

September 25, 2019

The Honorable
Board of Directors
Great Lakes Water Authority

Dear Chairman Baker and Directors:

Regarding: CEO's Report – September, 2019

On September 5, GLWA's Asset Management Strategic Organization (AMSO) held its 2nd Annual All AMSO Team meeting. It was a great day for GLWA as we crossed important and historic milestones with the execution of our new Asset Management (AM) Policy and the roll out of the Strategic Asset Management Plan (SAMP).



The AM Policy provides the framework and principles by which GLWA will ensure sound stewardship of the regional assets within our care. The AM Policy establishes levels for the delivery of services in the most effective and efficient manner, while maintaining regulatory compliance. The AM Policy also sets the stage for implementing the SAMP which has been developed over the past eight months by more than 60 team members deliberating for over 170 hours.

Team members from across the utility were in attendance, including GLWA's Executive Leaders. Everyone expressed their commitment to asset management by signing an AM policy principles poster and providing inspirational comments and nuggets of information reflecting on the importance of the AM policy and the SAMP to the future of asset management at GLWA.



GLWA team members exhibited excitement and energy celebrating successes and discussing future improvement initiatives stemming from the SAMP. In addition, the Enterprise Asset Management (EAM) software project team provided an EAM project update and conducted interactive group activities to demonstrate best practices for maintaining data integrity.

This marks a significant milestone to making asset management a part of GLWA's DNA so that we do it naturally and it becomes a part of our legacy.

On September 19th at the One Water Partnership meeting, the SAMP was presented to our member partners noting that the plan is an evolving document. The draft service levels were discussed in a breakout session followed by an announcement that a workshop with member partners regarding the SAMP will be scheduled in the first quarter of 2020.

In September, GLWA was well represented at service sector organizations throughout the State. GLWA provided several informational presentations at the American Water Works Association's Michigan Section meeting, including a presentation from the Wise Women of Water that included our own Cheryl Porter and Terri Conerway. While the Section Meeting signaled the end of GLWA's Bill Fritz as the Section Chair, we are proud to announce that Michelle Zdrodowski was named as the Chair of the Section's Communications Council and Terri Conerway was named as the Chair of the Section's Diversity Council. The Michigan AWWA Section was not the only meeting where GLWA was active; at the Michigan Government Management Information Sciences (MI-GMIS) conference, CIO Jeff Small was awarded "IT Professional of the Year."

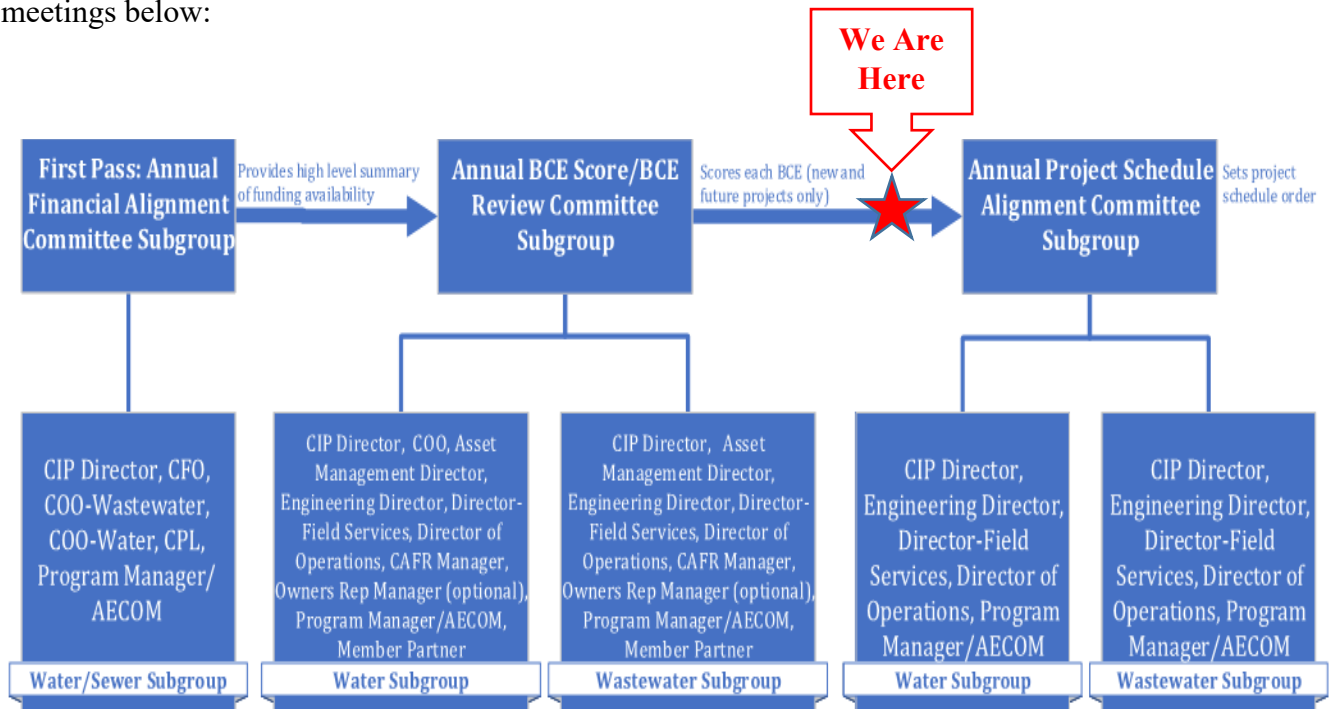
Just like the Michigan AWWA section meeting described above, GLWA Team Members are becoming increasingly sought after as speakers at national service sector conferences. In the next few months, GLWA Team Members will present before the Association of Metropolitan Water Agencies (AMWA), the National Association of Clean Water Agencies (NACWA), the International City Managers Association (ICMA), and at an inaugural AWWA Legal Program Workshop. These opportunities are indeed high praise from our peers and recognition of our service sector leadership.

