



**Audit Committee Meeting**  
**Friday, September 27, 2024, at 8:00 a.m.**  
*www.glwater.org*

**[Join Zoom Meeting](#)**

Meeting ID: **837 5361 6622** Passcode: **957647**

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. August 23, 2024 (Page 1)
5. PUBLIC PARTICIPATION
6. OLD BUSINESS
7. NEW BUSINESS
  - A. *Action Item*: Resolution Identifying the Designated Authorized (Page 7) Representatives for the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF)
8. REPORTS
  - A. CFO Report (Page 12)
  - B. Affordability & Assistance Update (Page 18)
  - C. Annual Report on Water System Max Day (Page 41)
  - D. Gifts, Grants & Other Resources Report (Page 44)
9. COMMUNICATIONS
  - A. The Procurement Pipeline for September 2024 (Page 51)
10. LOOK AHEAD
  - A. Next Audit Committee Meeting: October 25, 2024, 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, August 23, 2024

8:00 AM

Zoom Telephonic Meeting

#### 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

Nicolette Bateson, Chief Financial Officer/Treasurer, requested to move item 8.D. (Quarterly Investment Report through June 30, 2024) from 8.D. to 7.A.

Chairperson Baker requested a Motion to Approve the Agenda as Amended.

**Motion By:** Jaye Quadrozzi  
**Support By:** Gary Brown  
**Action:** Approved as Amended  
The motion carried by a unanimous vote.

#### 4. Approval of Minutes

##### A. [2024-266](#) Minutes of June 17, 2024

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [4A Minutes - June 17, 2024 Audit Committee Meeting.pdf](#)

**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

[2024-156](#)**Revised FY 2025 WRAP Allocations**

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [6A1 Revised FY 2025 WRAP Allocations Cover Memo.pdf](#)  
[6A2 WRAP Funding Report August 23 2024 Audit Committee.pdf](#)

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

**7. New Business**

**8.D. [2024-273](#) Quarterly Investment Report through June 30, 2024  
(7.A.)**

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [8D1 Quarterly Investment Report Cover Memo August 2024.pdf](#)  
[8D2 GLWA Quarterly Investment Report June 2024 Final.pdf](#)

**Motion By:** Jaye Quadrozzi  
**Support By:** Brian Baker  
**Action:** Received and Filed  
The motion carried by a unanimous vote.

**A. [2024-264](#) Contract No. 2300826 effective September 1, 2024 with Willdan Financial Services for Water and Wastewater Service Charges Consultant Services for a cost not to exceed \$1,749,250 for an initial term of three (3) years with two optional one-year extensions of \$599,810 for year four and \$630,080 for year five.**

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [7A2 Estimated Cost by Contract Term Willdan Financial Services.pdf](#)  
[2300826 Procurement Board Report.pdf](#)  
[2300826 - Combined Bid Tabulation 8-26-2024.pdf](#)

**Motion By:** Jaye Quadrozzi  
**Support By:** Gary Brown  
**Action:** Recommended for Approval to the Board of Directors  
Agenda of August 28, 2024  
The motion carried by a unanimous vote.

- B.**     [2024-265](#)     **Contract No. REQ-0000765 effective September 1, 2024 with Slalom for Finance Operations Assistance for a cost not to exceed \$1,000,000.00 for one year**

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [7B2 Finance Chief of Staff SPRO 8.8.24.pdf](#)

**Motion By: Gary Brown**

**Support By: Jaye Quadrozzi**

**Action: Recommended for Approval to the Board of Directors**

**Agenda of August 28, 2024**

**The motion carried by a unanimous vote.**

- C.**     [2024-267](#)     **FY 2024 Annual Financial Audit Update**

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [7C FY 2024 Annual Financial Audit Update 08232024.pdf](#)

**Motion By: Gary Brown**

**Support By: Jaye Quadrozzi**

**Action: Received and Filed**

**The motion carried by a unanimous vote.**

- D.**     [2024-268](#)     **Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting Award**

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [7D GFOA Certificate of Achievement for Excellence in Financial Reporting Award – FY 2023 Financial Reporting.pdf](#)  
[7D1 5 - Certificate.pdf](#)

**Motion By: Jaye Quadrozzi**

**Support By: Gary Brown**

**Action: Received and Filed**

**The motion carried by a unanimous vote.**

E. [2024-269](#) Government Finance Officers Association Distinguished Budget Presentation Award

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [7E1 GFOA Distinguished Budget Presentation Award – FY 2024 Budget.pdf](#)  
[7E2 - Result Letter - Awarded with Special Recognition.pdf](#)  
[7E3 - Budget Award.pdf](#)  
[7E3 - Certificate.pdf](#)  
[7E4 - Press Release.pdf](#)

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

## 8. Reports

A. [2024-270](#) CFO Report

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [8A1 CFO Report August 2024.pdf](#)

**Motion By:** Jaye Quadrozzi  
**Support By:** Brian Baker  
**Action:** Received and Filed  
The motion carried by a unanimous vote.

B. [2024-271](#) Monthly Financial Report

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [8B1 March 2024 Financial Report.pdf](#)  
[8B2 April 2024 Financial Report.pdf](#)  
[8B3 May 2024 Financial Report.pdf](#)

**Motion By:** Jaye Quadrozzi  
**Support By:** Brian Baker  
**Action:** Received and Filed  
The motion carried by a unanimous vote.

**C.**     [2024-272](#)     Gifts, Grants & Other Resources Report

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [8C1 Grants Gifts and Other Resources Report 7.26.2024.pdf](#)  
[8C2 Grants Gifts and Other Resources Report 8.23.2024.pdf](#)

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

**E.**     [2024-274](#)     Affordability & Assistance Update

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [8E1 Affordability & Assistance Update 7.26.2024.pdf](#)  
[8E2 Affordability & Assistance Update 8.23.2024.pdf](#)

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

**F.**     [2024-275](#)     Quarterly Construction Work in Progress Report through March 31, 2024

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [8F Quarterly CWIP Report FY 2024 Q3.pdf](#)

**Motion By:** Jaye Quadrozzi  
**Support By:** Brian Baker  
**Action:** Received and Filed  
The motion carried by a unanimous vote.

**9. Communications****A.**     [2024-276](#)     The Procurement Pipeline for June 2024

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [9A Procurement Pipeline\\_June 2024.pdf](#)

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

**B.**     [2024-277](#)     The Procurement Pipeline for July 2024

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [9B The Procurement Pipeline for July 2024.pdf](#)

**Motion By:** Jaye Quadrozzi

**Support By:** Gary Brown

**Action:** Received and Filed

The motion carried by a unanimous vote.

**C.**     [2024-278](#)     The Procurement Pipeline for August 2024

**Sponsors:** Nicolette Bateson

**Indexes:** Finance

**Attachments:** [9C The Procurement Pipeline for August 2024.pdf](#)

**Motion By:** Jaye Quadrozzi

**Support By:** Gary Brown

**Action:** Received and File

The motion carried by a unanimous vote.

**10. Look Ahead**

The next Audit Committee Meeting is scheduled to be held September 27, 2024, 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 9:24 a.m.



## Financial Services Audit Committee Communication

**Date:** September 27, 2024

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

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

**Re:** Resolution Identifying the Designated Authorized Representatives for the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF)

**Background & Analysis:** Attached is a draft Great Lakes Water Authority (“GLWA”) Board letter related to the proposed resolution identifying designated authorized representatives for the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF). The Michigan Department of Environment, Great Lakes, and Energy requires that an authorized representative(s) be designated and further requires a resolution be issued by the Great Lakes Water Authority Board.

**Proposed Action:** The GLWA Audit Committee recommends that the Great Lakes Water Authority Board approve the resolution identifying the designated authorized representatives for the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF).

