

ADDENDUM 1

Supplemental Information –

Enterprise-wide Operations & Maintenance Department and Account Level Amendments

The summary of budget amendments for operations & maintenance (department and account level amendments) are organized by the four core groups. The FY 2022 third quarter budget amendments result in increases to the categories: A - Water System Operations and B - Sewer System Operations. The budget amendments result in a net zero change to the categories: C – Centralized Services and D – Administrative & Other Services.

GLWA's internal budget directive is for each area, group, and team to manage their needs to an amount within the initial budget. To the extent that is not possible, an amendment is made from the unallocated reserve. If savings are incurred, or an area appears to not require as much funding as established in the original budget, that department's budgeted expenses are reduced, and the unallocated reserve is increased. In administering the budget, there are several refinements to departments and account categories. An explanation of key items is included in the table in Addendum 1.

Items greater than \$500,000 include the following (see Addendum 2 for a view of the operations & maintenance budget by expense category).

- A – Water System Operations – Net change = \$1.6 million
 - Utilities – Increase of \$0.8 million – Details can be found in *Addendum 2 – Supplemental Information – Enterprise-wide Operations & Maintenance Account Type and Department Level Amendments*.
 - Unallocated Reserve – Increase of \$1.2 million - Offset the realignment from Water to Wastewater for the allocation of the FY 2022 budget for C-Centralized Services and D-Administrative & Other Services which is primarily due to the independent investigation and legal fees associated with the June/July 2021 wet weather events (\$1.6 million); offset to the increase in budget for utilities (\$0.4 million decrease).
- B - Wastewater System Operations – Net change = \$9.0 million
 - Chemicals – Increase of \$1.6 million – Increase flow due to wet weather events required an increase in the usage of chemicals and chlorine-based products have incurred significant cost increases due to supply issues.
 - Contractual Services – Increase of \$1.4 million – Use of the New England Fertilizer Co. (NEFCO) contract, PC-792, has increased in FY 2022 along with an increase in the cost for the material processed through the Biosolids Dryer

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Facility (BDF) which is based on the increasing consumer price index (CPI) (\$1.0 million); an increase in the removal and disposal of debris from the grit channels due to the increase of wet weather events (\$0.4 million).

- Supplies & Other – Increase of \$0.5 million – Change in scope and timelines for projects such as delaying the on-going CIP screw project so that available resources could focus on priority projects while additional aeration deck maintenance took place, and an unplanned meter building/upgrade project was added. There was a reduction in the use of the HVAC contract (usage varies from year to year and additional work being performed by GLWA team members).
- Utilities – Increase of \$6.9 million - Details can be found in *Addendum 2 – Supplemental Information – Enterprise-wide Operations & Maintenance Account Type and Department Level Amendments*.
- Unallocated Reserve – Decrease of \$1.1 million – used to offset a portion of the increase to chemicals and utilities.
- C – Centralized Services – Net change = zero
 - Personnel – Increase of \$0.7 million due to increased overtime and usage of skilled labor contracts due to difficulty in filling positions.
 - Supplies & Other – Decrease of \$1.9 million due to the change in the timeline for the start of the ERP implementation (kickoff of project started later than originally planned) (decrease of \$0.6 million) and the reduction of the computer hardware budget (change in project start dates and reduced equipment needs) (decrease of \$1.2 million).
 - Unallocated Reserve – Increase of \$0.9 million related to the adjustment of the budget for the change in timelines for projects such as the Linear System Integrity Program (LSIP) which will start later than planned (decrease of \$1.4 million) and increased usage of contracts like the AECOM contract (increase of \$2.3 million).
- D - Administrative & Other Services – Net change = zero
 - Contractual Services – Increase of \$2.0 million primarily due to the following: Enterprise Risk Management and Safety (\$0.9 million decrease) due to the reduced usage of the NTH Environmental Health and Safety Compliance Services contract (usage varies from year to year); Enterprise Risk Mgt. Insurance Fund (\$1.5 million increase) due to increases in the business insurance premiums; General Counsel (\$1.4 million increase) due to increased legal fees related to the wet weather events.
 - Personnel Services – Decrease of \$1.2 million primarily due to the timing of filling budgeted positions.

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- Unallocated Reserve – Decrease of \$0.6 million to partially offset the increase for the legal fees related to the wet weather events.

| Major Budget Categories and Expense Categories | Total 3rd Quarter FY 2022 Amendments |
|--|---|
| A Water System Operations | 1,608,800 |
| Supplies & Other | (421,000) |
| Unallocated Reserve | 1,207,800 |
| Utilities | 822,000 |
| B Wastewater System Operations | 9,000,000 |
| Capital Program Allocation | 304,300 |
| Chemicals | 1,580,800 |
| Contractual Services | 1,449,600 |
| Personnel | (450,700) |
| Shared Services | (273,200) |
| Supplies & Other | 540,300 |
| Unallocated Reserve | (1,080,500) |
| Utilities | 6,929,400 |
| C Centralized Services | - |
| Contractual Services | 313,600 |
| Personnel | 691,700 |
| Supplies & Other | (1,918,800) |
| Unallocated Reserve | 913,500 |
| D Administrative & Other Services | - |
| Contractual Services | 1,981,500 |
| Personnel | (1,235,400) |
| Supplies & Other | (186,500) |
| Unallocated Reserve | (611,600) |
| Utilities | 52,000 |
| Grand Total | 10,608,800 |

