



## Legislation Details (With Text)

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**Title:** Scheduling Public Hearings for the State Revolving Fund (SRF) Project Plan Submittals for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project  
**Sponsors:** Nicolette Bateson  
**Indexes:** Finance  
**Code sections:**  
**Attachments:** 1. 7D3 Connors Creek Public Hearing Notice, 2. 7D4 Wastewater Conveyance System SRF Public Hearing Notice

Date	Ver.	Action By	Action	Result
4/28/2021	1	Board of Directors	Approved	Pass

### **Scheduling Public Hearings for the State Revolving Fund (SRF) Project Plan Submittals for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project**

**Agenda of:** April 28, 2021

**Item No.:** **2021-159**

**Amount:** N/A

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

**FROM:** Sue F. McCormick  
Chief Executive Officer  
Great Lakes Water Authority

**DATE:** April 28, 2021

**RE: Scheduling Public Hearings for the State Revolving Fund (SRF) Project Plan Submittals for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project**

MOTION

Upon recommendation of Sue McCormick, Chief Executive Officer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **approve the Scheduling Public Hearings for the State Revolving Fund (SRF) Project Plan Submittals for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project for May 26, 2021 at 2:00 pm**, and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

### **BACKGROUND**

The Great Lakes Water Authority (the “GLWA”) has identified two wastewater system projects in the FY 2022 to FY 2026 Capital Improvement Plan (CIP) for submittal to the Michigan Department of Environment, Great Lakes and Energy (EGLE) for the SRF financing program for funding in the state’s 2022 fiscal year. The deadline for submitting all SRF project plans to EGLE is June 1, 2021, but prior to submitting the project plans, GLWA must hold a public hearing to present the project plans, which will be scheduled for May 26, 2021 at 2:00 pm.

The FY 2022 SRF project plans and public hearing notices for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project have been posted on the GLWA website and can be found at: <https://www.glwater.org>. A summary of each project plan will be presented at the public hearings. After the public hearings are closed, a resolution for each project will be scheduled for action by the GLWA Board of Directors at its regularly scheduled meeting also on May 26, 2021. The resolution must be approved and signed to ensure that the finalized project plans are assembled, printed, and submitted to the EGLE by the deadline of June 1, 2021.

#### **The Projects:**

*Connors Creek Sewer System (CCSS) Rehabilitation Project* - (CIP# 260208): The project is comprised of the rehabilitation of the CCSS, which is one of the primary combined sewers in Detroit metropolitan area. The CCSS was originally constructed in the 1920s. Recent inspections revealed moderate to very severe defects needing to be repaired. Construction will include in-place rehabilitation of sewers and adding new access manhole structures. Right-of-way restoration will be performed on any disrupted areas. The impact of the project will improve customer satisfaction and safe reliable service delivery of sewage sewer conveyance to the Water Resource Recovery Facility. The total cost of this project is currently estimated at \$36,809,760.

*In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project*-(CIP# 260204): The project is comprised of the evaluation and rehabilitation of 29 of the In-System Storage Device (ISD), Dam Remote (DR), and Valve Remote (VR) sites within the City of Detroit. Averaging 20 years in age, the ISD, VR, and DR sites have undergone only minor repairs since original construction. Maintaining reliable ISDs, DRs, and VRs are a key factor in maintaining the GLWA wastewater conveyance system and a major component of mitigating historical problems such as CSO discharges to the Detroit and Rouge River and residential basement flooding. The proposed project will significantly provide upgrades and improve the reliability of the ISD, DR, and VR sites. The total cost of this project is currently estimated at \$10,597,000.

### **JUSTIFICATION**

GLWA is seeking low interest loan assistance through the SRF program for these projects. Although the EGLE interest rate for FY 2022 will not be determined until October 2021, the current year’s interest rate of 1.875% is less than the present conventional revenue bond interest rates. Based on the combined project amounts of \$47.4 million, GLWA could save an estimated \$19.8 million in interest costs and avoided issuance costs, based on a similar open market revenue bond with a 30-year term and 3.50% interest rate, over the life of the 30-year bond issue. This will afford savings to both GLWA and its members.

**BUDGET IMPACT**

Debt service for both projects is anticipated to begin in FY 2023 and will be included as part of the FY 2023 financial plan.

**COMMITTEE REVIEW**

This matter was reviewed by the GLWA Audit Committee at its meeting on April 23, 2021. The Audit Committee recommended the Scheduling of Public Hearings for the State Revolving Fund (SRF) Project Plan Submittals for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project for May 26, 2021 at 2:00 pm.