

CITY OF FERNDALE

Resolution Opposing the Proposed FY2027 Great Lakes Water Authority Water and Sewer Rate Increases and Urging Greater Affordability and Cost Containment

The City of Ferndale is a member community of the Great Lakes Water Authority (“GLWA”) and purchases wholesale water and sewer services from GLWA.

GLWA has proposed wholesale water and sewer service charge increases for Fiscal Year 2027, with average system increases of approximately 6.83% for water service and 5.98% for sewer service.

These proposed increases exceed GLWA’s overall budget growth and will result in higher wholesale charges to member communities, regardless of local consumption trends.

The City of Ferndale does not control GLWA wholesale rates and is required to pass through these increased costs to residents and businesses through local utility rates.

GLWA has identified declining water demand and reduced investment earnings as contributing factors, resulting in higher per-unit costs that disproportionately impact ratepayers even as overall water usage declines.

Municipalities across the State of Michigan, including the City of Ferndale, are concurrently facing significant financial obligations associated with state-mandated lead service line replacement requirements, which are largely unfunded mandates without a permanent, dedicated funding source.

The cumulative effect of rising wholesale water and sewer rates, unfunded infrastructure mandates, inflationary construction costs, and aging utility systems places increasing financial strain on local governments and residents alike.

Access to clean, safe, and affordable water is a fundamental public necessity, and rate increases should be balanced against the ability of households to absorb additional costs.

GLWA has scheduled a public hearing on the proposed FY 2027 water and sewer service charges, providing an opportunity for member communities to comment and advocate on behalf of their residents.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FERNDALE, MICHIGAN, THAT:

1. The City Council of the City of Ferndale formally opposes the proposed FY 2027 GLWA wholesale water and sewer rate increases as currently presented, due to their impact on affordability for residents and businesses.

2. The City Council urges the GLWA Board of Directors to reconsider the magnitude and structure of the proposed increases, including exploring cost containment measures, phasing options, and alternatives that reduce immediate financial impacts on member communities.
3. The City Council calls on GLWA to more fully account for the compounding financial pressures faced by municipalities, including unfunded state mandates such as lead service line replacement, when setting wholesale rates.
4. The City Council encourages GLWA to continue improving transparency and collaboration with member communities regarding long-term rate forecasting, capital planning, and affordability impacts.
5. The City Council directs the City Clerk to transmit a copy of this resolution to the Great Lakes Water Authority Board of Directors, GLWA executive leadership, and the City's regional representatives.
6. The City Council encourages Ferndale's representatives and regional elected officials to attend the GLWA public hearing and advocate for affordability, equity, and responsible regional cost sharing.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon adoption.

I, Dean Lent, the duly appointed City Clerk of the City of Ferndale, Oakland County, Michigan, do hereby certify that the foregoing is a true and complete copy of a Resolution duly adopted by the City Council of the City of Ferndale at a meeting held on February 12, 2026, the original of which is on file in the City Clerk's Office. IN WITNESS WHEREOF, I have hereunto affixed by official signature on this 12th day of February, 2026.

Dean Lent, City Clerk