CWIP as of June 30, 2025 as shown for the Water System in A1 - Water - CWIP Rollforward by Jurisdiction

\$469.8 million is in CWIP as of June 30, 2025 as show for the Wastewater System in A2 - Wastewater - CWIP Rollforward by Jurisdiction

The order of these appendices on the subsequent pages are in ascending by jurisdiction alphabetically.

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority

A1 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward Summary By Jurisdiction

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

Jurisdiction	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through June 30, 2025	CWIP Balance June 30, 2025
City of Detroit	\$ 507,502,995	\$ 66,649,664	\$ 59,589,941	\$ 57,927,041	\$ 26,744,529	\$ 89,320,048
Lapeer County	137,740,664	5,537,987	-	-	40,812	5,578,799
Mutiple Counties	609,139,627	119,221,792	57,270,219	58,315,819	69,406,391	183,728,951
Oakland County	359,499,129	137,210,012	4,855,489	4,855,489	10,540,001	147,750,013
Saint Clair County	295,118,528	20,481,055	27,217,339	27,454,401	10,640,248	31,121,304
Wayne County - Outside Detroit	985,724,849	63,531,051	58,399,537	59,324,737	41,290,910	92,860,689
Grand Total	\$ 2,894,725,791	\$ 412,631,562	\$ 207,332,526	\$ 207,877,488	\$ 158,662,890	\$ 550,359,804

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority

A2 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward Summary By Jurisdiction

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

Jurisdiction	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through June 30, 2025	CWIP Balance June 30, 2025
City of Detroit	\$ 1,946,757,924	\$ 196,051,594	\$ 117,840,771	\$ 126,344,995	\$ 119,612,068	\$ 274,457,272
Mutiple Counties	1,319,856,726	136,709,069	48,316,404	50,102,159	53,363,309	190,072,378
Wayne County - Outside Detroit	135,181,862	2,509,110	3,031,807	3,031,807	2,752,387	5,261,498
Grand Total	\$ 3,401,796,513	\$ 335,269,773	\$ 169,188,982	\$ 179,478,961	\$ 175,727,764	\$ 469,791,148

Appendix B - Construction Work-in-Progress Rollforwards

The purpose of the construction work-in-progress (CWIP) rollforward is to analyze the current year activity for each project in relation to the overall capital improvement program as well as the project portfolio overall.

As part of our project life cycle review the Construction Accounting team identifies when it is appropriate for projects to be capitalized. Projects are to be capitalized when they have been completed in totality or are inclusive of identifiable assets that have been placed in service.

The following projects reached completion or readiness for use and were capitalized in Q4 FY2025:

PRJ-114017	SPW WTP Flocculator Drive Replacement
PRJ-170802	Reservoir Inspection, Design
PRJ-211008	Ferric Chloride Feed System Rehabilitation
PRJ-260623	Baby Creek Screen Rehabilitation
PRJ-260901	Rehab HAZMAT Facility at WRRF
PRJ-O13308	NI-EA PCI-4 Rehabilitation
PRJ-O13309	OMIDD: Pumping/Electrical Upgrades -HVAC

\$550.4 million is in CWIP as of June 30, 2025, as shown for the Water System in B1 - Water - Detailed CWIP Rollforward

\$469.8 million is in CWIP as of June 30, 2025, as shown for the Wastewater System in B2 - Wastewater - Detailed CWIP Rollforward

The order of these appendices on the subsequent pages are in ascending order by Project Category followed by CIP project number.

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority

B1 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP with Budget Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations and Other Activity through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Engineering	0	0	0	0	0	0	0	780	780	0%
Field Services - Water	284,557	189,805	67,721	68,494	37,505	0	227,310	148,473	375,783	132%
General Purpose - Water	0	0	0	0	0	0	0	330	330	0%
Programs - Water	454,485	38,520	31,652	32,144	41,796	4,899	75,417	88,343	163,760	36%
Security	0	0	0	0	0	0	0	10,358	10,358	0%
Systems Control Center	670,966	57,469	4,056	5,262	6,912	0	64,382	6,778	71,160	11%
Water Treatment Plants & Facilities	1,454,592	126,838	103,898	101,972	72,449	16,035	183,251	327,607	510,859	35%
Programs - Centralized Services	30,125	0	5	5	0	0	0	0	0	0%
Grand Total	2,894,726	412,632	207,333	207,877	158,663	20,935	550,360	582,670	1,133,030	39%

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority
 B2 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward
 Unaudited Activity For the Fiscal Quarter Ended June 30, 2025
 (in thousands)

Project Category	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations And Other Activity Through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
CSO Facilities	196,591	14,847	10,916	10,916	12,106	0	26,953	737	27,690	14%
Engineering	0	0	0	0	0	0	0	1,186	1,186	0%
Facilities	0	0	0	0	0	0	0	1,123	1,123	0%
Field Services - Wastewater	135,802	62,830	12,706	14,492	31,754	0	94,585	0	94,585	70%
Programs	1,366,654	161,965	59,392	59,691	51,112	28,337	184,740	120,652	305,392	22%
Programs - Water	0	258	0	0	0	0	258	83	341	0%
Security	0	0	0	0	0	0	0	3,201	3,201	0%
Systems Control Center	521,473	16,608	21,068	21,068	15,620	0	32,229	52,343	84,571	16%
Water Resource Recovery Facility	1,181,276	78,762	65,107	73,312	65,135	12,870	131,027	369,801	500,828	42%
Grand Total	3,401,797	335,270	169,189	179,479	175,728	41,206	469,791	549,126	1,018,917	30%

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority

B3 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP with Budget Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations and Other Activity through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Engineering		Consolidated Process Control System										
	361001	Upgrades	0	0	0	0	0	0	0	313	313	0%
	361003	SCADA Radio Network Upgrade	0	0	0	0	0	0	0	467	467	0%
Engineering Total			0	0	0	0	0	0	0	780	780	0%
Field Services - Water		Parallel 42-Inch Main in 24 Mile Road from Rochester Station to Romeo Plank Road	0	0	0	0	0	0	0	33,242	33,242	0%
	122001											
	122002	Replacement of Five (5) PRV Pits of Treated Water Transmission System	0	0	0	0	0	0	0	2,785	2,785	0%
	122003	New Waterworks Park to Northeast Transmission Main	0	0	0	0	0	0	0	29,790	29,790	0%
	122004	96-inch Main Relocation, Isolation Valves Installations, and New Parallel Main	153,253	90,719	32,074	32,846	31,376	0	122,095	149	122,244	80%
	122005	Replacement Schoolcraft Watermain	0	0	0	0	0	0	0	16,947	16,947	0%
	122006	Transmission System Water Main Work-Wick Road Parallel Water Main	0	5,500	0	0	0	0	5,500	20,751	26,251	0%
	122007	Design and Construction of a new Newburgh Road 24" Main along Newburgh Road between Ch	26,209	0	0	0	325	0	325	0	325	1%
	122009	Water System Improvements in Joy Road from Southfield Road to Trinity	0	0	0	0	0	0	0	107	107	0%
	122011	Park-Merriman Water Main-Final Phase	0	0	0	0	0	0	0	6,835	6,835	0%
	122012	36-inch Water Main in Telegraph Road	0	0	0	0	0	0	0	9,986	9,986	0%
	122013	Lyon Township Transmission Main Extension Project	800	89,246	800	800	4,804	0	94,050	17,511	111,561	13950%
	122014	48-Inch Water Main Installation at Vining and Wick Roads in Romulus	0	0	0	0	0	0	0	4,011	4,011	0%
	122015	30-Inch Water Main	0	0	0	0	0	0	0	2,461	2,461	0%
	122016	Downriver Transmission Loop	64,273	3,054	15,131	15,131	912	0	3,966	0	3,966	6%
	122017	7 Mile/Nevada Transmission Main Rehab and Carrie/Nevada Flow Control Station	1,019	0	216	216	0	0	0	3,898	3,898	383%
	122019	Jefferson Main Replacement	39,002	1,286	19,501	19,501	88	0	1,374	0	1,374	4%