**..Title**

**Resolution Identifying the Designated Authorized Representatives for the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF)**

**..Body**

Agenda of: October 23, 2024

Item No.: **2024-310**

Amount:

**TO:** The Honorable  
Board of Directors  
Great Lakes Water Authority

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

**DATE:** October 23, 2024

**RE: Resolution Identifying the Designated Authorized Representatives for the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF)**

**MOTION**

Upon recommendation of Nicolette N. Bateson, Chief Financial Officer & Treasurer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), approves the resolution identifying the designated authorized representatives for the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF), and authorizes the Chief Executive Officer to take such other action as may be necessary to accomplish the intent of this vote.

### **BACKGROUND**

The Michigan Department of Environmental, Great Lakes, and Energy (EGLE) requires that authorized representative(s) be designated to execute and deliver contracts, certificates, documents, instruments, and other papers as may be required by the State Revolving Fund (SRF) in accordance with the Natural Resources and Environmental Protection Act, Public Act 451 of 1994, Part 53, Section 324.5308(1)(g); and Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) in accordance with the Natural Resources and Environmental Protection Act, Public 451 of 1994, Part 54, Section 324.5409(1)(c).

### **JUSTIFICATION**

At the April 26, 2017 Board meeting, the GLWA Board of Directors designated the following as Authorized Representatives: Chief Executive Officer, Chief Financial Officer/Treasurer, and Chief Administrative and Compliance Officer/General Counsel. The Deputy Chief Executive Officer position was recently added to the GLWA organizational structure and should be designated as an authorized representative. EGLE requires a resolution be issued by the Great Lakes Water Authority Board. Refer to Table 1 and Table 2 in the attachment for list of current and proposed authorized representatives.

This resolution authorizes representatives jointly or severally to take any actions necessary to comply with the requirements of the State in connection with the issuance of the loan; execute and deliver such other contracts, certificates, documents, instruments, applications and other papers as may be required by the State; or as may be otherwise necessary to affect the approval, delivery, management and completion of the loan.

### **BUDGET IMPACT**

The proposed resolution does not have an impact on the Budget.

### **COMMITTEE REVIEW**

This matter was reviewed by the GLWA Audit Committee at its meeting on September 27, 2024. The Audit Committee [*insert action taken*] the Board of Directors approve the resolution identifying the designated authorized representatives for the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF), as presented.

## Attachment 1

**Table 1: Current Authorized Representatives for Clean Water State Revolving Fund and Drinking Water State Revolving Fund**

<b>Current Authorized Representatives</b>
Chief Executive Officer
Chief Financial Officer/Treasurer
Chief Administrative and Compliance Officer/General Counsel

**Table 2: Proposed Authorized Representatives for Clean Water State Revolving Fund and Drinking Water State Revolving Fund**

<b>Proposed Authorized Representatives</b>
Chief Executive Officer
Deputy Chief Executive Officer
Chief Financial Officer/Treasurer
Chief Administrative and Compliance Officer
General Counsel

**Great Lakes Water Authority**

**Resolution 2024-310**

**RE: Resolution Identifying the Designated Authorized Representatives for the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF)**

By Board Member: \_\_\_\_\_

**Whereas** the Natural Resources and Environmental Protection Act, Public Act of 1994, Part 53, Section 324.5308 (1)(g) requires Clean Water State Revolving Fund (CWSRF) recipients to comply with said act, which reads, “a certified resolution from the municipality designating an authorized representative for the project.”

**Whereas** the Natural Resources and Environmental Protection Act, Public Act of 1994, Part 54, Section 324.5409 (1)(c) requires Drinking State Water Revolving Fund (DWSRF) recipients to comply with said act, which reads, “a certified resolution from a water supplier that is a municipality, or a letter of appointment from a water supplier that is not a municipality, designating an authorized representative for the project.”

**Now, Therefore Be It:**

**Resolved** that the following positions are designated as an authorized representative for the purposes of the Clean State Revolving Fund and Drinking Water State Revolving Fund: Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer/Treasurer, Chief Administrative and Compliance Officer, and General Counsel. **And Be it Further**

**Resolved** that the authorized representatives is hereby jointly or severally authorized to take any actions necessary to comply with the requirements of the State in connection with the issuance of the loan; execute and deliver such other contracts, certificates, documents, instruments, applications and other papers as may be required by the State; or as may be otherwise necessary to effect the approval, delivery, management and completion of the loan. **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: \_\_\_\_\_, 2024



## Financial Services Audit Committee Communication

**Date:** September 27, 2024

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

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

**Re:** CFO Update

### **Vendor Outreach Event**

The annual Great Lakes Water Authority (GLWA) Vendor Outreach Event will have occurred by the time the Audit Committee meets. At the time of preparing this memo, there are 266 vendor community participants. This is always a great opportunity for the vendor community to network with each other and with GLWA.

### **Workday Rising**

Last week was the annual Workday Rising conference. Several GLWA team members attended including those from Financial Services, Organizational Development, and Information Technology. In addition, Workday also provided an online option. Those attended in person were able to leverage “Braindates”. A Workday Braindate is a networking platform that allowed attendees to connect with each other and with Workday experts to share successes and solve challenges. The report from the team is that the Braindates were invaluable as we work through post-implementation matters.

### **October Board Workshop**

The team is preparing for a board level briefing of financial, budgeting, and charges matters scheduled for Wednesday, October 9, 2024. The June 2024 monthly financial report was not completely ready for this meeting but will be included in the supporting materials for that meeting. Attached is the most recent version of the financial plan calendar for the upcoming budget and charges cycle.

### **On Ramping of Charges Consultant**

Jeff McGarvey, Kevin Burnett, and Jason Gray from Willdan Financial Services were introduced at the in-person One Water Partnership meeting in September. Special thanks to Member Partners who were on the proposal evaluation committee and spoke to why Willdan was our top choice.

**Congratulations Sonya Collins!**

As we have announced at recent Board meetings, we are pleased to announce that Sonya Collins, Procurement Director, was nominated and selected for recognition Crain's Detroit Business as a Notable Black Business Leaders. Sonya's photo and accomplishments, along with an impressive cohort, was featured in the September 9, 2024, issue online at CrainsDetroit.com and in the print issue of Crain's Detroit Business.

## Financial Plan Calendar

### FY 2026 and FY 2027 Biennial Budget & Five-Year Financial Planning Cycle As of September 12, 2024

The Great Lakes Water Authority (GLWA) Financial Planning Cycle includes:

1. FY 2026 and FY 2027 Biennial Budget
2. FY 2026 through FY 2030 Five-Year Financial Plan
3. FY 2026 through FY 2030 Five-Year Capital Improvement Plan
4. FY 2026 Schedule of Revenues and Charges

The schedule below reflects planning for the comprehensive GLWA Financial Plan.

<b>Date</b>	<b>Activity</b>
Monday, September 30, 2024	Internal – Deadline for Cost Center Budget Request
Tuesday, October 15, 2024	Capital Planning Committee – Review of CIP Version 1.0
Wednesday, October 16, 2024	Release CIP Version 1.0 to Member Partners for Review
<b><i>Thursday, October 17, 2024 (Time – TBD)</i></b>	<b><i>Charges Rollout Meeting #1 – Water &amp; Sewer Capital Improvement Plan Version 1.0</i></b>
<b>Tuesday, October 29, 2024 9:00 AM – 11:00AM</b>	Analytical Work Group – Note: process is that GLWA sends notice of exceedances to communities by October 1st, meets by November 1 <sup>st</sup> and closes open items by AWG by December 1 <sup>st</sup> .
Friday, November 1, 2024	DWSD – Proposed CIP to be provided (Water and Sewer Services Agreement 5.3d(i))
<b><i>Tuesday, November 12, 2024 9:00 AM – 11:00 AM</i></b>	<b><i>Charges Rollout Meeting #2 – Units of Service Update</i></b>
Sunday, December 1, 2024	GLWA and DWSD (City) - Exchange shared services to be provided and related costs (Shared Services Agreement 5.4)
Tuesday, December 10, 2024	Capital Planning Committee – Review of CIP Version 2.0
Friday, December 20, 2024	GLWA Audit Committee Meeting – Proposed Revenue Requirement & Charges and Review Proposed FY 2026 and 2027 Biennial Budget (Revenue Requirement) and Five-Year Financial Plan & Proposed FY 2026 Charges
Wednesday, January 1, 2025	DWSD – Preliminary two-year budget forecast Including key assumptions and impact statement due to GLWA (Water and Sewer Services Agreement 5.3a)