The next few months will also see the start of GLWA's budget and charges season with our first Charges Rollout Meeting scheduled for October 17, 2019, from 10:30 a.m. – 2:00 p.m., at the Lathrup Village Community Center located at 27400 Southfield Road in Lathrup Village. We will be focusing on our Capital Improvement Program at this meeting.

PLANNING SERVICES

CIP

The CIP group has been focused on the development of the 2021-2025 Capital Improvement Plan. With the Business Case Evaluation updates received from the GLWA project managers on August 23, 2019 the team has been focused on exporting the schedule and financial data from the Primavera P6 scheduler into the CIP database. This year's change in process allows for P6 to feed the database resulting in alignment between the integrated master schedule (IMS) and the CIP database. The team is actively conducting our QA/QC audit in anticipation of our upcoming stage gates to finalize our first draft of the capital planning document as identified by the subgroup meetings below:



Systems Planning

The Member Outreach Team is currently gearing up for the fall season and the various initiatives that take place this time of year, such as developing the 2020 work group calendar and the Annual Outreach Scorecard. In addition to regular work group meetings in September, GLWA hosted the Emergency Preparedness Workshop (September 16, 2019) and One Water Partnership meeting (September 19, 2019).

The Capital Improvement Plan Work Group met on September 9, 2019 at the Lathrup Village Community Center with Ali Khraizat, CIP Director, and his team being the focus of the meeting. Mr. Khraizat shared an updated CIP schedule and a summary of the changes anticipated in the 2021-2025 CIP document with the group and asked for input as to what CIP projects participants may be interested in hearing more about at the Charges Rollout #1 – CIP Rollout meeting on October 17, 2019 noted above.

PLANNING SERVICES (continued)

John Barron of AECOM and Ali Khraizat also gave a status report of the Capital Program Management, walking through each of the ten tasks in the contract. The next regularly scheduled work group meeting is December 10, 2019 from 9:00 a.m. – 11:30 a.m. at SEMCOG.

The Annual Outreach Scorecard was rolled out in September and members had the opportunity to complete it at the One Water Partnership meeting held September 19, 2019. An email will also be sent to members with [this link](#) to complete the Scorecard. The Scorecard will remain open until the end of September. The Scorecard was developed by the Water Management Best Practices Work Group in 2017. We are encouraging increased participation year over year to better represent the broadest member partner segment. We received 131 responses in 2017 and 132 in 2018. All members are encouraged to complete the Scorecard, with no limitation on number of representatives from each community.



The Charges Rollout schedule for fiscal year 2021 was released to members last month, and the respective meeting notices have been sent. Member engagement in the rollout meetings is the best way to ensure that our members are aware of what goes into the charge development process and have a voice in the process. We will present and discuss how our capital improvement plan (CIP) and Budget form the basis for GLWA's proposed Revenue Requirements, and how the Units of Service for each of our members is used to determine each members' charges in alignment with the Service Agreements. See below for the schedule:

- Rollout Meeting #1 (Water and Sewer Capital Improvement Plan)
 - Thursday, October 17, 2019
 - [Lathrup Village Community Center](#) (27400 Southfield Rd., Lathrup Village, MI)
 - Water: 10:30 a.m. – 12:00 p.m.
 - Lunch Briefing: 12:00 p.m. – 12:30 p.m.
 - Sewer: 12:30 p.m. to 2:00 p.m.