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| Departmental and Account Level Amendments | Total 3rd Quarter FY 2022 | |
|---|---------------------------------|---|
| | Amendments | Explanation of Key Items |
| A Water System Operations | 1,608,800 | See explanation for Water System Operations Unallocated Reserve (below) |
| Adams Road Pumping Station | 130,000 | |
| Supplies & Other | (50,000) | |
| Utilities | 180,000 | |
| Eastside Pumping Station | 22,000 | |
| Utilities | 22,000 | |
| Ford Rd Pumping Station | (50,000) | |
| Utilities | (50,000) | |
| Franklin Road Pumping Station | 15,000 | |
| Supplies & Other | (70,000) | |
| Utilities | 85,000 | |
| Haggerty Road Pumping Station | 130,000 | |
| Supplies & Other | (15,000) | |
| Utilities | 145,000 | |
| Imlay Pumping Station | (141,000) | |
| Utilities | (141,000) | |
| Joy Road Pumping Station | (12,000) | |
| Supplies & Other | (45,000) | |
| Utilities | 33,000 | |
| Michigan Ave Pumping Station | 40,000 | |
| Utilities | 40,000 | |
| Newburgh Pumping Station | 90,000 | |
| Supplies & Other | 20,000 | |
| Utilities | 70,000 | |
| North Service Center Pumping Station | (440,000) | |
| Supplies & Other | (290,000) | |
| Utilities | (150,000) | |
| Northwest Pumping Station | 28,000 | |
| Utilities | 28,000 | |
| Orion Township Pumping Station | 15,000 | |
| Utilities | 15,000 | |
| Rochester Pumping Station | 80,000 | |
| Utilities | 80,000 | |
| Schoolcraft Pumping Station | (3,000) | |
| Supplies & Other | (23,000) | |
| Utilities | 20,000 | |
| Water System Operations Unallocated Reserves | 1,207,800 | |
| Unallocated Reserve | 1,207,800 | Increase \$1.6 million to offset the realignment from Water to Sewer for the allocation of FY 2022 budget for Administrative & Other Services & Centralized Services due to the wet weather events; the decrease of \$401,000 was used to offset the increase in Utilities. |
| West Service Center Pumping Station | 195,000 | |
| Utilities | 195,000 | |
| Wick Road Pumping Station | 152,000 | |
| Supplies & Other | 52,000 | |
| Utilities | 100,000 | |
| Ypsilanti Pumping Station | 150,000 | |
| Utilities | 150,000 | |
| B Wastewater System Operations | 9,000,000 | |
| 7 Mile Combined Sewer Overflow | (75,500) | |
| Contractual Services | (35,700) | |
| Supplies & Other | (39,000) | |
| Utilities | (800) | |
| Baby Creek Combined Sewer Overflow | 609,600 | |
| Chemicals | (59,600) | |
| Contractual Services | (25,200) | |
| Supplies & Other | 639,700 | Maintenance on the fine-screen system (Violia Water contract); this project was not included in the approved FY 2022 budget. |
| Utilities | 54,700 | |
| BDF, COF & Hauling | 1,685,100 | |
| Contractual Services | 966,800 | Use of the New England Fertilizer Co. (NEFCO) contract, PC-792, has increased in FY 2022. In addition the cost for the material processed through the Biosolids Dryer Facility (BDF) is based on the consumer price index (CPI) which has been increasing. |
| Personnel | (80,200) | |
| Utilities | 798,500 | Increased use of the Biosolids Dryer Facility (BDF) in FY 2022 has led to an increase in natural gas usage. The price per BTU has been steadily increasing. |
| Belle Isle Combined Sewer Overflow | (10,300) | |
| Chemicals | (1,500) | |
| Contractual Services | (6,200) | |
| Shared Services | 41,800 | |
| Supplies & Other | (44,400) | |
| Belle Isle Pumping Station | 0 | |
| Shared Services | (50,000) | |
| Supplies & Other | 50,000 | |

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Enterprise-wide Operations & Maintenance Department and Account Level Amendments