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority

B3 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP with Budget Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations and Other Activity through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Field Services -												
Water Total			284,557	189,805	67,721	68,494	37,505	0	227,310	148,473	375,783	132%
General Purpose -	161001	Comprehensive Water Master Plan Update	0	0	0	0	0	0	0	330	330	0%
Water												
General Purpose -												
Water Total			0	0	0	0	0	0	0	330	330	0%
Programs - Water												
	170011	Miscellaneous Heating Improvements Southwest WTP	0	0	0	0	0	0	0	604	604	0%
	170102	Water Production Plant Flow Metering Improvements at NE, SP & SW WTP	0	0	0	0	0	0	0	374	374	0%
	170103	Belle Isle Water Supply Intake and Ice Boom Improvements	0	0	0	0	0	0	0	287	287	0%
	170104	Orion and Newburgh Pumping Stations Improvements	0	0	0	0	0	0	0	2,086	2,086	0%
	170105	Phosphoric Acid and Heating System and NE-WTP	0	0	0	0	0	0	0	1,936	1,936	0%
	170107	Intake Lagoon	0	0	0	0	0	0	0	298	298	0%
	170117	Instrument Air Compressor Systems Replacement at NE-WTP	0	0	0	0	0	0	0	226	226	0%
	170118	1958 Sedimentation Basin	0	0	0	0	0	0	0	859	859	0%
	170120	Phosphoric Acid Feed System Improvements at Southwest WTP	0	0	0	0	0	0	0	635	635	0%
	170300	Water Treatment Plant Automation Program	23,317	0	0	0	0	0	0	0	0	0%
	170302	SW WTP SCADA Improvements	3,037	7,922	3,037	3,037	1,357	0	9,279	0	9,279	306%
	170303	WWP WTP Power Monitoring Installation	0	0	0	0	0	0	0	1,811	1,811	0%
	170304	WWP WTP SCADA Upgrade	0	651	0	0	0	0	651	0	651	0%
	170305	WWP SCADA Network Upgrade	7,542	0	0	0	0	0	0	0	0	0%
	170306	SPW SCADA PLC Network Upgrade	6,780	0	2,245	2,463	0	0	0	0	0	0%
	170400	Water Transmission Improvement Program	32,175	0	0	0	0	0	0	0	0	0%
	170401	Emergency Bypass Around Ypsilanti Station	0	0	0	0	0	0	0	2,633	2,633	0%
	170500	Transmission System Valve Assessment and Rehabilitation/Replacement Program	59,285	0	18	18	0	0	0	0	0	0%

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority

B3 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP with Budget Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations and Other Activity through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Programs - Water	170502	Transmission System Valve Assessment and Rehabilitation/Replacement A	0	0	0	0	0	0	0	7,690	7,690	0%
	170503	Transmission System Valve Assessment and Rehabilitation/Replacement B	537	2,073	417	417	22	0	2,094	14,054	16,148	3005%
	170504	Repair of WTM, Valves, & Priority Repair	6,735	9,813	2,965	2,965	158	0	9,972	0	9,972	148%
	170506	Water Transmission Main, Valves, & Other	15,000	0	2,744	2,744	790	0	790	0	790	5%
	170600	Water Transmission Main Asset Assessment Program	77,870	0	4,138	4,138	0	0	0	0	0	0%
	170601	Linear System Integrity Program	21,686	106	20	20	2,498	0	2,604	0	2,604	12%
	170602	36" 24 Mile Rd. Transmission Main Construction	972	2,538	0	273	17,787	0	20,325	0	20,325	2091%
	170701	Booster Station & Reservoirs Program Management	0	0	0	0	0	0	0	12,977	12,977	0%
	170800	Reservoir Inspection, Design and Rehabilitation	0	0	0	0	0	0	0	0	0	0%
	170801	Reservoir Inspection, Design and Rehabilitation	295	10	295	295	8	18	0	25,265	25,265	8575%
	170802	Reservoir Inspection, Design, and Construction Management Services	38,477	9,256	9,608	9,608	16,722	4,881	21,097	5,543	26,639	69%
	170803	Phase III	94,432	0	0	0	10	0	10	0	10	0%
	170900	Suburban Water Meter Pit Rehabilitation and Meter Replacement Program	33,108	0	2,523	2,523	0	0	0	0	0	0%
	170901	Suburban Water Meter Pit Rehabilitation and Meter Replacement	0	4,708	0	0	0	0	4,708	7,703	12,411	0%
	170904	Phase II Wholesale Water Meter Pit Rehab	14,579	1,444	3,642	3,642	2,409	0	3,853	7	3,860	26%
	171500	Roof Replacement - Var Facilities Program	15,948	0	0	0	0	0	0	0	0	0%
	171501	Roof Replacements - Var Facilities Program	0	0	0	0	0	0	0	3,355	3,355	0%
	171502	Lake Huron and Southwest Roof Replacement	2,710	0	0	0	0	0	0	0	0	0%
	399900	CS-272 - Capital Allocation	0	0	0	0	35	0	35	0	35	0%
Programs - Water Total			454,485	38,520	31,652	32,144	41,796	4,899	75,417	88,343	163,760	36%

