

99-114 GREAT LAKES WATER AUTHORITY

VIRTUAL PUBLIC HEARING

FY2022 DRINKING WATER REVOLVING FUND

WEDNESDAY, JUNE 23, 2021

2:00 P.M.

1 GLWA BOARD OF DIRECTORS:

2 John J. Zech, Board Chair,
3 Representative for Wayne County

4 Jaye Quadrozzi, Board Vice Chair,
5 Representative for Oakland County

6 Freman Hendrix, Board Secretary,
7 Representative for the City of Detroit

8 Beverly Walker-Griffiea, Ph.D., Board Representative
9 for the State of Michigan

10 Brian Baker, Board Representative for Macomb County
11 Gary A. Brown, Board Representative for the
12 City of Detroit

13 OTHERS:

14 Sue F. McCormick, GLWA
15 Randal Brown, GLWA
16 Kim Garland, GLWA
17 Nickie Bateson, GLWA
18 Cheryl Porter, GLWA
19 Rashanda Willis, GLWA
20 Bill Wolfson, GLWA

21 JACOBS PROJECT TEAM:

22 Jason Matteo, Jacobs Project Manager
23 Maria Sedki, Fishbeck

24 COURT REPORTER:

25 Sharon Julian, CSR-3915

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Wednesday, June 23, 2021
About 2:05 p.m.

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CHAIRMAN ZECH: Okay. I'll call the meeting to order. Our first public hearing item 6A is a public hearing regarding resolution to adopt the 96-inch water transmission main relocation project fiscal year 2022, Drinking Water Revolving Fund Project Plan. It's on pages 67 through 80 of your agenda packet.

I would like to have Nicolette Bateson and Cheryl Porter, which one of the two of you will go first on this matter?

MS. BATESON: Good afternoon, Directors.
Nicolette Bateson, Chief Financial Officer and Treasurer.

I'm going to first introduce Miss Kim Garland, Reporting and Compliance Manager, who has taken on the task related to all of our state resolving fund loan project efforts. And I think she'll do a brief introduction from a financing perspective, and then hand it over to her colleague who will, I believe, talk about the project plan. Is that correct, Kim?

MS. GARLAND: Yes.

MS. BATESON: Thank you.

MS. GARLAND: Thank you, Nickie. This is one of three public hearings for projects for which we hope

1 to submit applications to the State of Michigan for a
2 possible funding through the Drinking Water Revolving
3 Loan Program. The due date for these applications with
4 the state is July 1st for the state's fiscal year 2022
5 funding season.

6 These projects were discussed at Monday's
7 Special Audit Committee meeting, but as a brief overview
8 for the public, I will remind you of a few financial
9 points before we turn it over to highlight the project
10 details.

11 This first project is for the 96-inch water
12 main at a total cost of, approximately, \$170 million.
13 The current interest rate through the Drinking Water
14 Revolving Loan Program is at 1.875 percent, which is very
15 low. And the estimated savings utilizing this program
16 versus a similar 30-year loan at a 3.5 percent interest
17 rate through revenue bonds is, approximately, \$65 million
18 in savings over the life of the loan.

19 So with that I will turn it over to my
20 colleague Jason Matteo from Jacobs to discuss the project
21 in more detail.

22 **CHAIRMAN ZECH:** While we're waiting for Jason
23 to join us, I'd like to point out that this open hearing
24 has been advertised in compliance with the Michigan Open
25 Meetings Act and was published in the Michigan Chronicle,

1 The Detroit Legal News, and on the Great Lakes Water
2 Authority's website.

3 At the conclusion of the presentation, we will
4 ask if there are any members of the public that would
5 like to comment. You'll be limited to three minutes.
6 And you'll raise your hand and you'll be recognized.

7 Is our other speaker ready, Kim?

8 Can you hear me now?

9 **MS. GARLAND:** There we go.

10 **CHAIRMAN ZECH:** Yes, we can.

11 **MR. MATTEO:** Okay. I apologize. Toggling
12 through audio and video here.

13 Can you still see the PowerPoint presentation?

14 **CHAIRMAN ZECH:** Yes, we can.