- Rollout Meeting #2 (Units of Service & Sewer SHARES)
 - Thursday, November 21, 2019
 - [Lathrup Village Community Center](#) (27400 Southfield Rd., Lathrup Village, MI)
 - Water (Units of Service): 10:30 a.m. – 12:00 p.m.
 - Lunch Briefing: 12:00 p.m. – 12:30 p.m.
 - Sewer (Sewer SHARES): 12:30 p.m. – 2:00 p.m.

- Rollout Meeting #3 (Proposed FY 2021 Revenue Requirements)
 - Thursday, January 9, 2020
 - [VisTaTech Center Schoolcraft College](#) (18600 Haggerty Rd., Livonia, MI)
 - Water: 10:30 a.m. - 12:00 p.m.
 - Lunch Briefing: 12:00 p.m. - 12:30 p.m.

PLANNING SERVICES (continued)

- Sewer: 12:30 p.m. - 2:00 p.m.
- Rollout Meeting #4 (Proposed FY 2021 Service Charges)
 - Thursday, January 23, 2020
 - Time and location are currently under review, a notice and email will be sent when finalized.

There have been two work group meetings since our last communication.

August 2019 Member Outreach Meeting Attendance	
Meeting	# Attended
Wastewater Best Practices Work Group (8/7)	36
Combined Work Group (Communication, Public Education & Water Quality Work Groups)	38

System Analytics & Meter Operations

The West Side Monitoring and Modeling (WSMM) program was initiated in September 2016 to fulfill the NPDES permit requirement. Seventy-six new and temporary devices were installed under this program and data was collected from September 2016 through April 2018. The data was reviewed and analyzed to make alternative estimations of CSO during the monitoring period; provide recommendations for on-going CSO monitoring and reporting; and provide data to develop, calibrate and verify the West Side Collection System Model. The West Side Model and final report were submitted to the Environment, Great Lakes & Energy (EGLE) on April 12, 2019. Since the submittal, the project team has conducted a storm simulation workshop and report review meetings with EGLE. The revised final report was submitted to EGLE on September 17, 2019.

Systems Analytics & Meter Operations group is working on the sewer meter replacement and site rehabilitation program. The construction work for meter sites with metering concerns and/or site condition concerns is in progress under contract CON-179. The team is working with member partners for planning, scheduling, and field coordination. We had meetings with Southeast Macomb Sanitary District and George W. Kuhn Drainage District. We will continue to coordinate with member partners as this project progresses. Members can expect program updates at Wastewater Analytical Task Force meetings.

Units of Service and System Water Audit phase 3 scope development team, a subgroup of the Water Analytical Work Group, has met three times since June to draft a scope for the phase 3 of the project. The team is comprised of representatives from DWSD, Dearborn, SOCWA, Livonia, OCWRC, as well as GLWA team members from System Analytics and Meter Operations, Field Services, and Systems Planning.

PLANNING SERVICES (continued)

The team has made significant progress and members of the Analytical Work Group were updated at their meeting held September 24, 2019.

WASTEWATER OPERATING SERVICES

Wastewater Operations

Water Resource Recovery Facility (WRRF) operations were in-compliance with the Water Quality Standards for the month of August 2019 with only one exception. Primary effluent total suspended solids monthly average exceeded the limit, 76 milligrams per liter versus 70. This is currently under review; it is believed that the cause of the higher solids within the effluent is from resuspension of solids within the effluent channel.

Maintenance

The Primary team repaired the airline leak on the 6” aeration line to grit channel #14 of pump station #2. The air to the aeration line is supplied by blowers located in the chemical room. The aeration line supplies the submerged diffusers to provide a flow pattern which allows for grit to separate from the flow stream. The aeration also provides a form of odor control, not allowing the product to turn septic. This repair required the use of a crane, man basket and assistance from the Hazmat Team, in the case of an emergency. The Primary Team was recognized by the Safety Team for being caught working safe.



Primary and Hazmat team members

WASTEWATER OPERATING SERVICES (continued)

Industrial Waste Control

GLWA (Pretreatment) Rules and Pretreatment Program: GLWA has modified the rules package to include changes required by EGLE. Additionally, we have incorporated comments received from Industrial sources received after adoption. Under the enabling legislation that created the Authority, any rule adoption requires (i) approval by the GLWA Board, (ii) resolution from City of Detroit, and (iii) resolution from Counties and all communities contracting with the counties. Following completion of this process, the document must be published and made effective 30 days after publication.

The public comment period began on August 28th (30-day) and ends on September 25th. Items were reviewed at the Board's September workshop.