Date	Activity
Wednesday, January 8, 2025	GLWA Regular Board Workshop
<b>Thursday, January 9, 2025 9:00 AM – 12:00 PM</b>	<b>Charges Rollout Meeting #3 – Proposed FY 2026 Revenue Requirement and Charges</b>
Monday, January 20, 2025	Martin Luther King Jr. Day observed
<b>Monday, January 13, 2025 - Wednesday, January 15, 2025</b>	<b>Member Partner one-on-one meetings</b>
<b>Thursday, January 16, 2025 9:00 AM – 11:00 AM</b>	<b>Charges Rollout Meeting #4 – Feedback on Service Charges and Review of Proposed FY 2026 Revenue Requirements</b>
<b>Wednesday, January 22, 2025</b>	<b>GLWA Regular Board Meeting – Presentation: Proposed FY 2026 and 2027 Biennial Budget (Revenue Requirement) and Five-Year Financial Plan &amp; Proposed FY 2026 Charges</b>
Friday, January 24, 2025 <b>(Note: 30 days before is Monday, January 27, 2025)</b>	Mail Notice to Member Partners of Public Hearing to be held on February 26, 2025 (minimum 30 days prior to Act 279 Public Hearing) <b>(D)</b>
Friday, January 24, 2025	GLWA Audit Committee Meeting – Regular Meeting
Friday, January 31, 2025	Publish notice of the hearing by publication in a newspaper of general circulation <b>(B)</b>
Saturday, February 1, 2025	DWSD – Current capital improvement plan due to GLWA (Water and Sewer Services Agreement 5.3d(i))
<b>Wednesday, February 26, 2025 (Meets 120 day requirement)</b>	<b>GLWA Board Meeting – Public Hearing FY 2026 &amp; FY 2027 Biennial Budget (A, D) and Possible Adoption of FY 2026 &amp; FY 2027 Biennial Budget</b>
<b>Wednesday, February 26, 2025</b>	<b>GLWA Board Meeting – Public Hearing FY 2026 Schedule of Revenues and Charges (Act 279, minimum 120 days before effective date) (C) and Possible Adoption of FY 2026 Schedule of Revenues and Charges</b>
Wednesday, February 26, 2025	GLWA Board Meeting – Proposed Approval of the FY 2026 & FY 2027 Biennial Budget (A)
Wednesday, February 26, 2025	GLWA Board Meeting – Proposed Approval of FY 2026–2030 Capital Improvement Plan

Date	Activity
Wednesday, February 26, 2025	GLWA Board Meeting – Public Hearing & Proposed Approval of FY 2026 Schedule of Revenues and Charges (Act 279, minimum 120 days before effective date) (C)
Wednesday, March 5, 2025	Mail Notice to Member Partners of Approved Charges
Sunday, March 23, 2025	DWSD – Local system adopted biennial budget due to GLWA (Water and Sewer Services Agreement 5.3b)
Thursday, May 1, 2025	DWSD – Local system provides direction to GLWA on how to apply lease payment (Water and Sewer Services Agreement 4.3)
Tuesday, July 1, 2025	GLWA – Effective date of FY 2026 and FY 2027 Biennial Budget, FY 2026 Schedule of Charges, and FY 2026-2030 Capital Improvement Plan

**(A) thru (D)** - The above schedule is designed to meet applicable statutory and contractual requirements with excerpts shown below.

- A. **Uniform Budgeting and Accounting Act, Act 2 of 1968, Section 141.434**, “Before final passage of a general appropriations act by the legislative body, a public hearing shall be held as required by 1963 (2nd Ex Sess) PA 43, MCL 141.411 to 141.415, and the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.” (For purposes of Public Act 2, the GLWA Board is the legislative body.)
- B. **Budget Hearings of Local Governments, Act 43 of 1963 (2nd Ex. Sess.), Section 141.412**, “The local unit shall give notice of the hearing by publication in a newspaper of general circulation within the local unit at least 6 days before the hearing.” (For purposes of Public Act 2, the GLWA Board is a local unit.)
- C. **Home Rule City Act, Act 279 of 1909, Section 117.5e**, “Municipal water or sewage system; annual audit; public hearing before proposed rate increase. A municipal water or sewage system established by a city incorporated under this act which serves more than 40% of the population of the state shall: .... (b) Hold at least 1 public hearing at least 120 days before a proposed rate increase is scheduled to take effect. Each hearing shall be conducted in compliance with Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Notice of the time, date, and place of each hearing shall be given in the manner required by Act No. 267 of the Public Acts of 1976, shall be prominently printed in a daily newspaper of general circulation within the area, and shall be mailed to each city, village, or township served by the system not less than 30 days before each hearing. A final vote by the governing body of the city to implement a proposed rate increase shall not be taken until the hearings provided for in this subdivision are concluded and the results of those hearings are considered by the city's governing body.” It should be noted that the Home Rule City Act does not apply to GLWA. However, it is relevant to GLWA's planning cycle as it is referenced in the *Wholesale Customer Model Water and Sewer Contracts* as noted below.

- D. **GLWA Wholesale Customer Model Water Contract Section 7.02** provides: “Notification of Rates. As soon as possible in the ratemaking process, the Board shall provide information on proposed rates and the draft data and information used in the calculation of proposed rates in a format that will enable Customer to assist in the ratemaking process. Not less than thirty calendar days prior to the hearing required by Act 279, the Board shall provide Customer with written notice of a proposed rate and the underlying data used to calculate the rate. The Board shall meet with Customer to review the rate and the data.” (Act 279 is the Home Rule City Act noted above.) As a result of the model contract language, the Public Hearing should be scheduled no later than March 3rd of each year.



## Financial Services Audit Committee Communication

**Date:** September 27, 2024

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

**From:** Haran Stanley, Affordability & Assistance Management Professional

**Re:** Affordability & Assistance Update

### **Service Delivery Partner Engagement**

The Affordability & Assistance team continues to build upon our relationship with our service delivery partners to expand stakeholder engagement. One way we are doing that is by offering a tour of GLWA's Water Works Park Water Treatment Facility for their staff. This is scheduled in October 2024.

### **One Water Partnership Presentation with FY 2024 Preliminary Report**

On September 19, 2024, Nicolette Bateson, Chief Financial Officer and Treasurer, and Haran Stanley presented an update on the Water Resource Assistance Program (WRAP) at the GLWA One Water Partnership meeting. This presentation was at the request of Member Partners via the Technical Advisory Committee. Key topics that we were asked to cover included how funding is calculated, allocated, and spent. That presentation is attached which we will also review at the Audit Committee meeting.

### **Affordability Update**

From September 10 through September 13<sup>th</sup>, I attended the Fall Michigan Section's American Water Works Association's (AWWA) Conference and Expo in Grand Rapids. I am honored to have been appointed as the Chair for the Michigan Section of AWWA "Women On Water" Committee.

### **WRAP Database**

Work on the WRAP database by household continues. We recently received some historical reports with the added layer of data. Unfortunately, this requires some manual spreadsheet work to incorporate into the larger database and will take some time to complete. The goal is to illustrate the impact of WRAP as we seek further funding sources.

### **Client Testimonials**

The Public Affairs team has been engaged to support the client testimonials related to WRAP services. It is one thing for GLWA to address the benefits of WRAP, but the client testimonials will be significantly more impactful.