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority

B3 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP with Budget Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations and Other Activity through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Security	341001	Security Infrastructure Improvements	0	0	0	0	0	0	0	10,358	10,358	0%
Security Total			0	0	0	0	0	0	0	10,358	10,358	0%
Systems Control Center	132001	Wick Road Station Rehabilitation	0	0	0	0	0	0	0	135	135	0%
	132002	Replacement of Switchgear at Joy Road Pumping Station	0	0	0	0	0	0	0	669	669	0%
	132003	Isolation Gate Valves for Line Pumps for West Service Center Pumping Station	0	0	0	0	0	0	0	1,742	1,742	0%
	132006	Pressure and Control Improvements at the Electric, Ford Road, Michigan, and West Chica	0	0	0	0	0	0	0	3,226	3,226	0%
	132007	Energy Management: Freeze Protection Pump Installation at Imlay Pumping Station	0	5,268	0	0	41	0	5,309	0	5,309	0%
	132010	West Service Center/Duval Rd Division Valve Upgrades	1,524	45,612	1,524	1,524	1,321	0	46,934	0	46,934	3080%
	132012	Ypsilanti PS Improvements	40,241	2,572	0	0	0	0	2,572	0	2,572	6%
	132014	Adams Road Booster Pumping Improvements	61,675	102	0	0	0	0	102	0	102	0%
	132015	Newburgh BPS	45,133	1,331	0	1,207	1,135	0	2,466	30	2,496	6%
	132016	North Service Center BPS Improvements	234,676	2,155	2,532	2,532	4,415	0	6,569	0	6,569	3%
	132018	Schoolcraft BPS	24,643	0	0	0	0	0	0	0	0	0%
	132019	Wick Road BPS - Switchgear	24,723	65	0	0	0	0	65	0	65	0%
	132020	Franklin BPS - Isolation Gate Valves	60,825	95	0	0	0	0	95	0	95	0%
	132021	Imlay BPS - Replace VFDs, Pumps & Motors	137,741	270	0	0	0	0	270	0	270	0%
	132022	Joy Road BPS - Replace Reservoir Pumps	39,786	0	0	0	0	0	0	0	0	0%
	132026	Franklin Pumping Station Valve Replacement	0	0	0	0	0	0	0	975	975	0%
Systems Control Center Total			670,966	57,469	4,056	5,262	6,912	0	64,382	6,778	71,160	11%
Water Treatment Plants & Facilities		Energy Management: Lake Huron Water Treatment Plant Low Lift										
	111001	Pumping Improvements	135,539	4,712	1,674	1,674	1,887	0	6,599	0	6,599	5%
	111002	LHWTP Backflow Replacement	0	0	0	0	0	0	0	8,718	8,718	0%

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Great Lakes Water Authority

B3 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP with Budget Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations and Other Activity through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Water Treatment Plants & Facilities	111004	Electrical Tunnel Rehabilitation at Lake Huron WTP	0	0	0	0	0	0	0	3,892	3,892	0%
	111005	Miscellaneous Concrete Improvements at the Lake Huron WTP	0	0	0	0	0	0	0	757	757	0%
	111006	Replacement of Filter Instrumentation and Raw Water Flow Metering Improvements at Lake Huron WTP-Raw Sludge Clarifier and Raw Sludge Pumping System	35,751	4,129	2,981	2,981	2,309	0	6,438	0	6,438	18%
	111007	LHWTP Architectural Programming - Lab	0	0	0	0	0	0	0	8,867	8,867	0%
	111008	Lake Huron WTP-35 MGD HLP, Flow Meters	782	0	0	0	0	0	0	0	0	0%
	111009	Lake Huron Water Treatment Plant - Filtration and Pretreatment Improvements	10,153	10,507	10,125	10,362	5,585	0	16,092	0	16,092	158%
	111010	Lake Huron WTP Pilot Plant	58,639	0	0	0	0	0	0	0	0	0%
	111011	LHWTP-Flocculation Improvements	0	4	0	0	0	0	4	3,076	3,080	0%
	111012	LH WTP Fireloop & Plant Water Improvements	44,204	1,125	12,437	12,437	859	0	1,984	0	1,984	4%
	111013	Low Lift Pumping Plant Caisson Rehabilitation at Northeast WTP	10,051	4	0	0	0	0	4	0	4	0%
	112002	NE WTP High Lift Pumping Electrical	0	0	0	0	0	0	0	1,170	1,170	0%
	112003	Northeast Water Treatment Plant - Replacement of Covers for Process Water Conduits	171,118	561	0	0	1	0	562	0	562	0%
	112005	Northeast Water Treatment Plant Flocculator Replacements	0	0	0	0	0	0	0	938	938	0%
	112006	NE WTP Structural Repair of Slab and Bea	6,837	6,167	2,519	2,519	1,054	0	7,221	0	7,221	106%
	112007	Northeast WTP Filter Replacement	6,383	239	2,124	2,124	12	0	251	0	251	4%
	112008	Northeast Sedimentation Basins Sludge f	85,550	102	3,507	3,507	165	0	267	0	267	0%
	112009	Southwest Water Treatment Plant, Sludge Treatment & Waste Wash water Treatment Facilit	0	0	0	0	439	0	439	0	439	0%
	113001		0	0	0	0	0	0	0	171	171	0%

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Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP with Budget Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations and Other Activity through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Water Treatment Plants & Facilities	113002	High Lift Pump Discharge Valve Actuators Replacement at Southwest WTP	0	0	0	0	0	0	0	5,799	5,799	0%
	113003	Replacement of Butterfly Valves	162,110	0	0	0	0	0	0	0	0	0%
	113004	Residual Handling Facility's Decant Flow Modifications at Southwest WTP	0	0	0	0	0	0	0	4,286	4,286	0%
	113006	SW WTP Chloring Scrubber	0	0	0	0	0	0	0	6,108	6,108	0%
	113007	Architectural and Building Mechanical	8,641	4	0	0	0	0	4	0	4	0%
	113009	SW WTP Flight and Chain Upgrades	2,717	3,099	2,717	2,717	979	0	4,079	0	4,079	150%
	113010	SW WTP Flocculation Improvements	22,225	16	0	0	18	0	34	0	34	0%
	114001	Springwells Water Treatment Plant 1958 Filter Rehabilitation and Auxiliary Facilities	0	0	0	0	0	0	0	99,765	99,765	0%
	114002	Springwells Water Treatment Plant - Low Lift and High Lift Pump Station	270,070	25,819	28,225	27,725	30,054	0	55,873	17,553	73,426	27%
	114003	Water Production Flow Metering Improvements at NE, SW, and SPW WTP	0	0	0	0	0	0	0	8,168	8,168	0%
	114004	Miscellaneous Concrete Improvements at Springwells WTP	0	0	0	0	0	0	0	494	494	0%
	114005	Springwells WTP Admin Building Improvements	5,818	1,321	0	0	0	0	1,321	0	1,321	23%
	114006	Replacement of Rapid Mix Units at Springwells WTP 1958 Process Train	0	0	0	0	0	0	0	1,021	1,021	0%
	114008	1930 Sedimentation Basin Sluice Gates, Guides & Hoists Improvements at Springwells WTP	0	1	0	0	0	1	0	13,202	13,202	0%
	114010	Yard Piping Improvements	216,807	1,808	0	0	3	0	1,811	0	1,811	1%
	114011	Steam, Condensate Return, and Compressed Air Piping Improvements at Springwells WTP	0	2,333	0	0	23	0	2,356	24,356	26,712	0%
	114012	Springwells Water Treatment Plant 1930 Filter Building-Roof Replacement	0	0	0	0	0	0	0	3,911	3,911	0%
	114013	Springwells Reservoir Fill Line Improvements	0	0	0	0	0	0	0	4,707	4,707	0%