15 **MR. MATTEO:** Okay. Very good.

16 Okay. Thank you to the Board for having us
17 today. We have a brief presentation of about seven or
18 eight slides of content to share with you today to
19 provide an overview of the 96-inch transmission main
20 relocation project.

21 And I'll go ahead to the next slide. Can you
22 see the next slide yet?

23 **MS. BATESON:** Jason, we're still on the cover
24 slide.

25 **MR. MATTEO:** Okay.

1 **MS. BATESON:** If all else fails, Kim, do you
2 know which page the presentation is at in the -- I
3 believe it's page -- PDF page 71.

4 **MS. GARLAND:** I agree. Thank you.

5 Yep. I can pull it up as well, Jason, if that
6 would be of help?

7 **MR. MATTEO:** That would be helpful, yes.

8 **MS. BATESON:** And, Jason, you might need to
9 stop sharing. It says we're currently viewing your
10 screen. There we go.

11 Jason, it still says that your screen is
12 showing. There we go. Now we have Kim.

13 Okay. Thank you. Kim, Jason is ready. There
14 we go.

15 **MR. MATTEO:** Very good. All right.

16 Topics for the brief presentation today include
17 the background information on the project, project
18 objectives, and a quick overview.

19 Then I'd like to share with you the project
20 schematic and location of the relocated water
21 transmission main.

22 Then we will present to you the implementation
23 alternatives that were evaluated in detail, followed by
24 engineer's opinion of cost breakdown.

25 Then I will briefly describe the recommended

1 implementation alternative. And then finally the
2 schedule, including the major milestone dates for
3 implementation of the project.

4 Next slide, please. Thank you.

5 Okay. Highlights of the 96-inch water
6 transmission main.

7 That is an existing transmission main located
8 between the Imlay pumping station north of Imlay City and
9 the north service center pumping station in Oakland
10 County. It is, approximately, 32 miles of water
11 transmission main. It serves over 1 million people in
12 finished drinking water; supplies water to communities
13 across three counties. It was placed into service in the
14 late 1960s, over 50 years ago.

15 There's also another booster station called the
16 Rochester booster station, approximately, midway between
17 those, the Imlay station and north service center pumping
18 station.

19 Project objectives for this project. The
20 primary objective is to relocate a portion of the 96-inch
21 water transmission main outside the closed G & H
22 Industrial Landfill located in Shelby Township. There's
23 also a portion in the Detroit Sportsmen's Congress Gun
24 Club. And then, finally, another in residential
25 properties. And that will be relocated to improve access

1 for future operations and maintenance of the transmission
2 main.

3 During the implementation of the project, the
4 objective is to continue providing essential,
5 uninterrupted drinking water throughout construction.

6 Other project objectives include coordinating
7 with other area infrastructure projects. And that will
8 be to minimize overall impacts to the communities and
9 general public. Some of the relocated transmission main
10 is going to be located in the roadway corridor, so while
11 construction is taking place to install the water
12 transmission main, we'll also use that opportunity to
13 improve traffic flow and pedestrian safety improvements
14 as well by making several transportation enhancements in
15 a pipeline corridor.

16 And then, finally, to design and construct
17 infrastructure to support the temporary shutdown of the
18 96-inch water transmission main.

19 Okay. In terms of the project overview, the
20 project includes several components, major components of
21 the project beyond just 96-inch diameter water
22 transmission main.

23 So the new transmission main will be,
24 approximately, two-and-a-half miles. But in addition to
25 that, we'll also be constructing four new isolation valve

1 vault stations. Each will be equipped with an
2 84-inch-diameter isolation valve at various locations
3 along the existing 96-inch transmission main.

4 There will also be a temporary water booster
5 station that will be designed, built, and operated by the
6 construction contractor to maintain uninterrupted water
7 service during the shutdown.

8 Three discharge facilities. The chlorination
9 and discharge facilities will be built and operated
10 during construction, as well, to facilitate pipeline
11 draining and service restoration.

12 And then I mentioned the roadway improvements
13 will be constructed, including a new roundabout in
14 coordination with road authorities having jurisdiction.