**Proposed Action:** Receive and file this report.



# Water Residential Assistance Program (WRAP) Update

One Water Partnership Meeting  
September 19, 2024

## Today's Topics

- ◆ **Refresher:** How does Water Residential Assistance Program funding work?
- ◆ **Results:** WRAP - FY 2024 unaudited activity
- ◆ **Reminder:** WRAP benefit design
- ◆ **Report:** What's new in Affordability & Assistance?
- ◆ **Resources:** Service Delivery Partners and GLWA Affordability & Assistance team



## Refresher: How does Water Residential Assistance Program funding work?

## WRAP Funding – Legal Authority

- ◆ On September 9, 2014, a Memorandum of Understanding (MOU) “Regarding the Formation of the Great Lakes Water Authority” was executed by the city of Detroit, the state of Michigan, and the counties of Oakland, Macomb, and Wayne.
- ◆ That MOU was entered into federal court in conjunction with the city of Detroit’s Chapter 9 bankruptcy – and was subsequently approved.
- ◆ The MOU, and subsequent legal, authoritative agreements, states “The Authority's common-to-all rate structure shall include ... an amount equal to **0.5% of base budgeted ... revenues** ... for deposit to an independently-administered Water Residential Assistance Program ..”.
- ◆ The agreements include the Lease agreements and Water and Sewer Services Agreement between the city of Detroit and the Great Lakes Water Authority. The Master Bond Ordinance (MBO) established for the GLWA provides for **funding WRAP on a one-twelfth basis each month** within the MBO Trust.
- ◆ On July 1, 2020, the first amendment to the Water and Sewer Services Agreement became effective which allows DWSD to fund WRAP at an amount not less than 0.5% but not greater than 1.0% (rather than the prior limit of 0.5%).

## How is WRAP Calculated & Allocated to Areas?

- ◆ **Step One:** Calculate 0.5% by the revenue requirement (a/k/a charge) in the “Schedule of Charges” adopted by the Board of Directors for each Member Partner
  - ◆ Water and sewer systems calculated separately
- ◆ **Step Two:** Assign each Member Partner to a “WRAP service delivery area”
  - ◆ There are a few Member Partner boundaries that span more than one WRAP service delivery area; an allocation is made based on census data
- ◆ **Step Three:** A subtotal by service area is calculated and provided to the “Service Delivery Partner” who provides service

## WRAP Cashflows

- ◆ **Cash in:** Each month, 1/12 of the annual WRAP allocation (budget) is deposited into a trust account from funds paid by Member Partners as required by Master Bond Ordinance
- ◆ **Cash out:** Each month, the service delivery partner submits a “statement of expenses” that provides the number of clients enrolled, and amounts paid on clients’ behalf for payment assistance, arrearage assistance, conservation measures, and administration
- ◆ **Cashflow:** Now that WRAP nearly fully utilized each year, GLWA and Service Delivery Partners need to watch the cashflow closely

## Frequently Asked Questions

- 💧 What if funds are unspent at end of year?
  - 💧 Any unspent funds at the end of the year are rolled forward to the same service delivery area for next year.
- 💧 So, unspent funds are **not** reallocated to another area?
  - 💧 Correct. Several years ago, some service areas had a material level of unspent funds. In that instance, the Board of Directors reallocated the funds to areas with higher need. This last occurred in June 2022 for funds accumulated through June 2021.
  - 💧 Based on the level of need across the service area, we do not anticipate further reallocations at this time.
- 💧 More questions? Contact Haran Stanley via [wrap@glwater.org](mailto:wrap@glwater.org)



# Results: WRAP - FY 2024 Unaudited Activity



# Wayne Metro – FY 2024 Allocations

## Wayne Metropolitan Community Action Agency

- Allen Park
- Ash Township
- Augusta Township
- Belleville
- Berlin Township
- Brownstown Township
- Canton Township
- Dearborn
- Dearborn Heights
- Detroit
- Ecorse
- Flat Rock
- Flint
- Garden City
- Gibraltar
- Grosse Ile Township
- Grosse Point
- Grosse Point Farms
- Grosse Point Park
- Grosse Point Shores
- Grosse Point Woods
- Hamtramck
- Harper Woods
- Highland Park
- Huron Charter Township
- Inkster
- Lincoln Park
- Livonia
- Melvindale
- Northville Township
- Northville, City of
- Pittsfield Township
- Plymouth, City of
- Redford Township
- River Rouge
- Riverview
- Rockwood
- Romulus
- South Rockwood
- Southgate
- Sumpter Township
- Superior Township
- Taylor
- Trenton
- Van Buren Township
- Wayne, City of
- Westland
- Woodhaven
- Ypsilanti Township
- Ypsilanti, City of

### Area 1 – City of Detroit - \$3.3M – 100% Utilized

- 💧 WRAP Funding for DWSD’s Lifeline Program
- 💧 100% expended within eight months (February 2024)

### Area 2 – City of Flint \$26K - 100% Utilized

- 💧 100% expended withing four months (October 2023)

### Area 3 – Out-Wayne County, Washtenaw, Monroe - \$1.3M – 100% Utilized

- 💧 100% expended within ten months (April 2024)

★ **Wayne Metro leveraged state grants and other funding to continue providing services to residents to extent possible, but some were still turned away.**





# United Way – FY 2024 Allocation

## United Way from Southeastern Michigan

- |                     |                     |
|---------------------|---------------------|
| Auburn Hills        | Novi                |
| Berkley             | Oak Park            |
| Beverly Hills       | Orchard Lake        |
| Bingham Farms       | Orion Township      |
| Birmingham          | Pleasant Ridge      |
| Bloomfield Hills    | Pontiac             |
| Bloomfield Township | Rochester           |
| Clawson             | Rochester Hills     |
| Commerce Township   | Royal Oak Township  |
| Farmington          | Royal Oak, City of  |
| Farmington Hills    | Southfield Township |
| Ferndale            | Southfield, City of |
| Hazel Park          | Sylvan Lake         |
| Huntington Woods    | Troy                |
| Keego Harbor        | Walled Lake         |
| Lake Orion          | Waterford Township  |
| Lathrup Village     | West Bloomfield     |
| Madison Heights     | Wixom               |

## Area 4 –Oakland County- \$1.081M - 95% utilized

- United Way provides payment assistance and subcontracts with Wayne Metro for conservation services
- Oakland County provided supplemental funding from ARPA to serve residents who did not meet WRAP criteria
- State grants have excluded awards to nonprofits like United Way, but have awarded funds to Oakland Livingston Human Service Agency (a designated community action agency)
- Oakland County illustrates the level of networking and collaboration needed to provide services





Macomb  
Community  
Action

# Macomb Community Action – FY 2024

## Macomb Community Action Agency

Almont  
Bruce Township  
Burtchville Township  
Center Line  
Chesterfield Township  
Clinton Township  
Eastpointe  
Fraser  
Harrison Township  
Imlay City  
Lapeer  
Lenox Township  
Macomb Township  
Mayfield Township  
New Haven  
Romeo  
Roseville  
Shelby Township  
St. Clair Shores  
Sterling Heights Utica  
Warren  
Washington Township

### Area 5–Macomb County- \$818k - 100% utilized

- ◆ Macomb Community Action (MCA) forecasted in January 2024 that the funds of \$1.1M (which included FY 2024 plus a carryover amount of \$322k) were be fully expended by April 2024
  - ◆ FY 2024 ended with a small overspend of \$35k which was covered with FY 2025 allocation
- ◆ MCA secured state grants to continue providing services



**Reminder: WRAP Benefit Design**

## Funding: Household Rates Vary Across Service Area

- ◆ In 2022, Raftelis conducted a survey of retail rates across GLWA's Member Partner communities
- ◆ Data secured online or by phone - unable to find data for five communities.
- ◆ Raftelis calculated a standard typical bill in each community, assuming a customer had a 5/8" water meter and used 6 Ccf of water per month.