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Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP with Budget Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations and Other Activity through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Water Treatment Plants & Facilities	114015	Emergency Grating Replacement at Springwells WTP	0	0	0	0	0	0	0	3,366	3,366	0%
	114016	Springwells Water Treatment Plant 1958 Settled Water Conduits Concrete Pavement Replacement	0	0	0	0	0	0	0	1,566	1,566	0%
	114017	Springwells Water Treatment Plant Flocculator Drive Replacement	20,170	8,688	7,045	7,045	6,484	11,961	3,211	11,961	15,172	75%
	114018	Springwells Water Treatment Plant - Service Building Electrical Substation and Miscellaneous Improvements	2,341	0	0	0	0	0	0	0	0	0%
	115001	Yard Piping, Valves and Venturi Meters Replacement at Water Works Park	16,688	42,228	9,986	9,986	8,362	4,074	46,516	4,074	50,590	303%
	115002	Miscellaneous Concrete and Road Improvements at Waterworks Park WTP	0	0	0	0	0	0	0	1,984	1,984	0%
	115004	Water Works Park WTP Chlorine System Upgrade	0	0	0	0	0	0	0	6,967	6,967	0%
	115005	WWP WTP Building Ventilation Improvements	4,504	12,933	3,868	3,868	2,881	0	15,814	0	15,814	351%
	115006	Water Works Park Site/Civil Improvements	5,896	0	0	0	0	0	0	0	0	0%
	115007	Water Works Park High Lift Pumping Station Modernization	115,090	0	0	0	0	0	0	0	0	0%
	115009	Water Works Park Sedimentation Basins Structural Upgrades	16,846	0	0	0	0	0	0	0	0	0%
	116002	Pennsylvania, Springwells and Northeast Raw Water Supply Tunnel Improvements based on	12,689	327	12,689	11,026	9,968	0	10,295	80,730	91,024	717%
	116005	Belle Isle Seawall Rehabilitation	1,539	713	1,539	1,539	1,365	0	2,078	0	2,078	135%
	116006	Belle Isle Intake System Rehabilitation and Improvements	2,222	0	0	0	0	0	0	0	0	0%
	116007	System Electrical Power Improvements	3,214	0	2,462	2,462	0	0	0	0	0	0%
Total			1,454,592	126,838	103,898	101,972	72,449	16,035	183,251	327,607	510,859	35%

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B3 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP with Budget Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations and Other Activity through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Programs - Centralized Services		As-needed Engineering Services for Concrete Testing, Geotechnical Soil Borings, other Testing Services, and Related Services Allowance	0	0	0	0	0	0	0	0	0	0%
	380700	Energy Management: Electric Metering Improvement Program	5,125	0	5	5	0	0	0	0	0	0%
	381000	Masonry Replacement and Rehabilitation Program	25,000	0	0	0	0	0	0	0	0	0%
	383300											
Programs - Centralized Services Total			30,125	0	5	5	0	0	0	0	0	0%
Grand Total			2,894,726	412,632	207,333	207,877	158,663	20,935	550,360	582,670	1,133,030	39%

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B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations And Other Activity Through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
CSO Facilities	270001	Pilot CSO Netting Facility	37,874	21	0	0	78	0	99	0	99	0%
	270002	Meldrum Sewer Diversion and VR-15 Improvements	6,401	0	0	0	3	0	3	0	3	0%
	270003	Long Term CSO Control Plan	1,587	0	1,587	1,587	963	0	963	0	963	61%
	270004	Oakwood Lieb CSO Facility Improvement	38,368	4,952	1,394	1,394	1,506	0	6,458	0	6,458	17%
	270006	Control System Upgrades - Baby Creek/Belle	18,331	2,533	1,056	1,056	843	0	3,377	0	3,377	18%
	270007	Disinfection System Improvements at CSO	8,320	48	206	206	47	0	95	0	95	1%
	270008	Flushing System Improvements at Conner Creek and St. Aubin CSO Facilities	7,070	0	0	0	0	0	0	0	0	0%
	270009	Site Improvements at St. Aubin, Belle Isle, and Baby Creek CSO Facilities	1,390	0	0	0	8	0	8	0	8	1%
	270010	HVAC Improvements at Puritan Fenkell and Seven Mile CSO Facilities	1,506	21	88	88	10	0	30	0	30	2%
	270011	HVAC Improvements at Conner Creek and Belle Isle CSO Facilities	418	0	0	0	0	0	0	0	0	0%
	270012	Control System Upgrades at Conner Creek, Oakwood, and Puritan Fenkell CSO Facilities	5,975	0	0	0	0	0	0	0	0	0%
	270013	Facility Improvements at Puritan Fenkell and Seven Mile CSO Facilities	902	0	0	0	0	0	0	0	0	0%
	270014	Convert to Complete Capture Basin CSO Fa	4,482	0	0	0	0	0	0	0	0	0%
	273001	Hubbell Southfield CSO Facility Improvement	52,060	2,509	3,032	3,032	2,752	0	5,261	0	5,261	10%
	273002	CSO Hubbell Southfield VR-8 Gate Improvements	1,786	0	0	0	0	0	0	0	0	0%
	276002	Replacement Make-up Air Unit at CON	0	0	0	0	0	0	0	348	348	0%
	277001	Baby Creek Outfall Improvements Project	9,376	4,763	3,554	3,554	5,898	0	10,660	389	11,049	118%
	277002	Baby Creek CSO Facility Influent Flushing System	745	0	0	0	0	0	0	0	0	0%
CSO Facilities Total			196,591	14,847	10,916	10,916	12,106	0	26,953	737	27,690	14%

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority
 B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward
 Unaudited Activity For the Fiscal Quarter Ended June 30, 2025
 (in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations And Other Activity Through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Engineering	361001	Consolidated Process Control System Upgrades	0	0	0	0	0	0	0	316	316	0%
	361002	Data Center Reliability/Availability Improvements	0	0	0	0	0	0	0	17	17	0%
	361003	SCADA Radio Network Upgrade	0	0	0	0	0	0	0	853	853	0%
Engineering Total			0	0	0	0	0	0	0	1,186	1,186	0%
Facilities	331002	Roofing Systems Replacement at GLWA Wastewater Treatment Plant, CSO Retention Treatment Basins (RTB) and Screening Disinfection Facilities (SDF)	0	0	0	0	0	0	0	1,123	1,123	0%
Facilities Total			0	0	0	0	0	0	0	1,123	1,123	0%
Field Services - Wastewater	222001	Intercommunity Relief Sewer Modifications in Detroit Oakwood District	78,792	2,977	0	1,786	12,329	0	15,306	0	15,306	19%
	222002	Detroit River Interceptor Evaluation and Rehabilitation	54,761	57,689	11,581	11,581	19,340	0	77,029	0	77,029	141%
	222008	North Interceptor East Arm (NIEA)	2,250	2,164	1,125	1,125	86	0	2,250	0	2,250	100%
Field Services - Wastewater Total			135,802	62,830	12,706	14,492	31,754	0	94,585	0	94,585	70%
Programs	260101	Plant-Wide Replacement of Emergency Lighting	0	0	0	0	0	0	0	1,246	1,246	0%
	260102	Replace Stairs - WWTP	0	0	0	0	0	0	0	109	109	0%
	260103	Replace 4 DS-706 Centrifuges WWTP	0	0	0	0	0	0	0	779	779	0%
	260104	Pur Installation of EB-25 Unit WWTP	0	0	0	0	0	0	0	21	21	0%
	260105	Replace Various Air Distribution Equip	0	0	0	0	0	0	0	868	868	0%
	260108	Sanitary Meter Replacement: Neff Road	0	0	0	0	0	0	0	377	377	0%
	260111	W-3 Construct: Overhead Door	0	0	0	0	0	0	0	551	551	0%
	260112	Connor Creek	0	0	0	0	0	0	0	354	354	0%
	260113	Fire Remediation	0	0	0	0	0	0	0	19,428	19,428	0%
	260200	Sewer and Interceptor Evaluation and Rehabilitation Program	9,172	0	0	0	0	0	0	0	0	0%
	260201	Conveyance System Interceptor Rehab	493	19,906	422	422	0	0	19,906	18,542	38,448	7792%