15 Abandonment of, approximately, 2.2 miles of the
16 existing 96-inch transmission main.

17 And then, finally, rehabilitation and
18 replacement of several valves along the 96-inch to
19 facilitate draining and refilling the pipeline to put it
20 back into service.

21 The next slide was -- is an overview schematic
22 for the project that we've created for several reasons.
23 We'll see this in the project web page that was developed
24 for this project. And this demonstrates the existing
25 system. Portion of the existing transmission system, as

1 well as the proposed temporary and permanent project
2 facilities.

3 North is to your right. You'll see that the
4 bold -- thick, bold blue lines represent new facilities
5 that are required to implement the relocated 96-inch
6 transmission main. And that includes the project
7 facilities I've previously described.

8 The exhibit to the right on this slide is to
9 show you the existing 96-inch that's in a black line
10 there, just a portion of it, through -- in Shelby
11 Township.

12 And then the selected relocated portion of the
13 96-inch is in royal blue. And we will be tying in at
14 24 Mile to the north and then Hamlin Road to the south.
15 It's, approximately, 22 Mile.

16 And so the corridor for the relocated pipeline
17 will be in the Macomb Orchard Trail; Dequindre Road and
18 East Avon Road. And that's, approximately,
19 two-and-a-half miles, as I said. 13,500 feet of new
20 96-inch, most of which is in the roadway corridor.

21 This will all be constructed using open-cut
22 construction methods, including the crossing of the
23 Clinton River.

24 Eleven implementation alternatives were
25 developed. And that was done in addition to alternatives

1 developed for the route itself.

2 So I just described the route of the new
3 relocated transmission main. Then these eleven
4 implementation alternatives were developed to ensure that
5 drinking water service is maintained during the shutdown
6 to facilitate the tie-ins. And so this table shows you
7 actually the final four of those eleven implementation
8 alternatives that we developed and evaluated in detail.

9 The red box indicates what was, ultimately,
10 selected. And this table shows you the major components.
11 The proposed temporary and permanent facilities for each
12 alternative.

13 Alternative 10 was the 96-inch transmission
14 main. We called it the "NSC feed," which was the
15 selected alternative.

16 Okay. And then the engineer's opinion of cost
17 breakdown is on this slide. And that shows you that the
18 selected alternative was the least costly alternative at
19 \$170 million; estimated planning level cost.

20 And then, finally, the implementation schedule,
21 the award of the construction contract is expected in the
22 fourth quarter 2021, followed by the pipeline
23 construction start of, approximately, March of 2022.

24 Final design to be completed by third quarter
25 2022. And then our targeted first pipeline shutdown will

1 be October 15 of 2024 through the following April 15 of
2 2025. And then there will be one year of project
3 closeout at the end. The contract completion date then
4 is November, actually, of 2027. That includes the
5 abandonment of the pipeline, as well.

6 And with that, that concludes the presentation.
7 Any questions?

8 **CHAIRMAN ZECH:** Are there any questions from
9 the members of the Board for Miss Bateson, or
10 Miss Garland, or for Mr. Matteo?

11 **MR. BROWN:** Chair, I have a question.
12 Is this a suburban class cost or is this common
13 to all?

14 **CHAIRMAN ZECH:** Who is that question directed
15 to, Mr. Brown?

16 **MR. BROWN:** Nickie can probably answer.

17 **MS. BATESON:** Sorry. I didn't realize I was on
18 mute. I apologize.

19 It would be common to all.

20 **MR. BROWN:** Really?

21 **MS. BATESON:** Yes.

22 **MR. BROWN:** Are we doing this because the pipe
23 has a break history and is old and needs to be replaced,
24 or is there another rationale for taking this --

25 **MS. BATESON:** We're going to --

1 **MS. MCCORMICK:** The pipe traverses a --
2 basically, a hazardous waste landfill, so it has to be on
3 the books as a priority replacement for some number of
4 years.

5 We've had very little success in seeking the
6 leachates from this particular landfill controlled in
7 such a way that we're not at risk to have the pipe lay in
8 leachate from the landfill.

