



June 12, 2017

RE: Great Lakes Water Authority FY 2018 Wholesale Water Schedule of Charges

On June 7, 2017, the Great Lakes Water Authority (“GLWA”) Board of Directors approved the schedule of wholesale water charges for Fiscal Year 2018. This action reduced the charges previously proposed because of the following:

- Reducing the water revenue requirement budget by one (1) percent from the prior year;
- Recognizing the impact of progress in long-term service agreement discussions with the City of Flint and Genesee County and the accompanying increase in short-term revenue from Genesee County in the first quarter of FY 2018; and
- Resolution of financial items that were estimated for budget that have now been resolved and budgeted at a better estimate of actual performance.

The result: Water charges for wholesale customers will increase by an average of two (2) percent, rather than the four (4) percent originally proposed in January.

The revised FY 2018 schedule of charges for your organization is attached. The new charge amounts will apply to services provided beginning July 1, 2017 and will be effective on all bills rendered by GLWA as of August 1, 2017. Please also note that although the average wholesale customer charge increase is 2.0 percent, the change in water service charges for your community will differ from the wholesale customer average based on your specific contracted demands on the water system and your change in budgeted annual water usage.

Our pledge to you is to continue to control the budget within the 4 percent ‘Promise’ contained in the Lease Agreements that established GLWA. Mitigating increases in future charges continues to be a top priority for GLWA.

The approval of the new charge schedule is the result of our collaborative process with our suburban wholesale and Detroit retail customers. GLWA continues to extend its thanks to the efforts of the Water Technical Advisory Committee and related activities of the Customer Outreach Program. The Board of Directors and the GLWA staff value their continuing participation and feedback through these forums.

It continues to be our pleasure to provide you these services. If you have any questions regarding the upcoming changes in unit costs and charges, or other related matters in this letter, please contact Jon Wheatley, Public Finance Manager at (313) 224-4771.

Sincerely yours,



Sue F. McCormick
Chief Executive Officer

Enclosures

Great Lakes Water Authority
Proposed FY 2018 Water Supply System
Schedule of Wholesale Service Charges and
Total Revenue Requirement for the Detroit Customer Class
Effective July 1, 2017

Community	Proposed Service Charges		Community	Proposed Service Charges	
	Fixed Mo \$/mo	Commodity \$/Mcf		Fixed Mo \$/mo	Commodity \$/Mcf
Allen Park	116,400	6.87	Melvindale	33,300	5.96
Almont Village	10,900	9.72	New Haven, Village of	17,500	9.86
Ash Township	37,300	7.41	N O C W A	1,165,900	10.02
Belleville	15,500	8.64	Northville	37,500	9.35
Berlin Township	35,900	9.90	Northville Township	304,200	18.31
Brownstown Township	170,900	9.87	Novi	444,700	12.99
Bruce Twp	8,600	66.55	Oak Park	66,600	5.32
Canton Township	650,900	15.52	Oakland Co. Drain Comm.	3,200	2.96
Center Line	23,700	5.82	Plymouth	50,800	9.69
Chesterfield Township	191,500	9.37	Plymouth Township	214,100	10.08
Clinton Township	392,600	7.77	Redford Township	170,500	7.90
Commerce Township	247,400	20.24	River Rouge	34,800	5.25
Dearborn	473,100	6.11	Riverview	45,800	8.20
Dearborn Heights	190,500	7.19	Rockwood	14,900	11.21
Eastpointe	80,900	5.68	Romeo	12,500	16.62
Ecorse	71,400	3.82	Romulus	184,700	7.54
Farmington	49,000	8.27	Roseville	132,700	5.33
Farmington Hills	446,900	9.76	Royal Oak Township	11,200	7.54
Ferndale	49,100	5.79	S O C W A	1,145,000	7.10
Flat Rock	59,800	7.48	Shelby Township	678,900	13.60
Fraser	65,200	8.20	South Rockwood	5,100	7.90
Garden City	82,300	7.34	Southgate	108,700	7.04
Gibraltar	23,400	10.83	St. Clair County-Burtchville Twp	14,600	14.45
Grosse Ile Township	63,900	12.37	St. Clair County-Greenwood	19,900	13.95
Grosse Pt. Park	71,400	9.34	St. Clair Shores	155,400	6.00
Grosse Pt. Shores	31,000	12.57	Sterling Heights	797,300	10.35
Grosse Pt. Woods	73,100	8.13	Sumpter Township	32,100	8.82
Hamtramck	34,100	4.63	Sylvan Lake	11,800	14.02
Harper Woods	43,600	6.09	Taylor	242,200	6.88
Harrison Township	71,700	6.20	Trenton	106,300	9.43
Hazel Park	35,000	5.45	Troy	673,300	11.80
Huron Township	70,700	9.24	Utica	29,600	9.75
Imlay City	49,600	10.54	Van Buren Township	145,100	9.03
Imlay Twp	700	68.63	Walled Lake	45,600	11.83
Inkster	92,000	7.53	Warren	506,900	5.93
Keego Harbor	15,200	11.67	Washington Township	105,800	12.00
Lapeer	69,200	9.85	Wayne	138,700	11.71
Lenox Township	14,600	6.71	West Bloomfield Township	482,500	14.65
Lincoln Park	110,900	6.22	Westland	301,800	7.61
Livonia	682,200	11.06	Wixom	121,500	14.08
Macomb Township	534,600	13.75	Woodhaven	102,400	13.17
Madison Heights	101,300	5.75	Ypsilanti Comm Util Auth	542,900	8.78
Mayfield Twp	1,700	23.53			

Annual
Revenue
Requirement
\$

Allocated Detroit Annual Revenue Requirement

Wholesale Revenue Requirements (a)	15,130,600
Indirect Retail Revenue Requirements (b)	46,919,500
Subtotal	62,050,100
Direct Retail Revenue Requirements (c)	TBD
Total	TBD

(a) Reflects Great Lakes Water Authority (GLWA) wholesale amounts only.

(b) Reflects amounts assigned to the Detroit Local System pursuant to the GLWA

Master Bond Ordinance flow of funds and the Water and Sewer Services Agreement.

(c) Reflects amounts allocable to the Local System, for which GLWA transfers monies to DWSD.