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B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations And Other Activity Through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Programs	260203	Conveyance System Interceptor Rehab Energy Services for Rehabilitation of	0	0	0	0	0	0	0	4,642	4,642	0%
	260204	Conveyance Sewer System	40,621	27,253	13,440	13,440	11,410	0	38,662	0	38,662	95%
	260205	NWI Outfall Rehabilitation	358	6,373	324	623	550	0	6,923	0	6,923	1932%
	260206	Conveyance System Rehabilitation - Interceptors	16,762	6,992	5,208	5,208	3,762	0	10,754	0	10,754	64%
	260207	Rehabilitation of Woodward Sewer System	308	20,322	308	308	-729	0	19,593	0	19,593	6352%
	260209	Sewer Repair Contract - As Needed	9,209	3,192	4,605	4,605	4,671	0	7,863	0	7,863	85%
	260210	Linwood/Lonyo/Ashland/2nd Ave/Shiawassee	27,506	1,606	249	249	573	0	2,178	0	2,178	8%
	260211	Sewer Repair Contract II	5,515	5	1,499	1,499	1	0	6	0	6	0%
	260301	Roof Replacement of Complex II	0	0	0	0	0	0	0	1,673	1,673	0%
	260500	CSO Outfall Rehab	7,636	0	0	0	0	0	0	0	0	0%
	260502	CSO Outfall Rehab	0	0	0	0	0	0	0	3,330	3,330	0%
	260504	Rehabilitation of Outfalls - Phase II	0	0	0	0	0	0	0	4,924	4,924	0%
	260505	Rehabilitation of Outfalls - Phase IV	0	4	0	0	0	0	4	5,710	5,713	0%
	260508	B-39 Outfall Rehab	709	10,461	676	676	0	0	10,461	0	10,461	1475%
	260509	B-40 Outfall Rehab	0	113	0	0	0	0	113	0	113	0%
	260510	Conveyance System Rehabilitation - Outfalls	19,766	4,962	3,993	3,993	6,131	0	11,093	0	11,093	56%
	260600	CSO Facilities Improvements	1,018,312	0	657	657	0	0	0	0	0	0%
	260601	Oakwood Drain Valve Improvements	0	0	0	0	0	0	0	805	805	0%
	260602	CSO Fire Alarm System Improvements	0	0	0	0	0	0	0	998	998	0%
	260603	Conner Creek CSO Basin Rehab	0	0	0	0	0	0	0	7,675	7,675	0%
	260604	Baby Creek CSO Rehab	0	0	0	0	0	0	0	367	367	0%
	260606	Puritan Fenkell Roof Replacement	0	0	0	0	0	0	0	347	347	0%
	260607	Lieb SDF Electrical Improvements	0	0	0	0	0	0	0	1,033	1,033	0%
	260608	Seven Mile RTB - Roof Replacement	0	0	0	0	0	0	0	497	497	0%
	260609	Seven Mile RTB - Parking Lot / Sitework	0	0	0	0	0	0	0	430	430	0%
	260610	Baby Creek MAU Replacement	0	0	0	0	0	0	0	275	275	0%
	260611	HVAC Improvements At Lieb SDF	0	0	0	0	0	0	0	413	413	0%
	260613	Baby Creek HVAC Improvements	0	0	0	0	0	0	0	545	545	0%
	260614	CSO Facilities Structural Improvements	124	13,962	124	124	583	0	14,545	0	14,545	11697%

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(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations And Other Activity Through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Programs	260615	PF & Lieb CSO Facilities Site & Drainage Improvements	0	0	0	0	0	0	0	582	582	0%
	260616	Baby Creek SCO Anchor & Wedge Improvements	0	0	0	0	0	0	0	770	770	0%
	260618	Oakwood HVAC Improvements	0	0	0	0	0	0	0	6,211	6,211	0%
	260619	Control System Upgrade At St. Aubin, Lieb and 7 Mile	4,049	3,264	4,049	4,049	2,317	0	5,582	0	5,582	138%
	260620	Baby Creek Roof Replacement	0	0	0	0	0	0	0	985	985	0%
	260621	Connor Creek Berm Improvements	0	2	0	0	0	0	2	2,245	2,247	0%
	260622	CSO Facilities Emergency Generator Improvements	0	0	0	0	0	0	0	1,110	1,110	0%
	260623	Baby Creek Screen Rehabilitation	31	2,268	31	31	9	2,277	1	2,277	2,277	7376%
	260624	Baby Creek Chemical Tansk Replacemen	0	0	0	0	1,420	0	1,420	0	1,420	0%
	260700	Sewer System Infrastructure Improvements & Pumping Stations	989	0	54	54	0	0	0	0	0	0%
	260701	Conveyance System Infrastructure Improvements	27,827	34,176	16,081	16,081	12,359	0	46,535	0	46,535	167%
	260702	Pump Station Assets Updates	10,065	0	0	0	0	0	0	0	0	0%
	260800	WRRF Roof Replacement Program	14,700	0	0	0	0	0	0	0	0	0%
	260801	WRRF Sludge Pump Station #3 Roof Replacement	0	0	0	0	0	0	0	80	80	0%
	260802	2022 WRRF Roof Improvements Project	3,894	473	2,103	2,103	3,521	0	3,995	0	3,995	103%
	260900	WRRF Facility Optimization Program	85,000	0	0	0	0	0	0	0	0	0%
	260901	Rehab. Hazmat Facility at WRRF	84	3,253	84	84	471	3,718	6	3,718	3,725	4416%
	260902	WRRF Renovation of 4th Floor	0	0	0	0	16	0	16	3,552	3,568	0%
	260903	WRRF Front Entrance Rehab.	1,284	1,977	1,284	1,284	2,577	0	4,554	0	4,554	355%
	260904	WRRF 3rd Floor Renovation	3,440	125	2,017	2,017	71	0	196	0	196	6%
	260905	WRRF Plumbing Shop Rehab	1,352	1,134	1,352	1,352	1,287	0	2,421	0	2,421	179%
	261000	WRRF Rehabilitation of Secondary Clarifiers	39,337	0	0	0	0	0	0	0	0	0%
	261001	Rehabilitation of Secondary Clarifiers	18,107	141	832	832	110	0	251	0	251	1%
	900015	Baby Creek CON-219 Channel Meters	0	0	0	0	0	0	0	847	847	0%
	O13308	NI-EA PCI-4 Rehabilitation	0	0	0	0	0	22,084	-22,084	22,084	0	0%
	O13309	OMIDD: Pumping/Electrical Upgrades - H	0	0	0	0	0	258	-258	258	0	0%
Programs Total			1,366,654	161,965	59,392	59,691	51,112	28,337	184,740	120,652	305,392	22%
Programs - Water	171501	Roof Replacements - Var Facilities Program	0	0	0	0	0	0	0	83	83	0%
	O13309	OMID	0	258	0	0	0	0	258	0	258	0%