	Description	Annual Cost - 6 Ccf per month			Monthly Cost
		Water	Sewer	Total	
<b>Excludes Detroit</b>	<b>Minimum</b>	\$ 306.00	\$ 216.00	\$ 522.00	\$ 43.50
	<b>Average</b>	361.62	498.84	860.46	71.70
	<b>Maximum</b>	702.54	948.78	1,651.32	137.61
	<b>Detroit</b>	\$ 285.84	\$ 714.67	\$1,000.51	\$ 83.38

*320% Difference from Min (\$44) to Max (\$138) – a key driver for Income Based Plan design*

Note: Analysis conducted before DWSD implemented the Lifeline Program

# WRAP Income Based Plan

💧 WRAP provides assistance to qualifying households in the GLWA service area through:

- 💧 Water and/or Sewer Bill Credits
- 💧 Arrearage or Past Due Balance Assistance
- 💧 Home Water Audit & Minor Plumbing Repairs

💧 Recent improvements include:

- 💧 Income-based bill credits
- 💧 No formal opt-in is required by individual communities
- 💧 Case management emphasized



**Macomb  
Community  
Action**



**United Way  
for Southeastern Michigan**



**Wayne Metropolitan**  
Community Action Agency



# Overview of WRAP Elements

## Bill Credits – Income Based!

- Amount is unique to each household
- Based on income & amount of water & sewer bill
- After applied, the amount the household is expected to pay is ~3% of the household income
- Rapid Assistance available

## Arrearage Assistance

- Up to \$1,200 in arrearage assistance upon enrollment in Year 1
- Up to \$1,200 in arrearage assistance upon enrollment in Year 2
- A household does not need to have a past due balance or be in shutoff status to enroll in WRAP

## Conservation & Plumbing Repairs

- Up to \$2,000 in services such as:
  - Home Water Audit
  - Minor Plumbing Repairs
  - Educational information regarding water usage
- Emphasis on a healthy home





## Report: What's new in Affordability & Assistance?

# Following the Affordability Legislation

Updates and additional information at <https://www.miwaterplan.com/>

**MICHIGAN'S PENDING WATER AFFORDABILITY LEGISLATION**

The most comprehensive and administratively achievable statewide water affordability program in the nation that protects the health of low-income households.

**WIDE-RANGING COALITION**  
of 65+ stakeholders worked for more than a year on this legislation.

- Legislators
- Nurses
- Michigan DHHS
- Community water advocates
- Water utility associations
- Water utilities
- Environmental groups
- Social service agencies
- Community action agencies

**WATER AFFORDABILITY PACKAGE SERVES TWO PRIMARY PURPOSES:**

1. Protects public health because income-eligible customers will be able to pay an affordable bill and not be at risk of shut off; and
2. Reduces rate increases to cover bad risk and helps water systems better focus their revenues on critical operational and infrastructure needs.

**FOUR KEY BILLS:**

- SB 549/HB 5088**  
Establishes a Statewide Income Based Water Affordability Program
  - Two tiers, a capped payment:
    - 0 - 15% of federal poverty level (FPL) - 2% of average household income in service area
    - 0 - 15% of FPL - 3% of average household income in the service area
    - 15% - 200% of FPL - 20% - 25% of FPL
  - Hardship waivers for households at 20% - 25% of FPL
  - Hardship waivers for households at 20% - 25% of FPL
  - Annual forgiveness up to \$2,500 to conserve water and lower bills
  - Plumbing repairs up to \$2,500 to encourage reasonable usage
  - Discounted water rate on household usage to encourage reasonable usage
  - Discounted water rate on household usage to encourage reasonable usage
  - Triage process if the person falls behind in payments (repairs and services)
  - New or existing locally administered programs must meet state criteria
- SB 550/HB 5089**  
Funding Mechanism to Pay for the Program
  - \$2 per month per domestic use metered water account
  - Approved pre-existing affordability plans have option to reduce monthly fee
  - Money goes from providers to a central fund at State Treasury
  - Funds are segregated to four Michigan Department of Health & Human Services (MDHHS) regions - what is collected in a region, is distributed to that region
- SB 551/HB 5090**  
Shut Off Protection
  - Sets terms requirements for number of and content of notices prior to service interruption for non-payment
  - New critical Care Customers category protects medically documented customers from shut off regardless of income
- SB 900**  
Establishes Low Income Water Residential Affordability Program Task Force
  - Reviews and makes recommendations regarding program rules, administration and funding

[More on bills](#)

**BUSINESS CASE FOR LEGISLATION — THE VALUE PROPOSITION:**

Studies show there is need across the state for robust water affordability: urban, suburban and rural communities are struggling to pay their water bills.

- In 2020, more than 377,000 Michigan households were known to have past due water bills.
- The University of Michigan and Public Sector Consultants report that between 290,000 and 390,000 Michigan households would benefit from this statewide water affordability program.

The \$2 user-fee puts water systems on equal footing with Michigan Energy Assistance Program (MEAP) fee on heating and cooling utility bills, which has been around for decades.

All customers cover debt of those who cannot pay—one way or another.

- Water costs have increased 188% over the past four decades as water rates have doubled or even tripled in communities across Michigan.

Water providers are often forced to increase rates in order to cover unpaid water bills to continue providing treated drinking water, conveying sewage/stormwater, maintaining infrastructure such as planned pipe rehabilitation, and emergency repairs to all their customers.

Even municipalities that use tax roll incur debt.

For more information  
[Miwaterplan.com](https://www.miwaterplan.com)



A sequence of four tall, clear glasses filled with water, arranged horizontally. Water is being poured into each glass from above, creating a dynamic splash effect. The water level in the glasses increases from left to right. The background is a solid light blue color.

## Resources: Service Delivery Partners and GLWA Affordability & Assistance team

## Affordability & Assistance Leadership



**Haran Stanley**

- ◆ Serves as the internal and external resource for strategic policies and programs related to water affordability and assistance.
- ◆ Facilitates hub utility initiatives and partnerships on efforts related to affordability and assistance.
- ◆ Manages the Water Residential Assistance Program to continue to roll out improvements and increase effectiveness.

## WRAP Toolbox

- 💧 Visit [www.glwater.org/assistance](http://www.glwater.org/assistance)
- 💧 Email [WRAP@glwater.org](mailto:WRAP@glwater.org)
- 💧 WRAP Materials:
  - 💧 Service Delivery Partner Information
  - 💧 Flyers
  - 💧 Frequently Asked Questions
  - 💧 Infographics
  - 💧 Service Delivery Partner Information



## Today's Recap

- ◆ **Refresher:** WRAP funding from a service area stays within that service area
- ◆ **Results:** WRAP - FY 2024 unaudited year-end activity – almost all funds across all areas fully utilized
- ◆ **Reminder:** WRAP benefit design to meet each household's need
- ◆ **Report:** Michigan is a leader in tackling Affordability & Assistance
- ◆ **Resources:** Help is available for you and your residents



**WRAP**  
Water Residential Assistance Program



## Financial Services Audit Committee Communication

**Date:** September 27, 2024

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

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

**Re:** Annual Report on Water System Max Day

**Background:** Each year, following the designated peak season of June 1 to August 31, the Great Lakes Water Authority (GLWA) reviews the daily water system pumpage and reservoir data to determine the System Maximum Day (Max Day) and the hourly water system pumpage and reservoir data to determine the System Peak Hour (Peak Hour). The GLWA Systems Analytics and Meter Operations team and the Charges Outreach & Modeling team conduct this review in parallel and compare data to help ensure accuracy and completeness.

Once the Max Day and Peak Hour are determined and verified, the teams review daily and hourly performance for all Member Partners on the water model contracts as of that date to evaluate compliance with the values set forth in the Exhibit B of each Member Partner's model contract, which defines projected annual volumes, minimum annual volumes, pressure ranges and maximum flow rates. The teams complete this analysis using the wholesale master meter data available in GLWA's Wholesale Automated Meter Reading (WAMR) portal.

For this report, all measurements are reflected as million gallons per day or MGD.