| Departmental and Account Level Amendments | Total 3rd Quarter FY 2022 | |
|--|---------------------------------|--|
| | Amendments | Explanation of Key Items |
| Blue Hill Pumping Station | 0 | |
| Contractual Services | 30,000 | |
| Shared Services | (160,000) | |
| Supplies & Other | 130,000 | |
| Chief Operating Officer Wastewater | (276,700) | |
| Capital Program Allocation | 18,000 | |
| Contractual Services | (163,700) | |
| Personnel | (136,700) | |
| Supplies & Other | 5,700 | |
| Combined Sewer Overflow | (445,900) | |
| Capital Program Allocation | (8,100) | |
| Contractual Services | (109,900) | |
| Personnel | (276,600) | |
| Supplies & Other | (51,300) | |
| Conner Creek Combined Sewer Overflow | 646,500 | |
| Chemicals | 314,900 | |
| Contractual Services | 47,500 | |
| Supplies & Other | 313,600 | |
| Utilities | (29,500) | |
| Conner Pumping Station | 990,000 | |
| Contractual Services | 10,000 | |
| Supplies & Other | 30,000 | |
| Utilities | 950,000 | |
| | | The change in the on-demand rate (electricity) has significantly increased this year. This rate was set in July 2021 during the wet weather events when usage was high. The rate is reset every 11 months. |
| Fairview Pumping Station | 200,000 | |
| Utilities | 200,000 | |
| Fischer Pumping Station | 0 | |
| Shared Services | (15,000) | |
| Supplies & Other | 15,000 | |
| Freud Pumping Station | 250,000 | |
| Supplies & Other | 220,000 | |
| Utilities | 30,000 | |
| Hubble Southfield CSO | 121,900 | |
| Chemicals | 36,200 | |
| Contractual Services | (31,300) | |
| Supplies & Other | 187,000 | |
| Utilities | (70,000) | |
| Industrial Waste Control | (125,900) | |
| Contractual Services | (46,700) | |
| Personnel | (56,800) | |
| Supplies & Other | (22,400) | |
| Leib Combined Sewer Overflow | 219,300 | |
| Chemicals | 64,800 | |
| Contractual Services | (11,800) | |
| Supplies & Other | 133,300 | |
| Utilities | 33,000 | |
| Oakwood Combined Sewer Overflow | 136,900 | |
| Chemicals | 47,700 | |
| Contractual Services | (24,100) | |
| Supplies & Other | (39,400) | |
| Utilities | 152,700 | |
| Oakwood Pumping Station | 50,000 | |
| Utilities | 50,000 | |
| Puritan Fenkell Combined Sewer Overflow | (73,200) | |
| Chemicals | (1,400) | |
| Contractual Services | (39,800) | |
| Supplies & Other | (22,300) | |
| Utilities | (9,700) | |
| St Aubin Combined Sewer Overflow | 539,900 | |
| Chemicals | (12,400) | |
| Contractual Services | 123,200 | |
| Supplies & Other | 437,400 | Additional work on facility outfall to reduce infiltration of river water into the system. |
| Utilities | (8,300) | |
| Wastewater Dewatering Process | (283,300) | |
| Chemicals | 221,600 | |
| Contractual Services | 64,200 | |
| Personnel | (67,200) | |
| Supplies & Other | (501,900) | On-going CIP screw project was delayed due to available resources needed to focus on priority projects in other areas. |

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| Departmental and Account Level Amendments | Total 3rd Quarter FY 2022 Amendments | Explanation of Key Items |
|--|---|---|
| Wastewater Director | 246,400 | |
| Contractual Services | (300,700) | |
| Personnel | 441,800 | Increased use of contractors for hard to fill positions (Maintenance Technicians and Electrical Instrumentation Control Technicians) and the addition of a Team Leader/Planner position. |
| Supplies & Other | 105,300 | |
| Wastewater Engineering | 384,200 | |
| Capital Program Allocation | 294,400 | |
| Contractual Services | 241,700 | |
| Personnel | (131,300) | |
| Supplies & Other | (20,600) | |
| Wastewater Incineration Process | (65,100) | |
| Chemicals | (19,900) | |
| Contractual Services | 461,800 | Additional incineration inspections, over the budgeted number, are taking place in FY 2022. |
| Personnel | 50,900 | |
| Supplies & Other | (557,900) | Planned projects delayed due to available resources needed for priority projects in Primary and Secondary Processing |
| Wastewater Laboratories | (521,600) | |
| Chemicals | (1,600) | |
| Contractual Services | (19,300) | |
| Personnel | (546,900) | Change to twelve hour shift has reduced the staffing plan originally budgeted. Not expected to be permanent |
| Supplies & Other | 46,200 | |
| Wastewater Operations | 4,307,000 | |
| Chemicals | 2,600 | |
| Contractual Services | 73,300 | |
| Personnel | 146,900 | |
| Supplies & Other | (694,600) | Reduction in the use of the HVAC contract |
| Utilities | 4,778,800 | Cost of electricity has increased significantly (\$1.3 million). In addition, the monthly billings for the water meters which were repaired and replaced led to increases in the actual billings (\$2.7 million) |
| Wastewater Primary Process | 1,467,000 | |
| Chemicals | 816,500 | Increase flow due to wet weather events required increase usage of chemicals. In addition, chlorine-based products have incurred significant cost increases due to supply issues. |
| Contractual Services | 370,100 | Continued cost of clearing debris from grit channels due to increased flow through WRRF. |
| Personnel | (45,600) | |
| Supplies & Other | 326,000 | |
| Wastewater Process Control | (1,023,600) | |
| Contractual Services | (164,700) | |
| Personnel | (116,400) | |
| Supplies & Other | (742,500) | Delay in the start of various projects due to the timing of the finalization of the instrumentation & controls contract. |
| Wastewater Secondary Process | 1,127,800 | |
| Chemicals | 172,900 | |
| Contractual Services | 40,100 | |
| Personnel | 367,400 | |
| Supplies & Other | 547,400 | Increase in the scope aeration deck maintenance project; the meter building/upgrade project was not included in the original budget for FY 2022. |
| Wastewater System Operations Unallocated Reserves | (1,080,500) | |
| Unallocated Reserve | (1,080,500) | Offset increase in utilities and chemicals |
| Woodmere Pumping Station | 0 | |
| Shared Services | (90,000) | |
| Supplies & Other | 90,000 | |
| C Centralized Services | 0 | |
| Asset Management | (1,587,000) | |
| Contractual Services | (1,425,000) | The contract scope and time line for the Linear System Integrity Program (LSIP) were finalized after the FY 2022 budget had been developed. More of the work will be done in FY 2023 than was previously anticipated. |
| Personnel | (162,000) | |
| Capital Improvement Planning | 2,250,000 | |
| Contractual Services | 2,300,000 | Additional AECOM support needed than was originally anticipated in the FY 2022 budget. |
| Personnel | (50,000) | |
| Centralized Services Unallocated Reserves | 913,500 | |
| Unallocated Reserve | 913,500 | Adjusted for timing of projects (LSIP) & usage of contracts (AECOM) |
| Chief Planning Officer | 2,000 | |
| Personnel | 2,000 | |
| Energy, Research & Innovation | (460,000) | |
| Personnel | (200,000) | |
| Supplies & Other | (260,000) | |
| Facility Operations | (360,000) | |
| Contractual Services | (310,000) | |
| Personnel | (360,000) | |
| Supplies & Other | 310,000 | |