MDEQ's directive on PFAS (Per-fluoroalkyl substances): GLWA has been diligently working to identify sources of PFAS compounds. The following new developments are reported for April:

- Since March 31, 2019, we received Best Management Plans (BMP) from identified sources and have approved the BMP plans under an enforceable document (Permit or Compliance Agreement). To date, we have incorporated forty (40) BMPs into an enforceable document, and discussions continue with the remaining twelve.
- The Draft NPDES Permit included a new provision for a PFAS Minimization Program. A package has been prepared and submitted for internal review and comment.
- We presented our PFAS Identification activities at a Landfill Leachate conference in Ypsilanti on August 15th. The presentation was well received.
- We are reviewing the notification packages for the Dental Discharge Category. We plan to mail a notice to all area Dentists and their reports are due by October 1, 2020.

CSO Control Program

Job Order Contract (JOC) Tasks were bid out within the Job Order Contract. Tasks to replace the hydraulic lines at Leib screens, for Conner Creek effluent relief gates zebra mussel elimination, and for work to the chemical feed system at Baby Creek are currently underway.

The CSO Fire Alarm Improvements project (DB-261) is anticipated to be substantially completed in the next 60 days, and final completion occurring around the end of 2019. Presently eight out of nine CSO Facilities' fire alarm systems have been restored. We are presently working on a fire alarm, fire suppression, and extinguisher maintenance contract with the vendor to ensure these systems operate reliably into the future.

WASTEWATER OPERATING SERVICES (continued)

In addition, the CSO Team is currently engaged in the following notable design/construction projects aimed at making improvements to our facilities:

- An instrumentation improvements contract for Puritan-Fenkell and Seven Mile focusing on replacement of all level and flow instruments at each facility.
- Studies for St. Aubin disinfection and screening and Oakwood HVAC projects. These projects will yield CIP projects upon completion of the designs.
- A hydraulic study for Baby Creek to further evaluate its hydraulic capacity and effects of high

WATER OPERATIONS

81st Annual MI-ACE • September 9-13, 2019

Two GLWA team members were recognized during the Michigan Section American Water Works Association 81st Annual Conference and Exhibits (MI-ACE) held in Traverse City, Michigan. Lake Huron Water Treatment Plant Manager **Christopher Steary** was awarded the ***Professional Excellence Award*** for consistently exceeding the requirements of his plant manager position to improve the Lake Huron Water Treatment Plant, motivate his team members, and generally improve the water profession.

Water Operations Management Professional **LaShone Bedford's professional dedication earned her the *Operator Meritorious Award***, which recognizes an individual in the water field who has demonstrated consistent and outstanding contributions to plant operations and/or maintenance to the distribution system and/or special acts not directly related to water treatment, but demonstrate dedication to the public beyond normal operating responsibilities.

As an organization, GLWA reaffirmed its support for communication across the water sector by attending and presenting to conference attendees, which included regulators, researchers, consultants and water providers from across the state.

Planning Services Management Professional William Fritz, who serves as Michigan Section Chair and MI-AWWA Board of Trustees Chair, provided welcome remarks and section updates while several GLWA team members took the opportunity to talk about GLWA, our culture, and our projects.

With six presentations on the schedule, GLWA covered a wide variety of topics as follows:

- “*Comprehensive Raw Water System Condition Assessment*” by Nicholas Hoffman (Water Engineering Management Professional) and Grant Gartrell (Water Engineering Director) sharing their knowledge
- “*Springwells Water Treatment Plant Reservoir Fill Line: A Case Study*” developed by Jacob Mangum (Engineer) and Erich Klun (Water Engineering Manager)

WATER OPERATIONS (continued)

- “*Creating a Critical Valve Program for the Great Lakes Water Authority’s Transmission System*” by Cheryl Porter (COO Water and Field Services) in partnership with Wayne Pratt (Xylem, Inc.) who shared their expertise and lessons learned
- “*Utility-Driven Innovation*” by John Norton (Energy, Research & Innovation Director) in partnership with Jason Carter (ARCADIS) who presented their visions
- “*Developing Effective Communication Strategies for a Diverse Workforce in a Digital Age*” by Stephanie Geiger (Public Affairs Specialist)
- “*Lessons Learned from Intergovernmental Project Coordination*” by Peter Fromm (Water Engineering Management Professional)

GLWA Chief Operating Officer of Water and Field Services, Cheryl Porter, serves on the MI-AWWA Board as a Trustee, and Chief Organizational Development Officer Terri Conerway, Chief Public Affairs Officer Michelle Zdrodowski, and Public Affairs Specialist Aftab Borka, each chair MI-AWWA councils and committees and were in attendance.

Southwest Water Treatment Plant

It is our pleasure to highlight that the GLWA Southwest Water Treatment Plant laboratory has once again been certified and deemed satisfactory for its quality assurance program and the use of approved methodology and equipment for drinking water analysis by the Michigan Department of Environment, Great Lakes, and Energy (EGLE). Our certification for microbiology includes Total Coliform and E.coli, Enumeration of E.coli, and Heterotrophic Bacteria.