**Analysis:** Based on the system pumpage and reservoir analysis completed for 2023, the System Max Day and Peak Hour are as follows:

### 2024 GLWA System Max Day

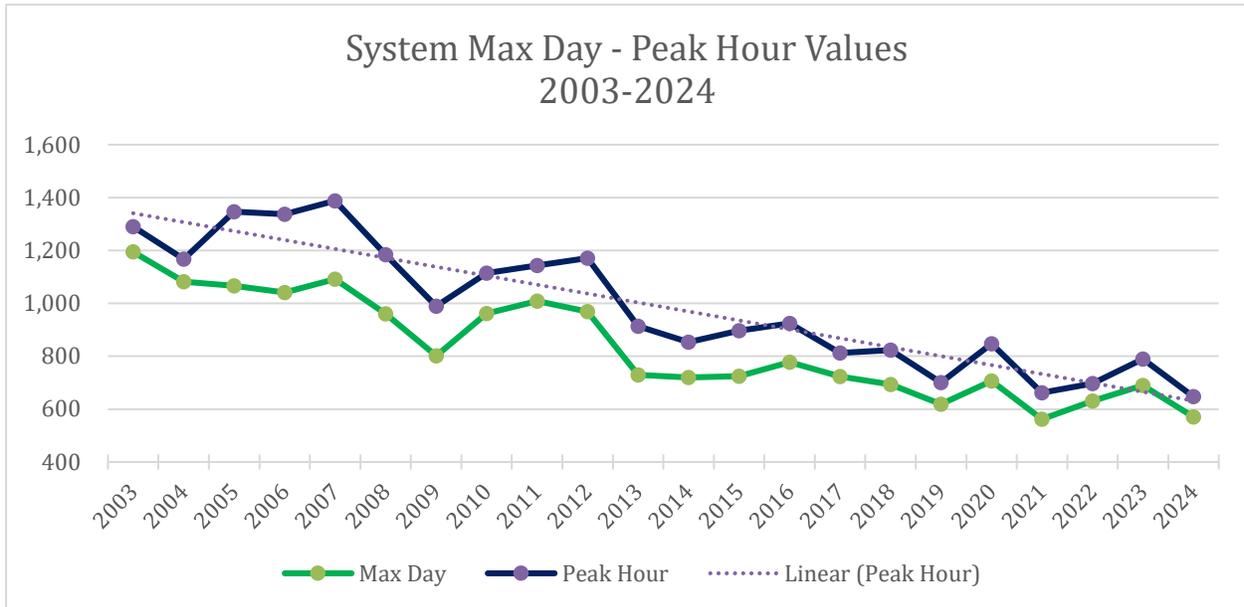
- June 19, 2024
- 571 MGD (690 MGD in 2023)

### 2024 GLWA System Peak Hour

- 6:00 A.M. – 7:00 A.M. EST
- 647 MGD (789 MGD in 2023)

Chart 1 below provides an illustration of demand patterns compared to overall system capacity. It identifies the number of days above threshold amounts of pumpage in MGD, showing the reduced use of system capacity over time. Total GLWA water system capacity is 1,720 MGD (or 1.7 billion gallons per day).

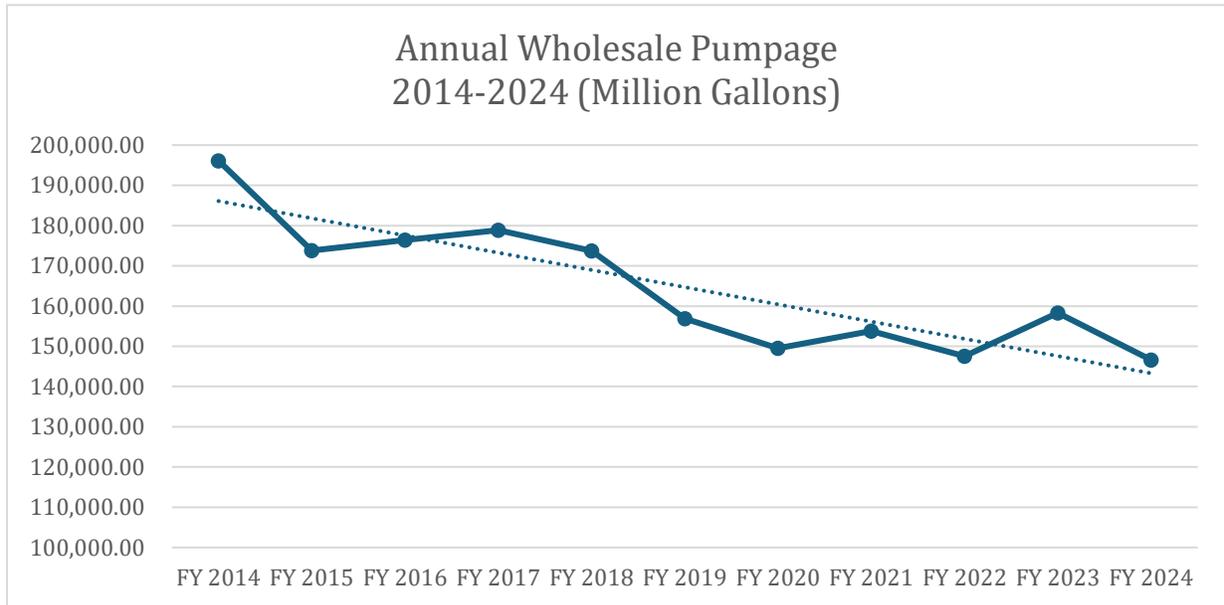
**Chart 1: Historic Max Day & Peak Hour**



After review of the WAMR data from June 19, 2024, GLWA determined that only one Member Partner had exceedances for the Max Day and/or Peak Hour Value in their model contract. Members of the GLWA and that Member Partner Community are working through the required diligence to investigate the exceedance and will report out at a future Water Analytical Work Group regarding the findings (presently scheduled for October 29, 2024).

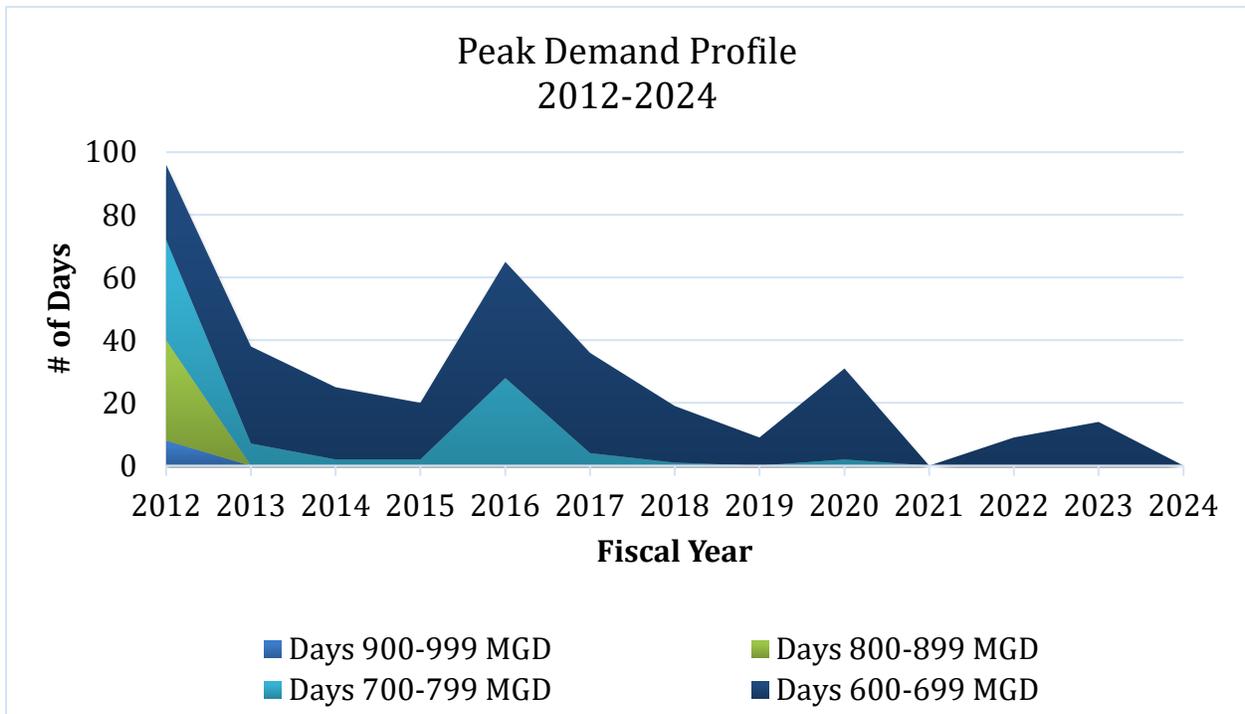
Turning to Chart 2 on the next page, system demand trends show decline in recent history. Chart 2 shows the historical decline in wholesale water production since 2014. The declining production numbers coincide with the declining peak demands.