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| Departmental and Account Level Amendments | Total 3rd Quarter FY 2022 Amendments | Explanation of Key Items |
|---|---|--|
| Field Service Operations | 775,000 | |
| Contractual Services | 280,000 | |
| Personnel | 560,000 | Increased use of overtime due to Staffing limitations; includes increase in benefits. |
| Supplies & Other | (65,000) | |
| Fleet Operations | 220,000 | |
| Contractual Services | (170,000) | |
| Personnel | 140,000 | |
| Supplies & Other | 250,000 | |
| HazMat | (160,000) | |
| Personnel | (25,000) | |
| Supplies & Other | (135,000) | |
| Info Tech Business Productivity Systems | (620,000) | |
| Supplies & Other | (620,000) | Adjust for the timing of the start of the ERP implementation project. |
| Info Tech Enterprise Asset Mgmt Systems | 0 | |
| Personnel | 125,000 | |
| Supplies & Other | (125,000) | |
| Info Technology Infrastructure | 620,000 | |
| Contractual Services | 1,820,000 | Rate increase for Telecom contracts which were renewed in FY 2022 (phone, voice mail, etc.) |
| Supplies & Other | (1,200,000) | Computer hardware budget has been reduced due to decrease in equipment needs for FY 2022 and change in project start dates. |
| Info Technology Project Management Office | 55,000 | |
| Personnel | 55,000 | |
| Info Technology Security & Risk | 0 | |
| Personnel | (14,000) | |
| Supplies & Other | 14,000 | |
| Info Technology Service Delivery | 0 | |
| Personnel | 200 | |
| Supplies & Other | (200) | |
| Office of the CIO | (55,000) | |
| Contractual Services | (121,400) | |
| Personnel | 60,000 | |
| Supplies & Other | 6,400 | |
| Security and Integrity | 121,500 | |
| Contractual Services | (100,000) | |
| Personnel | 290,000 | |
| Supplies & Other | (68,500) | |
| Systems Analytics | (482,000) | |
| Contractual Services | (173,000) | |
| Personnel | (208,000) | |
| Supplies & Other | (101,000) | |
| Systems Operations Control | 0 | |
| Contractual Services | (935,000) | As needed contracts (LGC - Low Voltage Wiring and PCI - Professional Engineering) utilized less in FY 2022 than budgeted. Usage of these types of contracts varies from year-to-year. In addition, budget was transferred to Personnel for contractors filling vacant positions. |
| Personnel | 775,000 | Increase in overtime and higher utilization of skilled labor contract (PCI LLC - Professional Engineering Services for Instrumentation & SCADA System Services) to fill vacant positions (decrease to Contractual Services budget) |
| Supplies & Other | 160,000 | |
| Systems Planning | (1,058,000) | |
| Contractual Services | (858,000) | Decision made to have the Water and Sewer Master Plan projects performed primarily by GLWA staff instead of consultants. These projects have been moved to Systems Planning and Development. |
| Personnel | (150,000) | |
| Supplies & Other | (50,000) | |
| Systems Planning & Development | 245,000 | |
| Contractual Services | 6,000 | |
| Personnel | 238,000 | |
| Supplies & Other | 1,000 | |
| Transformation | (420,000) | |
| Personnel | (384,500) | |
| Supplies & Other | (35,500) | |
| D Administrative & Other Services | 0 | |
| Administrative Services Unallocated Reserves | (611,600) | |
| Unallocated Reserve | (611,600) | Partially used to offset the increase for legal fees related to wet weather events. |
| Board of Directors | (14,400) | |
| Supplies & Other | (14,400) | |
| CFO Services | 196,000 | |
| Contractual Services | 210,000 | |
| Personnel | (5,000) | |
| Supplies & Other | (9,000) | |
| Chief Administrative Officer | (180,000) | |
| Contractual Services | (150,000) | |
| Personnel | (27,000) | |
| Supplies & Other | (3,000) | |