The laboratories of the other four GLWA Water Treatment plants and Water Quality teams were audited by the Laboratory Certification Officer, Remediation and Redevelopment Division, Laboratory Certification Program, and the Michigan Department of Environment, Great Lakes, and Energy (EGLE) during the month of August 2019.

Water Works Park Water Treatment Plant

Semi-Annual Filter Power Wash – effort that contributes to maintaining water quality

The semi-annual filter power wash has been completed at Water Works Park (WWP). The power washing process removes built up residue from the filters that can have an adverse effect on water quality and filter performance. The residue can harbor microorganisms or dislodge and clog filter beds shortening runs. The WWP Water Technicians cleaned all twelve filters. The sidewalls, troughs, valves, valve stems, gullet, and floors were sprayed down with high pressure hoses. The filters were then backwashed to remove any remaining contaminants. This was a team effort performed by the operations staff.

WATER OPERATIONS (continued)

Lake Huron Water Treatment Plant

Lake Huron Water Treatment Plant Manager Chris Steary attended the American Chemical Society (ACS) Fall 2019 National Meeting and Expo in San Diego California, where he conducted a presentation titled “Ultrasonic Particle Detection: Filter Backwash Optimization”.

The theme for the Fall 2019 ACS conference was Chemistry and Water. Mr. Steary said, “This was a great opportunity to talk to a room full of scholars and professionals about where their treated water comes from.” Additionally, there were talks on PFAS, alternative treatment techniques, effects of climate change on water quality and many others.

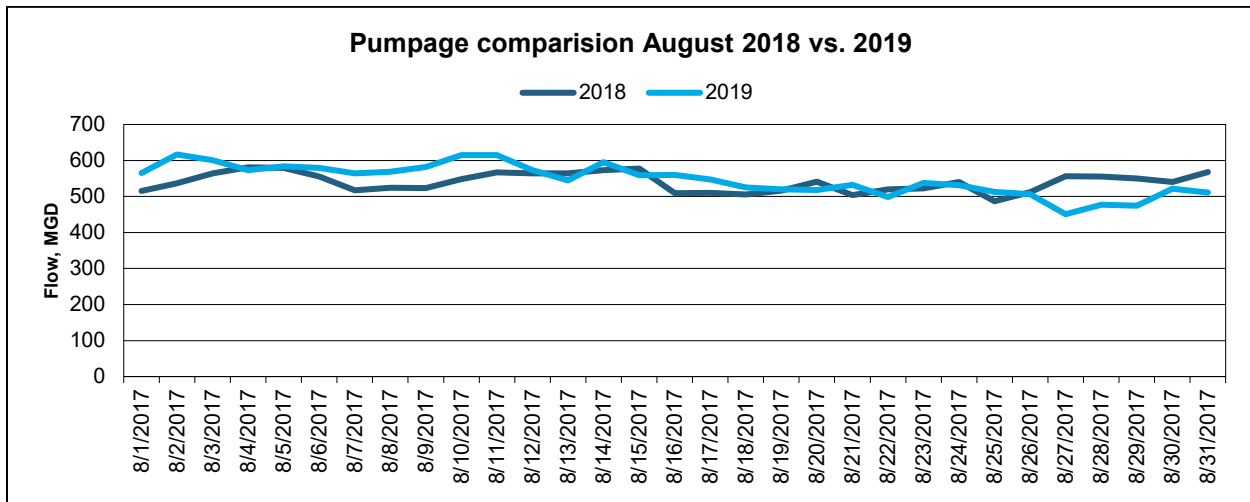


*Christopher Steary
Lake Huron Plant Manager*

Systems Control Center

August 2019 Pumpage

August 2019 pumpage was 1.4% higher than August 2018



INFORMATION TECHNOLOGY

The IT Enterprise Asset Management Systems team in conjunction with the Enterprise Asset Management Group and other Areas and Groups across GLWA are wrapping up the requirements development and Request for Proposals (RFP) for a replacement Enterprise Asset Management (EAM) or Computerized Maintenance Management System (CMMS).

Currently, GLWA uses Oracle’s Work Order and Asset Management (WAM) system.

INFORMATION TECHNOLOGY (continued)

GLWA plans to issue the RFP for software and implementation services in October. The successful integrator will provide innovative and creative solutions to support our water and wastewater asset management initiatives.

