



*Jim Nash*



**Candice S. Miller**  
Public Works Commissioner  
Macomb County

July 10, 2018

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

Re: GLWA Sewer SHARES Assessment for FY2021

Dear Ms. McCormick:

We are issuing this letter as notice of our growing concern regarding the progress of promised precursor tasks for updating the FY2021 GLWA sewer SHARES.

Per the Wastewater Analytics Task Force (WATF) Program Management Program Summary issued by GLWA at the February 2018 WATF Meeting, GLWA and the member communities agreed that the following tasks, listed in order, need to be completed to develop the FY2021 Sewer SHARES:

- 1) National Symposium
- 2) Cost Allocation
- 3) D+ Metering
- 4) Sampling Plan
- 5) Peaking & Storage
- 6) WRRF Increment
- 7) Shares Formulation

- 1) The National Symposium:** We thank you for your effort in assembling and hosting the Symposium. However, it was clear from the second meeting that a consensus could not be reached and that GLWA was reverting to the original plan discussed back in the fall of 2017 and documented in the February WATF Meeting. As a result, six months has been lost in the timeline. Therefore, we are requesting that GLWA update the SHARES schedule and provide a more detailed timeline on the entire process from the symposium to emergence of the new/modified GLWA charges method.
- 2) Development of a new study to replace the outdated 1979 cost allocation study:** Based on the plan outlined on the second day of the National Symposium, we are re-iterating our position:
  - a. Even though we believe that GLWA staff can perform the work, we request that the Cost Allocation Study be performed by a neutral third party that has no association with GLWA or any of the member communities. This third party would not only be un-biased but will provide a fresh look and not be hindered by historical prejudices and/or assumptions.
  - b. Both Oakland and Macomb Counties would like to be more involved in the process. Quarterly updates on the status of the study are not sufficient. We request that our staff/consultants be involved in the

July 10, 2018

analysis and review of the data and are willing to attend monthly or bi-weekly meetings to assist in developing the new cost allocations.

- c. We agree with the comments from the meeting that this cannot be just an update of the 1979 Study. The allocation should assume a blank sheet, ignore historical actions, and develop a plan based on today's realities. We also request that the study provide several options that incorporate; Peaking, Pollutant Loading (not just Strength of Flow), Wet Weather Allocation (which includes more than just the CSO facilities), Grit, and a detailed explanation of what assets are part of what "bucket." As a result, we request that Oakland and Macomb be involved in developing the scope for this Project and in choosing the Consulting Team.
  - d. Given the level of involvement we are requesting, we suggest that GLWA consider re-assembling the Sewer SHAREs Committee either through the Third-Party Facilitation Contract or that GLWA include an allowance in the Cost Allocation Study Project for the Sewer SHAREs Committee.
- 3) **Metering to improve the estimate of "D+" flow rate:** We are very pleased to hear that the D+ Metering will proceed. Several months have been lost due to the delay and as a result, the meters will not be deployed in time to provide 6 months of metering prior to winter. We are requesting that GLWA expediate the plan in order to install the meters as quickly as possible. Also, the metering plan that was developed did not include a clear data analysis plan with planned calculation methods to use the temporary metering to improve the estimate of D+ flows or apply the findings of a short monitoring period to develop flow rate estimates over time.
  - 4) **Sampling to support strength of flow estimates:** It is recognized that the sampling plan will vary based on which new charges method emerges. However, it is also recognized that sewer sampling requires planning and time to yield fruitful data. Therefore, this effort cannot be postponed to the latest date possible.
  - 5) **Peaking & Storage:** It is recognized that the importance of these wet weather factors will vary based on which new charges method emerges. If peaking is ultimately incorporated into the charges, then it will be necessary to determine the definition of "peaking", how it will be developed, and who will generate the values for each customer community. We believe that the Wastewater Master Plan (WWMP) team is the best forum to develop the peaking values. It is unclear however, if these tasks are in the WWMP scope and if developing these findings will be available in time for Shares formulation. We request that GLWA present a plan and a schedule on when peaking will be analyzed and how the customer communities will be involved in the analysis.
  - 6) **WRRF Increment:** Some progress regarding inspection of the backwater gates, regulators and Detroit River Interceptor have been communicated to the member communities. However, it is unclear if the WRRF incremental area flow rates are fully understood or the actions and timelines for addressing the repair/replacement needs for GLWA assets have been determined. Separating the flows between Detroit Only and Common-to-All is needed prior to Shares formulation. We request that GLWA present a plan and a schedule for completing the inspections and generating updated flows.
  - 7) **Shares Formulation:** The data collection and calculations needed to formulate the Shares are anticipated to take some time, regardless of which/whether a new charges method emerges. The timeline for this process has not been outlined to the member communities.

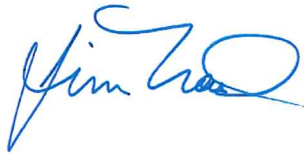
July 10, 2018

Oakland and Macomb strongly believe that the SHAREs process must promote meeting the goals of GLWA's long term Regional Master Plan, including a process to incentivize actions by communities to reduce Inflow and Infiltration (I/I) and disincentivize for I&I inaction/actions by communities that increase I&I. Guiding positive action by the communities through the rate structure was done successfully on the water side and should be incorporated into the Charges on the sewer side.

The current SHAREs period expires on June 30, 2020. To have new GLWA charges in place and approved in time for a seamless transition into Fiscal Year 2021, we believe that the latest date for all technical and financial work to be completed for the above items is November 1, 2019. The above outlined work is a tremendous effort to complete in the next 16 months that is made to seem like an unsurmountable work load since very little progress has been communicated to the member communities on any of these items.

If new GLWA charges are not prepared by November 2019 for review and approval in the following months, we will call for a reversion to the initial SHAREs from the SHAREs period that ended on or about June 30, 2016. The rationale for this reversion is that the current SHAREs were accepted in conjunction with promises to execute the items outlined above. If these items are not completed, we cannot support perpetuation of the estimates and assumptions that were necessary to adopt the current SHAREs.

Respectfully,



Jim Nash  
Oakland County Water Resources Commissioner



Candice S. Miller  
Macomb County Public Works Commissioner



Robert J. Daddow  
GLWA Board Representative for Oakland County



Brian Baker  
GLWA Board Vice Chairman, Representative for  
Macomb County

Cc: Freman Hendrix, GLWA Board Chairman, Representative for the City of Detroit  
Abe Munfakh, PE, GLWA Board Secretary, Representative for Wayne County  
Gary Brown, GLWA Board Representative for the City of Detroit  
Craig Hupy, GLWA Board Representative for the State of Michigan  
Suzanne R. Coffey, Chief Planning Officer, Interim Chief Operating Officer - Wastewater