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| Departmental and Account Level Amendments | Total 3rd Quarter FY 2022 | |
|--|---------------------------------|---|
| | Amendments | Explanation of Key Items |
| Chief Executive Officer | 34,200 | |
| Personnel | 50,000 | |
| Supplies & Other | (15,800) | |
| Chief Financial Officer | (247,400) | |
| Contractual Services | 40,000 | |
| Personnel | (264,000) | |
| Supplies & Other | (23,400) | |
| Enterprise Risk Management and Safety | (1,033,900) | |
| Contractual Services | (860,000) | Reduction in usage of the NTH Environmental Health and Safety Compliance Services contract; usage varies from year-to-year. |
| Personnel | (160,000) | |
| Supplies & Other | (13,900) | |
| Enterprise Risk Mgt. Insurance Fund | 1,500,000 | |
| Contractual Services | 1,500,000 | Increase budget for rate increases to business insurance premiums; partially offset by the decrease in the Contractual Services budget for Enterprise Risk Management and Safety. |
| Financial Management & Planning | (58,200) | |
| Personnel | (50,000) | |
| Supplies & Other | (8,200) | |
| Financial Reporting & Accounting | (583,900) | |
| Contractual Services | (300,000) | |
| Personnel | (258,300) | |
| Supplies & Other | (25,600) | |
| General Counsel | 1,337,100 | |
| Contractual Services | 1,400,000 | Increase budget for legal fees related to wet weather events. |
| Personnel | (47,000) | |
| Supplies & Other | (15,900) | |
| Logistics and Materials | 0 | |
| Contractual Services | 17,000 | |
| Personnel | (110,000) | |
| Supplies & Other | 41,000 | |
| Utilities | 52,000 | |
| OD Administration | 155,300 | |
| Contractual Services | 380,000 | |
| Personnel | (195,000) | |
| Supplies & Other | (29,700) | |
| OD Talent Management | (130,300) | |
| Contractual Services | (86,000) | |
| Personnel | (38,000) | |
| Supplies & Other | (6,300) | |
| OD Training | (96,200) | |
| Contractual Services | (78,000) | |
| Personnel | 39,800 | |
| Supplies & Other | (58,000) | |
| Procurement Director | (88,700) | |
| Contractual Services | 105,500 | |
| Personnel | (212,800) | |
| Supplies & Other | 18,600 | |
| Public Affairs | 0 | |
| Personnel | 10,000 | |
| Supplies & Other | (10,000) | |
| Treasury | (178,000) | |
| Contractual Services | (197,000) | |
| Personnel | 31,900 | |
| Supplies & Other | (12,900) | |
| Grand Total | 10,608,800 | |

Totals may be off due to rounding



ADDENDUM 2

Supplemental Information –

Enterprise-wide Operations & Maintenance Account Type and Department Level Amendments

The table in Addendum 2 summarizes the FY 2022 third quarter budget amendments for operations & maintenance by the major expense categories (account type). An explanation of key items is included in the table in Addendum 2.

A significant increase in the cost of utilities has been experienced in FY 2022, especially in the Wastewater System Operations.

- Electric - \$3.6 million (\$2.8 million for Wastewater System Operations)
 - The change in the on-demand rate for electricity has significantly increased in FY 2022. This rate was set in July 2021 during the wet weather event when usage was high. The rate is reset every 11 months.
 - DTE has changed from a nuclear surcharge recovery to a volumetric delivery surcharge. This change has resulted in an increase to the charge for kWh.
 - In May 2021 the third redundant electrical feed was energized at the WRRF. This third feed is used to ensure that there are no power interruptions at the facility. The feed is an additional \$22,000 per month and was not known at the time the FY 2022 budget was developed.
- Gas - \$1.1 million
 - The cost of natural gas has increased over the past two years.
 - Increased production at the Biosolids Dryer Facility (BDF) and wastewater incineration has led to an increase in natural gas usage.
- Sewage Service - \$0.3 million
 - Sewage treatment is a cost associated with cubic feet billed for water. Increased production at the Biosolids Dryer Facility (BDF) during FY 2022 has resulted in an increase in the budget from \$487,000 in FY 2021 to \$555,200 for FY 2022.
 - The cost per acre related to drainage charges at various wastewater facilities increases annually. This is billed at a flat rate per parcel of property which has changed each year.
- Water Service - \$2.7 million
 - The largest component of the increase to the Water Service is the metered consumption at the Water Resource Recovery Facility (WRRF). Throughout FY 2021 and well into FY 2022, the water service meter readings were being estimated. During FY 2022 the meters have been either repaired or replaced,

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including two main meters at the Chlorination/Dechlorination facility and WRRF. As meters are being addressed, bills are being produced with actual readings. For FY 2021 the average monthly billing was approximately \$191,300. The has increased in FY 2022 to an average of approximately \$437,800. This average is expected to increase as the meter repair/replacement project continues.

| Utilities and Major Budget Categories | Total 3rd Quarter FY 2022 Amendments |
|--|---|
| Electric | 3,618,300 |
| A Water System Operations | 822,000 |
| B Wastewater System Operations | 2,779,300 |
| D Administrative & Other Services | 17,000 |
| Gas | 1,183,700 |
| B Wastewater System Operations | 1,148,700 |
| D Administrative & Other Services | 35,000 |
| Sewage Service | 277,300 |
| B Wastewater System Operations | 277,300 |
| Water Service | 2,724,100 |
| B Wastewater System Operations | 2,724,100 |
| Grand Total | 7,803,400 |