**Chart 2: Historic Wholesale Pumpage**



As shown in Chart 3 below, GLWA has observed reduced demand levels over time. For example, in 2012 the peak demands were much greater and more frequent. In 2024, the demand profile shows lower and fewer peaks.

**Chart 3: Peak Demand Profile**



**Budget Impact:** None.

**Proposed Action:** Receive and file report.



## Financial Services Audit Committee Communication

**Date:** September 27, 2024

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

**From:** Alicia Schwartz, Grants Manager

**Re:** Grants, Gifts, and Other Resources Report Through August 31, 2024

**Highlights:** Key activities to note in this month's report through August 31, 2024, includes the following.

- ✓ **Water System Advisory Council Project (WSAC)** – The Great Lakes Water Authority has submitted a reimbursement request to the Department of Environment, Great Lakes, and Energy (EGLE) for \$20,787.23. Although the grant was awarded for \$25,000, not all funds were utilized due to the limited amount of time allowed to complete project activities.
- ✓ **Department of Energy (DOE) - Hydrothermal Liquification Grant** – With input from GLWA, the Department of Energy has submitted all required documentation for the Go/No Go decision to the Contracting Officer. A decision by DOE is expected by mid – October to determine next steps for this \$1 million award and project.
- ✓ **State Revolving Fund (ARPA) Funded Project 7532-02 96-Inch Water Transmission Main Relocation Phase 2** – An additional \$1.7 million in reimbursement funding was received reflecting \$5.3 million to date or 33% of grant funding awarded.
- ✓ Items highlighted in yellow in the attached tables reflect changes from the prior report.

**Background:** The Great Lakes Water Authority (GLWA) delegated authority to the Chief Executive Officer to oversee and report on activities identified in the GLWA Articles of Incorporation related to solicitation and receipt of grants, gifts, and other resources <sup>(1)</sup> as stated in Article 4 – Powers, Section B (4):

(4) Solicit, receive, and accept gifts, grants, labor, loans, contributions of money, property, or other things of value, and other aid or payment from any federal, state, local, or intergovernmental government agency or from any other person or entity, public or private, upon terms and conditions acceptable to the Authority, or participate in any other way in a federal, state, local, or intergovernmental government program<sup>(2)</sup>.

*(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.*

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

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 were 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 2023, FY 2024 and FY 2025 to date. The summarized activity provided identifies four earmark EPA Community Grants, one FEMA Flood project, two application submissions, and the I-94 Modernization Project grant which is in the National Environmental Policy Act (NEPA) process to identify any environmental impacts related to the grant activities.

**Table 2 - Awarded Programs** reflects all open, awarded grants from FY 2021 through FY 2025. Current month summarized activity includes three award receipts related to local nonprofit apprenticeship grants, five reimbursement requests submitted for five associated FEMA Flood projects, one reimbursement received from a SRF ARPA funded project (7532-02), the Department of Energy grant in which one reimbursement request was submitted to the grantor, a flood study grant in which

we are required to track costs GLWA has incurred, and a reimbursement request for a mini, state-funded grant through EGLE.

**Table 3 – Post Award Programs** there has been no post award activity for GLWA funds related to these programs have been received in full and the programs are in the process of being closed out, including any closeout reporting requirements.

**Table 4 –Programs not awarded, or Programs that GLWA will not continue to pursue** is a table that reflects programs that GLWA were not awarded, or alternatively, programs that will not continue to be pursued by GLWA. No activity this month



## Financial Services Audit Committee Communication

**Table 1 – Pre-Award Programs** reflects open submissions FY 2023, FY 2024 and FY 2025 to date. The Programs listed under this section do not have a grant agreement between the awarding agency and GLWA at this time, but the grant has been applied to or earmarked. The summarized activity below identifies four earmark EPA Community Grants, one FEMA Flood project, two application submissions and the I-94 Modernization Project grant which is in the National Environmental Policy Act (NEPA) process to identify any environmental impacts related to the grant activities.

**Table 1 – Pre-Award Programs**

Reference Number	Request Date	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2023-002	7/1/2022	FY2022 Environmental Protection Agency Community Grant – Detroit River Interceptor	Federal Grant (Reimbursement Basis)	\$2,000,000 (20% Cost Share)	Federal Audit Requirements	Earmark
2023-003	7/1/2023	FY2023 Environmental Protection Agency Community Grant – PFAS Compounds remediations project	Federal Grant (Reimbursement Basis)	\$3,452,972 (20% Cost Share)	Federal Audit Requirements	Earmark
2024-009		FY2024 Environmental Protection Agency Community Grant – Oakwood District Intercommunity Relief Sewer Modifications	Federal Grant (Reimbursement Basis)	\$959,752 (20% Cost Share)	Federal Audit Requirements	Earmark
2024-010		FY2024 Environmental Protection Agency Community Grant – Conveyance System Infrastructure Improvements	Federal Grant (Reimbursement Basis)	\$959,752 (20% Cost Share)	Federal Audit Requirements	Earmark
2023-015		Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 670521 CAT-Z – Allocation of Management Costs	Federal pass-through State (Reimbursement Basis)	\$50,000	Federal Audit Requirements	Grant Amount is Estimated

Reference Number	Request Date	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2024-005	12/15/2023	Fiscal Year 2023 Building Resilient Infrastructure and Communities (BRIC) Project Scoping	Michigan State Police Application Submitted by GLWA	\$856,000	Federal Audit Requirements	Grant Amount is Estimated
2023-023	8/30/2023	I-94 Modernization Project	MDOT Federal pass-through State (Reimbursement Basis)	\$34,400,000	Federal Audit Requirements	NEPA Review with the State of Michigan
2024-007		Safeguarding Tomorrow Revolving Fund Program	Application Submitted by GLWA	\$3,000,000	Federal Audit Requirements	Grant Amount is Estimated

**Table 2 Awarded Programs** reflects all open, awarded grants from FY 2021 through FY 2025. Current month summarized activity below includes three award receipts related to local nonprofit apprenticeship grants, five reimbursement requests submitted for five associated FEMA Flood projects, one reimbursement received from a SRF ARPA funded project (7532-02), the Department of Energy grant in which one reimbursement request was submitted to the grantor, a flood study grant in which we are required to track costs GLWA has incurred, and a reimbursement request for a mini, state-funded grant through EGLE.