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority

B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations And Other Activity Through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Programs - Water												
Total			0	258	0	0	0	0	258	83	341	0%
Security												
	341002	Security Infrastructure Improvements	0	0	0	0	0	0	0	3,201	3,201	0%
Security Total			0	0	0	0	0	0	0	3,201	3,201	0%
Systems Control Center												
	232001	Fairview Pumping Station - Replace Four Sanitary Pumps	0	4	0	0	0	0	4	44,714	44,718	0%
	232002	Connor Creek Pump Station Improveme	440,137	11,910	21,068	21,068	2,612	0	14,522	6,104	20,626	5%
	232005	Freud Pump Station Improvements	0	4,694	0	0	13,008	0	17,702	0	17,702	0%
	233002	Collection System In System Storage Devices(ISDs) Improvements	0	0	0	0	0	0	0	1,525	1,525	0%
	233003	Rouge River In-system Storage Devices	81,336	0	0	0	0	0	0	0	0	0%
Systems Control Center Total			521,473	16,608	21,068	21,068	15,620	0	32,229	52,343	84,571	16%
Water Resource Recovery Facility												
	211001	Rehabilitation of Primary Clarifiers Rectangular Tanks, Drain Lines, Electrical/Mechanical Building and Pipe Gallery	0	0	0	0	0	0	0	54,749	54,749	0%
	211002	Pump Station No. 2 Pumping Improvments	0	80	0	0	679	0	758	2,676	3,434	0%
	211004	Pump Station 1 Rack & Grit and MPI Sampling Station 1 Improvements	0	0	0	0	0	0	0	27,895	27,895	0%
	211005	Pump Station No. 2 Improvements	82,827	558	2,420	2,420	1,050	0	1,608	0	1,608	2%
	211006	Pump Station No. 1 Improvements	86,348	20,238	15,064	15,064	23,116	0	43,354	0	43,354	50%
	211007	Replacement of Bar Racks and Grit Collection System at Pump Station No. 2	113,530	8,930	11,467	16,853	5,384	0	14,314	0	14,314	13%
	211008	Rehabilitation of Ferric Chloride Feed systems at the Pump Station -1 and Complex B Sludge Lines	0	12,736	0	0	135	12,870	1	12,870	12,871	0%
	211009	Rehabilitation of the Circular Primary Clarifier Scum Removal System	22,590	640	0	0	3	0	643	0	643	3%
	211010	Rehabilitation of Sludge Processing Complexes A and B	14,010	94	0	0	0	0	94	0	94	1%
	211011	WRRF PS1 Screening and Grit Improvements	96,901	3,401	2,643	2,643	1,468	0	4,869	0	4,869	5%

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority
 B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward
 Unaudited Activity For the Fiscal Quarter Ended June 30, 2025
 (in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations And Other Activity Through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Water Resource Recovery Facility		Returned Activated Sludge (RAS) Pumps, Influent Mixed Liquor System and Motor Control Centers (MCC)										
	212001	Improvements for Secondary Clarifiers Study, Design, & Construction, Management Services for Modified Detroit River Outfall No. 2 - WRRF	0	0	0	0	0	0	0	34,090	34,090	0%
	212002	WRRF	0	0	0	0	0	0	0	10,819	10,819	0%
	212003	Aeration System Improvements	0	0	0	0	0	0	0	16,525	16,525	0%
	212004	Project Chlorination/Dechlorination Process Equipment Improvements	0	0	0	0	0	0	0	5,652	5,652	0%
	212005	Rouge River Outfall No. 2 (RRO-2) Segement 1-WWTP Modifications	0	0	0	0	0	0	0	252	252	0%
	212006	PC-797 Rouge River Outfall Disinfection and CS-1781 Oversight Consulting Services Contract	0	0	0	0	0	0	0	43,789	43,789	0%
	212008	WRRF Rehabilitation of Intermediate Lift	212,664	8,191	10,783	10,783	11,097	0	19,289	0	19,289	9%
	212009	WRRF Aeration Improvements 3 and 4	69,528	0	0	0	0	0	0	0	0	0%
	212010	WRRF Conversion of Disinfection of all Flow to Sodium Hypochlorite and Sodium Bisulfite	6,232	0	0	0	0	0	0	0	0	0%
	213001	Replacement of Belt Filter Presses for Complex I and Upper Level Complex II	0	0	0	0	0	0	0	36,669	36,669	0%
	213003	Sewage Sludge Incinerator Air Quality Improvements at WRRF	0	0	0	0	0	0	0	36,676	36,676	0%
	213004	Biosolids Dryer Facility at WRRF	0	0	0	0	0	0	0	2,408	2,408	0%
	213005	Complex I Incinerators Decommissioning and Reusability	0	0	0	0	0	0	0	370	370	0%
	213006	Improvements to Sludge Feed Pumps at Dewatering Facilities	14,899	2,620	64	64	1,073	0	3,694	0	3,694	25%
	213007	Construction of the Improved Sludge Conveyance and Lighting System at the WWTP	104	749	104	104	122	0	871	22,912	23,783	22906%
	213008	Rehabilitation of the Wet and Dry Ash Handling Systems	7,033	151	0	0	15	0	166	0	166	2%

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority

B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended June 30, 2025

(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through June 30, 2025	FY 2025 Capitalizations And Other Activity Through June 30, 2025	CWIP Balance June 30, 2025	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2025	Life to Date Activity / Total Project Plan Estimate
Water Resource Recovery Facility	213009	Phosphorous Recovery Facility at the WRRF	335,352	24	1,988	1,988	515	0	539	0	539	0%
	214001	Relocation of Industrial Waste Division and Analytical Laboratory Operations	0	0	0	0	0	0	0	14,300	14,300	0%
	215001	Rehabilitation of Combined Sewer Overflow (CSO) Retention Treatment Basins (RTB), Screening and Disinfection Facilities (SDF)	0	0	0	0	0	0	0	1,699	1,699	0%
	216001	Underground Electrical Duct Bank Repair and EB-1, EB-2, and EB-10 Primary Power Service Improvements - WRRF	0	0	0	0	0	0	0	32,686	32,686	0%
	216002	Plant-wide Fire Alarm Systems Upgrade/ Integration and Fire Protection Improvements	0	0	0	0	0	0	0	849	849	0%
	216004	Rehabilitation of Various Sampling Sites and PS# 2 Ferric Chloride System at WWTP	0	0	0	0	0	0	0	7,907	7,907	0%
	216006	Rehabilitation of the Screened Final Effluent (SFE) Pump Station and Secondary Water System	15,047	10,427	3,342	6,161	12,047	0	22,473	0	22,473	149%
	216007	DTE Primary Electric 3rd Feed Supply Line to the WRRF	0	0	0	0	0	0	0	4,008	4,008	0%
	216008	Rehabilitation of Screened Final Effluent (SFE) Pump Station	92,505	4,469	13,500	13,500	4,333	0	8,802	0	8,802	10%
	216011	WRRF Structural Improvements	11,706	5,453	3,732	3,732	4,098	0	9,551	0	9,551	82%
Water Resource Recovery Facility												
Total			1,181,276	78,762	65,107	73,312	65,135	12,870	131,027	369,801	500,828	42%
Grand Total			3,401,797	335,270	169,189	179,479	175,728	41,206	469,791	549,126	1,018,917	30%

Appendix C - Project Amendment Summaries

The purpose of the Project Amendment Summary is to illustrate the amendments to the current fiscal year board approved CIP for each project with an amendment resulting from the use of allowance and program funding for a specific amount necessitated by contract award.