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Enterprise-wide Operations & Maintenance
Account Type and Department Level Amendments

| Expense Categories and Departmental Level Amendments | Total 3rd Quarter FY 2022 Amendments | Explanation of Key Items |
|--|---|--|
| Capital Program Allocation | 304,300 | |
| Chief Operating Officer Wastewater | 18,000 | |
| Combined Sewer Overflow | (8,100) | |
| Wastewater Engineering | 294,400 | |
| Chemicals | 1,580,800 | Increase flow due to wet weather events required increase usage of chemicals. In addition, chlorine-based products have incurred significant cost increases due to supply issues. |
| Baby Creek Combined Sewer Overflow | (59,600) | |
| Belle Isle Combined Sewer Overflow | (1,500) | |
| Conner Creek Combined Sewer Overflow | 314,900 | |
| Hubble Southfield CSO | 36,200 | |
| Leib Combined Sewer Overflow | 64,800 | |
| Oakwood Combined Sewer Overflow | 47,700 | |
| Puritan Fenkell Combined Sewer Overflow | (1,400) | |
| St Aubin Combined Sewer Overflow | (12,400) | |
| Wastewater Dewatering Process | 221,600 | |
| Wastewater Incineration Process | (19,900) | |
| Wastewater Laboratories | (1,600) | |
| Wastewater Operations | 2,600 | |
| Wastewater Primary Process | 816,500 | See explanation for chemicals category above. |
| Wastewater Secondary Process | 172,900 | |
| Contractual Services | 3,744,700 | |
| 7 Mile Combined Sewer Overflow | (35,700) | |
| Asset Management | (1,425,000) | The contract scope and time line for the Linear System Integrity Program (LSIP) were finalized after the FY 2022 budget had been developed. More of the work will be done in FY 2023 than was previously anticipated. |
| Baby Creek Combined Sewer Overflow | (25,200) | |
| BDF, COF & Hauling | 966,800 | Use of the New England Fertilizer Co. (NEFCO) contract, PC-792, has increased in FY 2022. In addition the cost for the material processed through the Biosolids Dryer Facility (BDF) is based on the consumer price index (CPI) which has been increasing. |
| Belle Isle Combined Sewer Overflow | (6,200) | |
| Blue Hill Pumping Station | 30,000 | |
| Capital Improvement Planning | 2,300,000 | Additional AECOM support needed than was originally anticipated in the FY 2022 budget. |
| CFO Services | 210,000 | |
| Chief Administrative Officer | (150,000) | |
| Chief Financial Officer | 40,000 | |
| Chief Operating Officer Wastewater | (163,700) | |
| Combined Sewer Overflow | (109,900) | |
| Conner Creek Combined Sewer Overflow | 47,500 | |
| Conner Pumping Station | 10,000 | |
| Enterprise Risk Management and Safety | (860,000) | Reduction in usage of the NTH Environmental Health and Safety Compliance Services contract; usage varies from year-to-year. |
| Enterprise Risk Mgt. Insurance Fund | 1,500,000 | Increase budget for rate increases to business insurance premiums; partially offset by the decrease in the Contractual Services budget for Enterprise Risk Management and Safety. |
| Facility Operations | (310,000) | |
| Field Service Operations | 280,000 | |
| Financial Reporting & Accounting | (300,000) | |
| Fleet Operations | (170,000) | |
| General Counsel | 1,400,000 | Increase budget for legal fees related to wet weather events. |
| Hubble Southfield CSO | (31,300) | |
| Industrial Waste Control | (46,700) | |
| Info Technology Infrastructure | 1,820,000 | Rate increase for Telecom contracts which were renewed in FY 2022 (phone, voice mail, etc.) |
| Leib Combined Sewer Overflow | (11,800) | |
| Logistics and Materials | 17,000 | |
| Oakwood Combined Sewer Overflow | (24,100) | |
| OD Administration | 380,000 | |
| OD Talent Management | (86,000) | |
| OD Training | (78,000) | |
| Office of the CIO | (121,400) | |
| Procurement Director | 105,500 | |
| Puritan Fenkell Combined Sewer Overflow | (39,800) | |
| Security and Integrity | (100,000) | |
| St Aubin Combined Sewer Overflow | 123,200 | |
| Systems Analytics | (173,000) | |
| Systems Operations Control | (935,000) | As needed contracts (LGC - Low Voltage Wiring and PCI - Professional Engineering) utilized less in FY 2022 than budgeted. Usage of these types of contracts varies from year-to-year. In addition, budget was transferred to Personnel for contractors filling vacant positions. |
| Systems Planning | (858,000) | Decision made to have the Water and Sewer Master Plan projects performed primarily by GLWA staff instead of consultants. These projects have been moved to Systems Planning and Development. |
| Systems Planning & Development | 6,000 | |
| Treasury | (197,000) | |
| Wastewater Dewatering Process | 64,200 | |
| Wastewater Director | (300,700) | |
| Wastewater Engineering | 241,700 | |
| Wastewater Incineration Process | 461,800 | Additional incineration inspections, over the budgeted number, are taking place in FY 2022. |
| Wastewater Laboratories | (19,300) | |
| Wastewater Operations | 73,300 | |
| Wastewater Primary Process | 370,100 | Continued cost of clearing debris from grit channels due to increased flow through WRRF |
| Wastewater Process Control | (164,700) | |
| Wastewater Secondary Process | 40,100 | |
| Personnel | (994,400) | |
| Asset Management | (162,000) | |
| BDF, COF & Hauling | (80,200) | |
| Capital Improvement Planning | (50,000) | |
| CFO Services | (5,000) | |