9 And so it was a decision, ultimately,
10 particularly as the pipe is aging, to make sure that we
11 don't have a break incident that would allow us to have
12 leaking from a landfill into the drinking water system.

13 And because this is an asset that serves
14 communities in at least three counties, it's common to
15 all. If it were serving a single community, its cost
16 would be assigned to a single entity. But because it is
17 a part of the greater transmission system, those costs
18 are incurred common to all.

19 **MR. BROWN:** So do you think there will be an
20 opportunity to utilize some of the practices that we put
21 into the inclusion and diversity procurement policies to
22 get some smaller minority businesses involved in this
23 contract, or will it go to one large contractor that
24 traditionally may or may not enter into a venture
25 partnership with a smaller company?

1 **MS. BATESON:** If I could answer that direct. I
2 think as we're getting these projects approved for
3 funding, something like this -- I actually just sent a
4 text to my colleague Sue Coffey about the magnitude of
5 this project and the other types of --

6 And so this brings forward some new
7 opportunities for us to look at how we apply the bid
8 program. So, yes, we will be looking at that.

9 And, really, this is where GLWA can play a role
10 through vendor outreach prior to these things going out
11 to bid is to have conferences and outreach so that we are
12 giving the vendor community sufficient heads up that this
13 project is coming so that they can start to have those
14 conversations. Because those are complex arrangements
15 and they need to start talking now. Just as we're
16 looking now to get the financing and all the other
17 preprocurement activities done.

18 **MR. BROWN:** Thank you. That's all I have,
19 Mr. Chair, for now.

20 **CHAIRMAN ZECH:** Thank you, Mr. Brown. Are
21 there other questions from members of the Board for the
22 speakers?

23 Hearing none, this is the opportunity for the
24 public to ask any questions of the speakers, or perhaps
25 someone who hasn't spoken might be the person that would

1 answer their question, or to make comments.

2 Would you please raise your hand and you will
3 be recognized and be able to speak for up to three
4 minutes. Are there any members of the public that would
5 like to make comments?

6 **MR. WOLFSON:** Mr. Chairman, just as a reminder
7 to the members of the public, to raise their hand you
8 press star 9 on your telephone keypad.

9 **CHAIRMAN ZECH:** Thank you, Mr. Wolfson. I
10 forgot to mention that. Okay.

11 So, again, if you'd like to make a comment on
12 this project, please raise your hand and press star 9 on
13 your telephone and Mr. Wolfson will be able to see that
14 and you'll be able to speak.

15 **MR. WOLFSON:** Mr. Chairman, I do not see any
16 members of the public raising their hands.

17 **CHAIRMAN ZECH:** Let me try one more time.

18 Is there any member of the public that would
19 like to speak on this matter?

20 Okay. Hearing none, then we'll close this
21 public hearing and we'll move on to our next public
22 hearing.

23 (Concluded at 2:28 p.m.)

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2 STATE OF MICHIGAN)
3) SS.
4 COUNTY OF WAYNE)

5 CERTIFICATE OF NOTARY PUBLIC

6 I, Sharon Julian, a duly commissioned and
7 qualified Notary Public within and for the County of
8 Wayne, State of Michigan, and Registered Professional
9 Reporter, do hereby certify that the attached hearing was
10 taken by me in the entitled cause on Wednesday, June 23,
11 2021. That the testimony contained herein was taken down
12 by me in machine shorthand; transcribed upon a computer
13 under my personal supervision, and is a true and correct
14 transcript of the whole of the proceedings.

15 I do further certify that I am not connected by
16 blood or marriage with any of the parties; their
17 attorneys; that I am not an employee of any of them; nor
18 interested directly or indirectly in the matter in
19 controversy, as counsel, attorney, or otherwise.

20 IN WITNESS WHEREOF, I have hereunto set my hand
21 at Dearborn, County of Wayne, State of Michigan, this
22 26th day of June, 2021.

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Sharon Julian, CSR-3915
Registered Professional Reporter
Notary Public, Wayne County, Michigan
My Commission expires: January 21, 2027.

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