**Table 2 – Awarded Programs**

Reference Number	Request Date	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2022-004	2/23/2022	Water Technician Registered Apprenticeship Program- \$2,225 per apprentice, 25 apprentices	Macomb Community College Tuition (Nonprofit)	\$55,625	None	Ongoing No activity as of date for FY 2024
2021-012	9/21/2021	Michigan Industrial Cluster Approach (MICA 3.0) Apprenticeship Program - \$1,000 per apprentice, 45 apprentices	Focus Hope (Nonprofit)	\$45,000	None	Received \$24,000 in FY 2024
2024-003	7/7/2023	Detroit Employment Solutions Corporation (DESC) Apprentices \$5,000 per apprentice; 9 apprentices	Detroit At Work (Nonprofit)	\$45,000	None	\$25,000 received in the month of August
2023-005	6/30/2024	Department of Energy – Hydrothermal Liquification Project	Federal Grant (Reimbursement Basis)	\$1,000,000	Federal Audit Requirements	Reimbursement request of \$176,240.05
2023-013	2/1/2024	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 714729 Outfalls	Federal pass-through State (Reimbursement Basis)	\$1,332,235	Federal Audit Requirements	Reimbursement Request of \$275,167.40 submitted in February 2024
2023-022	2/1/2024	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 664811 Conner Creek Sewer System	Federal pass-through State (Reimbursement Basis)	\$8,888,277	Federal Audit Requirements	Disbursement Request of \$1,805,600 submitted in February 2024
2023-019	3/3/2021	American Rescue Plan – State Revolving Fund (ARPA) Funded Project 7532-02	Federal pass-through State (Reimbursement Basis)	\$16,057,500	Federal Audit Requirements	Reimbursement Request of

Reference Number	Request Date	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
		96 Inch Water Transmission Main Relocation Phase 2 EGLE				\$5,313,988 received through August 2024
2023-012	5/22/2024	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660110 – Obligated \$319,911 Fairview PS	Federal pass-through State (Reimbursement Basis)	\$319,911	Federal Audit Requirements	Reimbursement Request of \$319,911 submitted in May 2024
2023-009	5/22/2024	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	Reimbursement Request of \$80,129 submitted in May 2024
2023-010	5/22/2024	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	Reimbursement Request of \$180,000 submitted in May 2024
2024-011	7/2/2024	Southeast Michigan Flood Study	Federal (Cost Tracking)	\$1,500,000	Federal Audit Requirements	Agreement Signed
2024-013	7/1/2024	Water System Advisory Council Grant	Federal pass through - State (Reimbursement Basis)	\$25,000	Federal Audit Requirements	Reimbursement request of \$20,787.23 submitted in Aug 2024

**Table 3 – Post Award Programs** there has been no post award activity for GLWA Funds related to these programs have been received in full and the programs are in the process of being closed out, including any closeout reporting requirements.

**Table 4 – Programs not awarded, or Programs that GLWA will not continue to pursue** is a table that reflects programs that GLWA were not awarded, or alternatively, programs that will not continue to be pursued by GLWA. There is no activity for this month.

**Proposed Action:** Receive and file this report.



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

## New! Vendor Performance Assessment (VPA) Full Program Launch September 2024

GLWA is excited to announce the full launch of the Vendor Performance Assessment (VPA) Program in September 2024. A VPA is a scored survey that analyzes a vendor's performance throughout the execution of a contract. The outcome of the VPA is proactive communication between GLWA and its vendors in a consistent and collaborative manner.

A soft launch of the VPA Program began in October 2022 that allowed GLWA to begin internally collecting VPA data, training team members on the VPA Program, and refining the VPA process. With the expanded launch of the program in September 2024, GLWA will begin utilizing VPA scoring during the solicitation evaluation process to improve strategic sourcing decisions and to provide vendors with actionable opportunities for performance improvement on current and future GLWA projects. Key details about the VPA Program are included below.

- ✓ VPA data will be collected from GLWA Project Managers near contract conclusion for all contracts awarded over \$1 million as well as Job Order Contracts (JOCs) and Task Order Engineering Services (TOES) contracts awarded over \$300,000.
- ✓ VPA data is gathered from GLWA Team members using an online survey collection tool. One standard survey is used for all eligible contracts.
- ✓ All VPAs are independently validated by GLWA's Vendor Management Team before they are shared with Vendors.
- ✓ VPA scores will affect a Vendor's performance score for a period of one year after the contract

end-date. During this time, VPA data will be used during the solicitation evaluation process to provide important feedback to both GLWA and Vendors for future contract awards.

- ✓ Vendors with an aggregate VPA score above 70% will be deemed "responsible."
- ✓ Vendors with an aggregate score below 70% may submit a Preventative Action Plan (PAP) to maintain eligibility for future GLWA contracts.

Vendors interested to learn more will have an opportunity to attend an in-depth presentation on the VPA Program at GLWA's September 2024 Vendor Outreach Event (details below). In addition, information on the VPA Program, including a [VPA Process Overview](#), is available to review on the [GLWA Vendor Webpage](#). Vendors should also stay tuned to future editions of the *Pipeline* for information on training opportunities. Any questions regarding GLWA's VPA Program may be directed to [GLWAVendorOutreach@glwater.org](mailto:GLWAVendorOutreach@glwater.org).

## Reminder: Register Now for GLWA's 2024 Vendor Outreach Event

GLWA's 2024 in-person Vendor Outreach Event will be held at the Auburn Hills Marriott Pontiac in Pontiac, Michigan on September 26, 2024. The event will begin at 7:30 a.m. and conclude at 12:00 p.m. The full [event agenda](#) and [event registration](#) are available via the Whova application. We look forward to seeing you there!

## What's Coming Down the Pipe?

*Current Solicitations:* Register in GLWA's [Bonfire 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](http://www.glwater.org) or contact us via email at [procurement@glwater.org](mailto:procurement@glwater.org).

## Upcoming Solicitations September 2024

Category	CIP #	Description/Project Title	Budget Estimate
<b>Water System (next four to nine months)</b>			
Construction	111001	Lake Huron Water Treatment Plant - LH-401 Switchgear and	\$100,000,000
Construction	122016	Downriver Transmission Main Loop - Phase 1 - Inkster Rd	\$21,000,000
<b>Wastewater Systems (next four to nine months)</b>			
Construction	260510	CSO Outfall Rehabilitation Phase VI	\$10,000,000
Construction	260206	Rehabilitation of 7 Mile Sewer System	\$30,000,000
Construction	211005.2	WRRF Pump Station 2 VFD Replacements	\$12,000,000
Design	270007	CSO Facility Disinfection Improvements	\$2,000,000
Construction	270006	CSO Facility Improvements II	\$15,000,000
Construction	260904	Renovation of the New Administration Building 3 <sup>rd</sup> Floor	\$3,300,000
<b>Water System (next three months)</b>			
Professional Services	O&M	Above/Below Ground Fuel System Maintenance	\$900,000
Design	113010	Southwest WTP Flocculation Improvements	\$4,933,000
Construction (Design Build)	112008	Northeast WTP Filter Replacement	\$85,550,000
<b>Wastewater (next three months)</b>			
Design	270001	Pilot Netting and Disinfection Facilities at B03, B04, and B05	\$8,000,000
Design	270010	Puritan Fenkell and Seven Mile HVAC improvements	\$1,200,000
Construction	232002	Conner Creek Pump Station Improvements	\$36,000,000
<b>Projects moved to Procurement Team (Preparing for solicitation on Bonfire)</b>			
Construction (Design Build)	122004	96-Inch Water Transmission Main Relocation - Phase III	\$90,000,000
Construction (Design Build)	112008	Northeast WTP Filter Replacement	\$85,550,000
Professional Services	O&M	WRRF CSO and SPS Generator Preventative Maintenance	\$400,000
Professional Services	O&M	Lake Huron Water Treatment Plant Sludge Removal and Disposal	\$3,300,000
Professional Services	O&M	Emergency Standby Generator Preventative Maintenance	\$2,910,225
Construction	170306	Instrumentation and Control System Plant - wide SCADA	\$3,340,000
Professional Services	O&M	Staffing Services	\$750,000
Professional Services	O&M	Investment Services	\$2,200,000
Professional Services	O&M	Janitorial/Housekeeping Services	\$8,830,804
Professional Services	O&M	Floor Covering Supply and Installation Services	\$246,000
Professional Services	O&M	Boiler System Services	\$300,000
Professional Services	O&M	Furniture, Floor Planning and Space Design Services	\$975,000
Professional Services	O&M	Crane Rental and Maintenance	\$900,000
Professional Services	O&M	Southeast Michigan Flood Study	\$1,500,000
Professional Services	O&M	Pest Control and Extermination Services	\$370,000

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

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