ADDENDUM 2

Supplemental Information
Enterprise-wide Operations & Maintenance
Account Type and Department Level Amendments

| Expense Categories and Departmental Level Amendments | Total | |
|--|--------------------|--|
| | 3rd Quarter | FY 2022 |
| | Amendments | Explanation of Key Items |
| Chief Administrative Officer | (27,000) | |
| Chief Executive Officer | 50,000 | |
| Chief Financial Officer | (264,000) | |
| Chief Operating Officer Wastewater | (136,700) | |
| Chief Planning Officer | 2,000 | |
| Combined Sewer Overflow | (276,600) | |
| Energy, Research & Innovation | (200,000) | |
| Enterprise Risk Management and Safety | (160,000) | |
| Facility Operations | (360,000) | |
| Field Service Operations | 560,000 | Increased use of overtime due to Staffing limitations; includes increase in benefits. |
| Financial Management & Planning | (50,000) | |
| Financial Reporting & Accounting | (258,300) | |
| Fleet Operations | 140,000 | |
| General Counsel | (47,000) | |
| HazMat | (25,000) | |
| Industrial Waste Control | (56,800) | |
| Info Tech Enterprise Asset Mgmt Systems | 125,000 | |
| Info Technology Project Management Office | 55,000 | |
| Info Technology Security & Risk | (14,000) | |
| Info Technology Service Delivery | 200 | |
| Logistics and Materials | (110,000) | |
| OD Administration | (195,000) | |
| OD Talent Management | (38,000) | |
| OD Training | 39,800 | |
| Office of the CIO | 60,000 | |
| Procurement Director | (212,800) | |
| Public Affairs | 10,000 | |
| Security and Integrity | 290,000 | |
| Systems Analytics | (208,000) | |
| Systems Operations Control | 775,000 | Increase in overtime and higher utilization of skilled labor contract (PCI LLC - Professional Engineering Services for Instrumentation & SCADA System Services) to fill vacant positions (decrease to Contractual Services budget) |
| Systems Planning | (150,000) | |
| Systems Planning & Development | 238,000 | |
| Transformation | (384,500) | |
| Treasury | 31,900 | |
| Wastewater Dewatering Process | (67,200) | |
| Wastewater Director | 441,800 | Increased use of contractors for hard to fill positions (Maintenance Technicians and Electrical Instrumentation Control Technicians) and the addition of a Team Leader/Planner position. |
| Wastewater Engineering | (131,300) | |
| Wastewater Incineration Process | 50,900 | |
| Wastewater Laboratories | (546,900) | Change to twelve hour shift has reduced the staffing plan originally budgeted. Not expected to be permanent |
| Wastewater Operations | 146,900 | |
| Wastewater Primary Process | (45,600) | |
| Wastewater Process Control | (116,400) | |
| Wastewater Secondary Process | 367,400 | |
| Shared Services | (273,200) | |
| Belle Isle Combined Sewer Overflow | 41,800 | |
| Belle Isle Pumping Station | (50,000) | |
| Blue Hill Pumping Station | (160,000) | |
| Fischer Pumping Station | (15,000) | |
| Woodmere Pumping Station | (90,000) | |
| Supplies & Other | (1,986,000) | |
| 7 Mile Combined Sewer Overflow | (39,000) | |
| Adams Road Pumping Station | (50,000) | |
| Asset Management | 0 | |
| Baby Creek Combined Sewer Overflow | 639,700 | Maintenance on the fine-screen system (Viola Water contract); this project was not included in the approved FY 2022 budget. |
| Belle Isle Combined Sewer Overflow | (44,400) | |
| Belle Isle Pumping Station | 50,000 | |
| Blue Hill Pumping Station | 130,000 | |
| Board of Directors | (14,400) | |
| CFO Services | (9,000) | |
| Chief Administrative Officer | (3,000) | |
| Chief Executive Officer | (15,800) | |
| Chief Financial Officer | (23,400) | |
| Chief Operating Officer Wastewater | 5,700 | |
| Combined Sewer Overflow | (51,300) | |
| Conner Creek Combined Sewer Overflow | 313,600 | |
| Conner Pumping Station | 30,000 | |
| Energy, Research & Innovation | (260,000) | |
| Enterprise Risk Management and Safety | (13,900) | |
| Facility Operations | 310,000 | |
| Field Service Operations | (65,000) | |
| Financial Management & Planning | (8,200) | |
| Financial Reporting & Accounting | (25,600) | |
| Fischer Pumping Station | 15,000 | |
| Fleet Operations | 250,000 | |
| Franklin Road Pumping Station | (70,000) | |
| Freud Pumping Station | 220,000 | |
| General Counsel | (15,900) | |
| Haggerty Road Pumping Station | (15,000) | |
| HazMat | (135,000) | |

ADDENDUM 2

Supplemental Information
Enterprise-wide Operations & Maintenance
Account Type and Department Level Amendments