Key considerations for the new EAM include:

- ✓ Easy-to-use, workflow-driven, cloud-based, and mobile-friendly application suite for information-based decision support
- ✓ Solutions for vertical (treatment and pumping facilities) and horizontal (water and sewer networks) assets
- ✓ Integrated work management, inventory, and mobile functions
- ✓ Integration and/or interface with other GLWA applications including GIS
- ✓ Change management and user training

The new system must be fully implemented by June 2022. Interested vendors should register on [Bonfire](#) in order to receive the RFP, when it is released. All questions and inquiries should be emailed to [Mahfuzur Rahman](#) prior to the solicitation release date.

The IT Service Delivery team officially kicked off the Water Plants PC Kiosk project to begin deploying computers and printers for team members with non-dedicated devices. The team is collaborating with the Facilities Group and the IT Infrastructure Team to construct ergonomic workstation areas, install the data connections needed to connect to the network, then setup the PCs and printers in secure semi-private locations throughout the Water Works Park, Lake Huron, Southwest, and Springwells water plants. The project is expected to be completed by the end of 2019.

The IT Service Delivery team has also begun deploying charging carts to areas within the organization where team members use mobile devices in the field. The charging carts allow supervising team members to secure, charge, and transport cellphones, tablets, and laptops for team members without assigned workstations at the end of each shift, minimizing the risk of these devices being damaged, lost, or stolen.

This month, the IT Leadership team participated in the 39th annual MI-GMIS conference, where Michigan state and local government IT CIOs/Directors meet to discuss current trends and issues in government IT. GLWA presented two topics at the conference: “How to Sell Technology Initiatives to Non-technical Decision Makers,” and “Team Building Techniques for You and Your Team.” Both presentations were well received.

The IT Security team has proactively blocked or thwarted 13,081 spam messages, 2,239 spoofed messages and 24 viruses. There have been 487 phishing attempts that were caught, and 65 malware attempts blocked.

Currently, the IT PMO is managing 20 active projects and is processing 13 project requests. One project has been successfully completed since the last CIO report.

PUBLIC AFFAIRS

Transparency Efforts

Public Affairs has worked with Chief Operating Officer - Water and Field Services, Cheryl Porter to update the Authority's "About Us" PowerPoint slides. The slides, which many across the organization use in conference presentations and are also used in our Year in Review booklet, now have the most update to numbers. These updated numbers were developed by a cross-functional team throughout GLWA's operating areas. In addition to updated numbers, there are also updated graphic icons. These slides will be placed on GLWA's One Water Connect intranet site for everyone's use.



Reinforcing the GLWA Brand

Public Affairs team members Aftab Borka and Stephanie Geiger recently participated in the Michigan Section AWWA Annual MI-ACE conference in Traverse City, MI. Aftab, who is the Chair of the Section's Social Media Committee, lead the efforts to promote the conference on social media. During the four-day event, a total of 17 social media posts were published, including eight Facebook Live videos. One of the Facebook Live interviews included EGLE Director Liesl Clark. He also took photos of all the GLWA team members who were resenting and receiving awards and used them for a number of posts on GLWA's social media channels. Stephanie Geiger's presentation noted above discussed that through a blend of best practice methodologies and a responsive approach to team member feedback, GLWA's Public Affairs Team has developed a variety of communication strategies that, when used synchronously, can be successful at helping utilities deliver news and information effectively and efficiently to team members.

Visual Storyteller Curtis Burris-White produced a short video on the Asset Management Blue Ribbon panel held in May. The video features interviews from international asset management professionals that attended the panel from New Zealand and Great Britain, as well as a representative from a water utility in Arizona.

ORGANIZATIONAL DEVELOPMENT

Apprenticeships

EICT-I Apprenticeship– CoHorts I and II

11 CoHort I EICT-I apprentices are expected to be completed in January 2020; 9 Cohort II EICT-I apprentices in March 2020.

Pipeline to Employment

Since the August CEO report, two new contractors have become GLWA team members. The table below provides a breakdown of GLWA Team Members to date:

Total Staffing - Regular FTEs	1032
Number of Hires - 2019 YTD	135
Total Number of Contractors (FTEs)	136

Training and Development

Training and Development is working to ensure **all** GLWA team members have received general health and safety awareness and bloodborne pathogens training and participated in a New Employee Orientation. Additionally, the Team continues working to ensure all Leadership Team Members attend the Crucial Conversations course and obtain their certificate of completion.

During the month of August 2019. GLWA:

- ✓ Provided over 194 hours of training and development
- ✓ Provided training and development to 210 GLWA team members
- ✓ Facilitated 22 courses in Safety, Water Operations, Wastewater Operations, and Technology
- ✓ 3 Member partners took 360 Water courses

FINANCIAL SERVICES AREA

September 2019 Audit Committee Recap

The September 20, 2019 Audit Committee meeting was canceled due to scheduling conflicts. The Audit Committee binder, however, was prepared and is posted at www.glwater.org. The following information from the binder will be reviewed at a special meeting in the near future or at the next meeting on Friday, October 18, 2019. Key items include the following:

A report by GLWA's municipal bond advisor regarding possible current debt refinancing opportunities for current water and sewer based on recent changes in interest rates.