The award of CIP contracts and the related execution thereof may result in deviation from the amount and timing of planned spend. Acknowledging the aforementioned deviation, project amendments are prepared to fund the related increase or decrease either to or from the Capital Reserve to amend the current fiscal year board approved Capital Improvement Plan accordingly and to inform decision makers in the development of future Capital Improvement Plans. Similar to the project amendments prepared for the Capital Reserve, project amendments are also prepared for contracts that are planned or funded by way of the CIP Program and Allowance accounts. As additional contracts are awarded, and other project information becomes available additional project amendments to and from the Capital Reserve will be prepared to amend the board approved FY 2025 Capital Improvement Plan.

\$544,962 of Capital Reserve project amendments have been prepared as of June 30, 2025, as shown for the Water System in C1 – Water FY 2025 Project Amendment Summary with project amendments detailing the assignment of funding within Program and Allowance accounts. This year-to-date total illustrates a decreased use of reserves.

\$10,289,979 of Capital Reserve project amendments have been prepared as of June 30, 2025, as shown for the Wastewater system in C2 – Wastewater FY 2025 Project Amendment Summary with project amendments detailing the assignment of funding within Program and Allowance accounts.

These amendments are in alignment with the FY 2025-2029 CIP plan.

The order of these appendices on the subsequent pages are in ascending order by CIP project number.

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority**C1 - Water System Project Amendment Summary****Unaudited Activity For the Fiscal Quarter Ended June 30, 2025**

Project	Project Name	Capital Reserve	Grand Total
114002	SP WTP Header Pipe	(500,000)	(500,000)
116002	Raw Water Tunnels	(1,662,900)	(1,662,900)
170306	SP & NE SCADA Network	218,700	218,700
111009	Lake Huron WTP-35 MGD HLP, Flow Meters	237,062	237,062
122004	96" WTM Relocation 84" Triple Offset Ball Valve Material Procurement	772,300	772,300
132015	Newburgh Road Booster Pumping Station Improvements	1,206,500	1,206,500
170602	Water Transmission Main, Valve and Other Priority Repairs	273,300	273,300
Grand Total		\$ 544,962	\$ 544,962

Construction Work-in-Progress Quarterly Report

As of June 30, 2025

Great Lakes Water Authority**C2 - Wastewater System Project Amendment Summary****Unaudited Activity For the Fiscal Quarter Ended June 30, 2025**

Project	Project Name	Capital Reserve	Grand Total
211007	WRRF PS-2 Bar Racks Replacements and Grit Collection System Improvements AM#3	5,386,324	5,386,324
216006	CON-1903598 Yard Piping, Construction Manager at Risk - Change Order No. 5 & 6	1,097,834	1,097,834
216006	1903601 - Yard Piping Engineering Services, Amendment No. 5	1,721,566	1,721,566
222001	Northwest Interceptor to Oakwood CSO Sewer Construction	1,785,755	1,785,755
260205	NWI Rehabilitation	298,500	298,500
Grand Total		\$ 10,289,979	\$ 10,289,979



Financial Services Audit Committee Communication

Date: October 24, 2025

To: Great Lakes Water Authority Audit Committee

From: Matthew S. Lane, MPA, Charges Outreach and Modeling Manager

Re: Charges Outreach & Modeling Update

Background: The Charges Outreach & Modeling (CO&M) Team was established in 2022 as part of the Financial Management & Planning Group to facilitate internal communication and external outreach with GLWA Member Partners as it relates to the charge methodology and charge-related financial matters. This team also serves as liaison between GLWA and third-party consultants in the development, maintenance and review of the annual water and sewer charges.

Analysis: As we enter Charges Roll Out season for FY 2027, we will provide updates to this committee on our activity as needed.

1. For FY 2027, Charges Outreach & Modeling will be holding a Charges 101 Workshop on the foundational knowledge of the GLWA charge-making process on Thursday, November 6, 2025 from 2:30 pm to 4:30 pm.

The goal is to establish a shared understanding of the budget and charge-setting process and provide a down-to-earth communication tool for member partners. This workshop is intended for all members and interested individuals but may be of particular interest for those who are new to the GLWA member partner community.

2. FY 2027 Charges Rollout Process:

- Rollout #1 and #2- Capital Improvement Plan and Units of Service:
 - i. Tuesday, November 13, 2025
- Rollout #3- Proposed Revenue Requirement and Charges:
 - i. Thursday, January 15, 2026
- *Member Partner One-on-One Meetings:*
 - i. *January 16, 2026*
 - ii. *January 20-21, 2026*
- Rollout #4 - Feedback on Service Charges:
 - i. Thursday, January 22, 2026

Proposed Action: Receive and file this report.



Financial Services Audit Committee Communication

Date: October 24, 2025

To: Great Lakes Water Authority Audit Committee

From: Sonya Collins, CPPB, Chief Procurement Officer

Re: Annual Conflict of Interest

Background & Analysis: Every year the Procurement Team collects the Conflict of Interest and Disclosure Form from all GLWA Representatives (Team Members) and GLWA Board Members who participate in the GLWA procurement process. This documents GLWA's commitment to the public trust by enforcing and promoting fair, ethical, and financially sound procurement practices during every phase of the procurement process. In accordance with this, GLWA Representatives and GLWA Board Members should be free from any real or perceived Conflict of Interest that could be viewed as adversely affecting their judgement, objectivity, or fiduciary responsibility to GLWA and the public, or otherwise affect GLWA's reputation.

Procurement will begin sending emails with a request to complete the form in Smartsheet on November 3, 2025. Responses are due by December 31, 2025.

Annually, every effort is made to make sure that no less than 100% compliance is acceptable in this process. For reference related to prior performance, a table is presented below. Years with less than 100% were generally due to team members being on leave.

GLWA Conflict of Interest Reporting Totals by Year			
Year	Respondents Engaged	Responses Received	Percent Complete
2019	194	183	94%
2020	594	585	98%
2021	158	158	100%
2022	274	274	100%
2023	320	318	99%
2024	398	397	99%

It should also be noted that, in addition to the annual conflict of interest reporting process, each procurement evaluator is required to sign a conflict of interest for an assigned procurement before vendor responses are provided for evaluation.