| Expense Categories and Departmental Level Amendments | Total 3rd Quarter FY 2022 Amendments | Explanation of Key Items |
|--|---|---|
| Hubble Southfield CSO | 187,000 | |
| Industrial Waste Control | (22,400) | |
| Info Tech Business Productivity Systems | (620,000) | Adjust for the timing of the start of the ERP implementation project. |
| Info Tech Enterprise Asset Mgmt Systems | (125,000) | |
| Info Technology Infrastructure | (1,200,000) | Computer hardware budget has been reduced due to decrease in equipment needs for FY 2022 and change in project start dates. |
| Info Technology Security & Risk | 14,000 | |
| Info Technology Service Delivery | (200) | |
| Joy Road Pumping Station | (45,000) | |
| Leib Combined Sewer Overflow | 133,300 | |
| Logistics and Materials | 41,000 | |
| Newburgh Pumping Station | 20,000 | |
| North Service Center Pumping Station | (290,000) | |
| Oakwood Combined Sewer Overflow | (39,400) | |
| OD Administration | (29,700) | |
| OD Talent Management | (6,300) | |
| OD Training | (58,000) | |
| Office of the CIO | 6,400 | |
| Procurement Director | 18,600 | |
| Public Affairs | (10,000) | |
| Puritan Fenkell Combined Sewer Overflow | (22,300) | |
| Schoolcraft Pumping Station | (23,000) | |
| Security and Integrity | (68,500) | |
| St Aubin Combined Sewer Overflow | 437,400 | Additional work on facility outfall to reduce infiltration of river water into the system. |
| Systems Analytics | (101,000) | |
| Systems Operations Control | 160,000 | |
| Systems Planning | (50,000) | |
| Systems Planning & Development | 1,000 | |
| Transformation | (35,500) | |
| Treasury | (12,900) | |
| Wastewater Dewatering Process | (501,900) | On-going CIP screw project was delayed due to available resources needed to focus on priority projects in other areas. |
| Wastewater Director | 105,300 | |
| Wastewater Engineering | (20,600) | |
| Wastewater Incineration Process | (557,900) | Planned projects delayed due to available resources needed for priority projects in Primary and Secondary Processing |
| Wastewater Laboratories | 46,200 | |
| Wastewater Operations | (694,600) | Reduction in the use of the HVAC contract |
| Wastewater Primary Process | 326,000 | |
| Wastewater Process Control | (742,500) | Delay in the start of various projects due to the timing of the finalization of the instrumentation & controls contract. |
| Wastewater Secondary Process | 547,400 | Increase in the scope aeration deck maintenance project; the meter building/upgrade project was not included in the original budget for FY 2022. |
| Wick Road Pumping Station | 52,000 | |
| Woodmere Pumping Station | 90,000 | |
| Unallocated Reserve | 429,200 | |
| Administrative Services Unallocated Reserves | (611,600) | Partially used to offset the increase for legal fees related to wet weather events. |
| Centralized Services Unallocated Reserves | 913,500 | Adjusted for timing of projects (LSIP) & usage of contracts (AECOM) |
| Wastewater System Operations Unallocated Reserves | (1,080,500) | Offset increase in utilities and chemicals |
| Water System Operations Unallocated Reserves | 1,207,800 | Increase \$1.6 million to offset the realignment from Water to Sewer for the allocation of FY 2022 budget for Administrative & Other Services & Centralized Services due to the wet weather events; the decrease of \$401,000 was used to offset the increase in Utilities. |
| Utilities | 7,803,400 | Electric Cost Increase at WRRF and Conner Creek are main drivers for electric, natural gas cost has increased substantially in FY 2022. Water cost is driven by meter repairs at WRRF/Chlor-Decolor, Sewer cost has increased at BDF due to increased production. |
| 7 Mile Combined Sewer Overflow | (800) | |
| Adams Road Pumping Station | 180,000 | |
| Baby Creek Combined Sewer Overflow | 54,700 | |
| BDF, COF & Hauling | 798,500 | Increased use of the Biosolids Dryer Facility (BDF) in FY 2022 has led to an increase in natural gas usage. The price per BTU has been steadily increasing. |
| Conner Creek Combined Sewer Overflow | (29,500) | |
| Conner Pumping Station | 950,000 | The change in the on-demand rate (electricity) has significantly increased this year. This rate was set in July 2021 during the wet weather events when usage was high. The rate is reset every 11 months. |
| Eastside Pumping Station | 22,000 | |
| Fairview Pumping Station | 200,000 | |
| Ford Rd Pumping Station | (50,000) | |
| Franklin Road Pumping Station | 85,000 | |
| Freud Pumping Station | 30,000 | |
| Haggerty Road Pumping Station | 145,000 | |
| Hubble Southfield CSO | (70,000) | |
| Imlay Pumping Station | (141,000) | |
| Joy Road Pumping Station | 33,000 | |
| Leib Combined Sewer Overflow | 33,000 | |
| Logistics and Materials | 52,000 | |
| Michigan Ave Pumping Station | 40,000 | |
| Newburgh Pumping Station | 70,000 | |
| North Service Center Pumping Station | (150,000) | |
| Northwest Pumping Station | 28,000 | |
| Oakwood Combined Sewer Overflow | 152,700 | |
| Oakwood Pumping Station | 50,000 | |
| Orion Township Pumping Station | 15,000 | |
| Puritan Fenkell Combined Sewer Overflow | (9,700) | |
| Rochester Pumping Station | 80,000 | |
| Schoolcraft Pumping Station | 20,000 | |

ADDENDUM 2

Supplemental Information
Enterprise-wide Operations & Maintenance
Account Type and Department Level Amendments

| Expense Categories and Departmental Level Amendments | Total | |
|---|------------------------|--|
| | 3rd Quarter FY 2022 | Amendments |
| St Aubin Combined Sewer Overflow | (8,300) | |
| Wastewater Operations | 4,778,800 | |
| | | Cost of electricity has increased significantly (\$1.3 million). In addition, the monthly billings for the water meters which were repaired and replaced led to increases in the actual billings (\$2.7 million) |
| West Service Center Pumping Station | 195,000 | |
| Wick Road Pumping Station | 100,000 | |
| Ypsilanti Pumping Station | 150,000 | |
| Grand Total | 10,608,800 | |

Totals may be off due to rounding