FINANCIAL SERVICES AREA (continued)

- ✓ Presentation of the preliminary June 2019 year-end results in the current Monthly Financial Report Binder (Executive Summary attached). Highlights of the report are continued, positive budget performance for the GLWA regional system and positive budget performance for the DWSD local water and sewer systems for the close of the fiscal year.
- ✓ An update on the FY 2019 annual financial audit progress.
- ✓ A status report on Shared Services discussions for closing FY 2018 and FY 2019.
- ✓ Presentation of the Quarterly Investment Report and Quarterly Debt Report.

Public Finance

GLWA has recently launched [BondLink](#), an online investor outreach portal. The objective is to engage current and potential investors for support of GLWA's infrastructure investment in the region by participating in GLWA bond issuances.

On September 12, 2019 several members of the Financial Services Area attended the BondLink Investor Relations Conference in Boston, Massachusetts. The conference provided an outstanding opportunity to network with rating agencies, investors and other municipalities from across the U.S. to discuss financing trends, challenges and opportunities. GLWA Public Finance Manager Jon Wheatley, (on right in photo), served as a panelist for the Environmental, Social & Governance bonds session who is joined by Kim Garland, Reporting & Compliance Manager (also pictured).



Michigan Women in Finance: Alicia Haskin has recently been appointed to the Board of Directors of the Michigan Women in Finance, an organization that brings together issuers, bankers, legal counsel, trust officers, underwriters, analysts and others to provide an opportunity to gain insight into the marketplace while expanding their professional network.



Transformation

The Transformation team is continuing its efforts along two core paths: Root Cause Analysis and Visual Management.

FINANCIAL SERVICES AREA (continued)

Root Cause Analysis (RCA): Partnering with Terence Anderson, Logistics & Materials Manager, and Dan Alford, Director of Engineering and Maintenance at WRRF, the Transformation Team is in the process of forming a cross-functional team to begin the root cause analysis process as it relates to improved incineration reliability. The area of incineration at the Water Resource Recovery Facility (WRRF) is very important to GLWA and its sustainability efforts. The incineration process allows GLWA to reduce the volume of waste going into landfills. In order to keep incineration running at an optimized rate of reliability, the efforts to better understand downtime and maintenance issues will help this process run more efficiently. The Transformation Team will be looking at both WAM data and Ovation data to analyze the root cause(s) of incineration downtime and equipment maintenance issues. Regular team meetings will begin soon to review status, create meaningful tasks and report on actions taken to permanently correct issues as the project progresses.

Visual Management (Fire Extinguishers): Working with a cross functional safety focused team led by Bill Wolfson, Chief Administrative and Compliance Officer, the Transformation Team updated the visual management Standard Work Instructions (SWI) for fire extinguishers. Two SWI documents were presented to the team; one document focused on operations process areas and the other administrative/office areas. This is a team effort to standardize the visual aids for fire extinguishers across GLWA. The SWI details which visual aids should be used, how the visual aids should be installed, overall look, and how the visual aids should be maintained.

Procurement

Procurement Pipeline

The September 2019 edition is attached. This month's Pipeline includes:

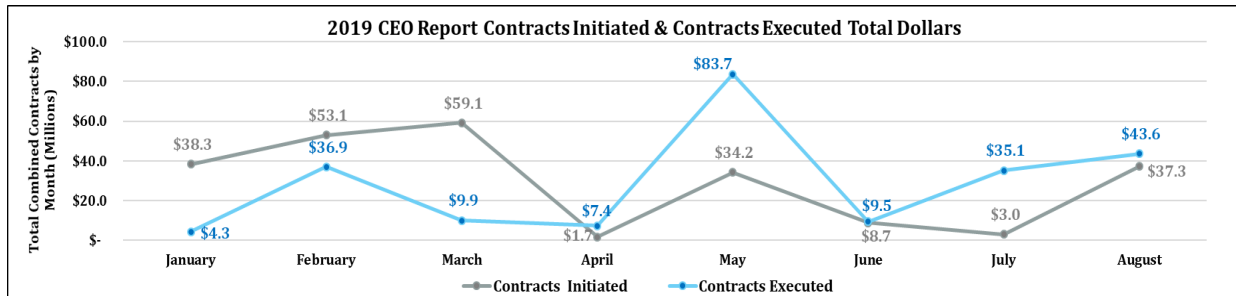
- ✓ A new monthly series on tips for responding to a request for bid (RFB) or request for proposal (RFP)
- ✓ Insights on the GLWA Enterprise Asset Management (EAM) system RFP
- ✓ A summary of upcoming GLWA procurements

Contract Activity

Procurement has begun to track the number of contracts initiated and executed by month. Comparative activity for the period of January 2019 through August 2019 is highlighted in the table below.