Proposed Action: Receive and file this report.



Welcome to the October edition of *The Procurement Pipeline*, a monthly newsletter designed to provide updates on doing business with the Great Lakes Water Authority (GLWA).

GLWA's 2025 Vendor Outreach Event

Last month, GLWA hosted its annual Vendor Outreach Event at Macomb County Community College in Warren with over 160 vendors in attendance. This year's event was a great opportunity to connect in person with vendors, to hear your most important questions, to share new info about GLWA, and to provide opportunities for business-to-business networking. In this special, extended edition of the *Procurement Pipeline* newsletter we are excited to share details and photos from the event.



GLWA vendors networking with GLWA Procurement Director Sonya Collins before the event's opening remarks.

During the event's opening remarks, members of GLWA's executive leadership team provided vendors with an update on what's new at GLWA including info on GLWA's financial outlook and current procurement systems processes.



Chief Financial Officer & Treasurer Nicolette Bateson presenting on GLWA's Financial Outlook.

Opening remarks were followed by a two-part panel discussion on "The Life of a GLWA RFx." This panel discussion was

designed to give vendors a unique opportunity to learn about each step in the process of creating, advertising, awarding, and managing a GLWA RFx (Request for Bid or Proposal) from the GLWA subject matter experts involved in each step. The first panel featured six GLWA speakers and provided vendors with an in-depth overview of the solicitation cover document, Business Inclusion and Diversity (B.I.D.) Program Requirements, Insurance and Bonding and the Project Scope (for construction).



GLWA speakers participating in part one of a panel discussion on "The Life of a GLWA RFx."

The second panel session featured seven GLWA speakers and provided vendors with information on specifications (for products/services), how to build a team of subcontractors, the evaluation process, contract administration and accounts payable, and vendor performance assessment.



GLWA speakers participating in part two of a panel discussion on "The Life of a GLWA RFx."

Attending vendors also had the opportunity to ask GLWA experts their most important questions during multiple Q&A sessions throughout the

event. In addition, vendors were able to visit Resource Tables where they could speak one-on-one with representatives of the Detroit Water and Sewerage Department (DWSD), Procurement, Accounts Payable, Affordability and Assistance, Business Inclusion Diversity, Construction Accounting and Reporting, and



GLWA vendor asking question during open Q&A session.



Organizational Development.

Members of GLWA's Accounts Payable Team staffing Resource Tables and answering vendor questions.

GLWA thanks the Vendor Community for attending the 2025 Outreach Event! GLWA values its partnership with vendors in our service to Michigan communities. We look forward to seeing you next year!



GLWA team members thank the Vendor Community for attending the 2025 Outreach Event!

GLWA Requests On-Camera Participation by Vendors During Virtual Meetings

To ensure that virtual meetings are as productive and collaborative as possible, we ask that all vendor participants turn their video cameras on during virtual meetings with GLWA. Seeing each other during virtual meetings helps us to communicate better with you and build stronger working relationships. We understand that technical issues may arise from time to time that prevent on-camera video participation. If you do experience this, we ask that you communicate this to the GLWA team. Thank you for your understanding and your partnership!

Virtual Vendor Introduction Meetings

If you are interested in learning more about doing business with GLWA, contact us at GLWAVendorOutreach@glwater.org to schedule a virtual vendor introduction meeting. Topics include information on submitting a competitive bid or proposal to any GLWA solicitation.

Keeping up with GLWA

Our Chief Executive Officer (CEO) Monthly Report provides a wealth of information and news about important initiatives within GLWA's service territory that impact GLWA, its member partners, and the public. To read the September 2025 Monthly Report, please [click here](#).

What's Coming Down the Pipe?

Current Solicitations: Register in GLWA's [Euna Procurement Portal](#) for new solicitations and contract award information.

Upcoming Procurements: Next Three to Nine Months—See newsletter page 2.

Visit GLWA online!

To see the GLWA vendor homepage, please visit www.glwater.org or contact us via email at procurement@glwater.org.

Upcoming Solicitations October 2025

Category	CIP #	Description/Project Title	Budget Estimate
Water System (next four to nine months)			
Design Build	170803	Reservoir Rehabilitation Phase III	\$51,830,000
Construction	132016	North Service Center Pumping Station Improvements	\$4,408,622
Construction	122021	Grosse Pointe Woods & Harper Woods 24" Transmission Main	\$7,077,000
Professional Services	O&M	Mechanical Services Plumbing and HVAC	\$160,000
Construction	122020	Concord and Nevada Flow Control Valves	\$7,000,000
Construction	122023	Adams Road Transmission Main	\$8,400,000
Construction	132015	Newburgh Road Booster Pumping Station Improvements	\$62,734,161
Construction	111012	Lake Huron Water Treatment Plant Flocculation Improvements	\$60,000,000
Wastewater Systems (next four to nine months)			
Construction	273001	Hubbell Southfield CSO Facility Improvements	\$56,100,000
Construction	211009	EB-20 Substation Replacement and Primary Area Gas Detection System Upgrade	\$4,400,000
Design	270009	Site Improvements at Baby Creek, Belle Isle and St. Aubin CSO	\$1,389,999
Enterprise (next three months)			
Professional Services/Equipment	O&M	Mobile Crane Rentals, Maintenance and Repair	\$900,000
Software Subscription and Implementation	O&M	Complaint Management Software Subscription and Implementation	\$200,000
Water System (next three months)			
Professional Services	O&M	Water Master Plan	\$1,500,000
Construction	111001	Lake Huron Water Treatment Plant – LH-401 Switchgear and Low Lift Improvements	\$125,000,000
Wastewater (next three months)			
Design	270002	Meldrum Sewer Diversion and VR-15 Improvements	\$2,000,000
Construction	261001	Critical Repairs to Secondary Clarifiers and B-Houses	\$4,360,000
Construction	232002	Conner Creek Sanitary Pump Station	\$167,000,000
Construction	260206	Rehabilitation of 7 Mile Sewer System	\$9,810,185
Professional Services	O&M	Hauling/Disposal of Biosolids	\$6,182,650
Construction	270006	CSO Facility Improvements II	\$18,901,448
Projects moved to Procurement Team (Preparing for solicitation on Euna Procurement)			
Construction	213006	WRRF Improvements to Sludge Feed Pumps at Dewatering Facilities	\$16,000,000
Professional Services	O&M	Crane Rental	\$853,125
Professional Services	O&M	Staffing Services	\$500,000
Professional Services	O&M	Refuse and Recycling Services	\$654,000
Professional Services	O&M	System Control Center Support Services	\$4,935,840
Professional Services	O&M	Ash Hauling and Disposal	\$2,920,000
Professional Services	O&M	Crane Inspection Services	\$156,000
Construction	122016	Downriver Transmission Main Loop: Inkster Road 42" Main	\$54,900,000

Vendors should continue to monitor [Euna](#) for solicitation updates.

Acronyms		
WRRF: Water Resource Recovery Facility	CSO: Combined Sewer Overflow	WTP: Water Treatment Plant