FINANCIAL SERVICES AREA (continued)

For the month of August 2019, new projects totaling \$37.3 million were initiated and projects totaling \$43.6 million resulted in executed projects.



Construction Sector Outreach Event

On September 17, 2019 several construction sector associations hosted GLWA to talk about the GLWA capital improvement program and answer questions from current and prospective vendor community participants. The event was very well attended. The feedback from the construction community was overwhelmingly positive. Our featured speakers, Ali Khraizat, Capital Improvement Planning Director, and Ian Thompson, Owners Representative Manager, shared their knowledge and addressed effective capital delivery well as fair and transparent vendor relations

CONSTRUCTION FINANCIAL MANAGEMENT ASSOCIATION
CFMA

METRO DETROIT
TUESDAY, SEPTEMBER 17, 2019
VisiTech Center AT SCHOOLCRAFT COLLEGE, 18600 HAGGERTY RD, LIVONIA, MI, 48152

JOINTLY HOSTED BY: AEC, CFMA, CONSTRUCTION FINANCIAL MANAGEMENT ASSOCIATION, NCGMA, GREAT LAKES STATE, PTAC, Public Sector, SAME DETROIT, WCA

GREAT LAKES WATER AUTHORITY (GLWA) CAPITAL IMPROVEMENT PLAN 3-YEAR OUTLOOK
This course will provide an overview of a capital improvement plan with a deep dive into the important elements of the Great Lakes Water Authority's CIP.
Upon completing this program, you will be able to:

- Components of a capital improvement plan.
- What is a capital improvement program?
- How does a public entity manage a capital improvement program and how does it benefit the construction industry and surrounding communities?

WHO SHOULD ATTEND:
This is a basic course with no prerequisites. Anyone involved in the construction industry can attend.

SCHEDULE:
REGISTRATION: 5:00 p.m. NETWORKING: 5:00 - 6:00 p.m. PROGRAM: 6:00 - 7:00 p.m.

PRESENTERS:

IAN THOMPSON, P.E.
Great Lakes Water Authority
Ian is a manager with the Great Lakes Water Authority's Financial Services Area overseeing a broad cross-section of project proposals to ensure a fair bidding process and vendor participation. Mr. Thompson has more than 20 years of extensive experience in developing and implementing major construction projects involving integration with a keen sense of problem-solving and analytical reasoning. Before joining GLWA, he worked with construction companies in the Bahamas and Florida managing projects with a total value of up to \$15 million. He is a licensed Professional Engineer in Florida, Michigan and North Carolina.

ALI KHRAIZAT, P.E.
Great Lakes Water Authority
Ali is the Director of Capital Improvement Planning for the Great Lakes Water Authority (GLWA). As such, he manages a \$1.5 billion capital investment strategy to improve southeast Michigan's water and wastewater infrastructure. He has 15 years of experience managing various stages of construction and design projects throughout southeast Michigan including the Downriver Wastewater Treatment Facility in Wayne County, Michigan. He is a Professional Engineer in the state of Michigan.

as

Many thanks to Cindy Walters, Construction Accounting & Financial Management Professional, who spearheaded the collaboration and coordination of this event. The network development is sure to expand the number of quality bids and proposals for GLWA projects in the future. In addition, an excellent cross-section of GLWA leadership and team members participated. We demonstrated that One Water One Team is not just a concept at GLWA – it is a very tangible movement that the vendor community saw in action that night.

FINANCIAL SERVICES AREA (continued)

Small Business Initiative

GLWA hosted the Small Business Initiative Advisory Meeting on August 8, 2019 at Schoolcraft College. We had 65 attendees, most of them were small businesses, but we also had representatives from the U.S. Small Business Administration, MDOT, Michigan Minority Contractors' Association, and the American Council of Engineering Companies. In addition, Wayne State and Schoolcraft College Procurement Technical Assistance Centers (PTAC) were there as resources to businesses located in the City of Detroit, Wayne County, and Oakland County. Six of GLWA's current vendors made presentations explaining how small businesses can work with them as subcontractors. This was a very effective meeting – and we have received good feedback about subsequent networking and follow-up among the vendor community since that date.



GLWA was also represented at Macomb Regional PTAC Meet the Buyer event at Macomb College on August 22, 2019. There were 117 small businesses that stopped by our table to discuss how to do business with GLWA.

LEGAL

General Counsel's September Report is an attachment to the Chief Executive Officer's Report.

Respectfully submitted,

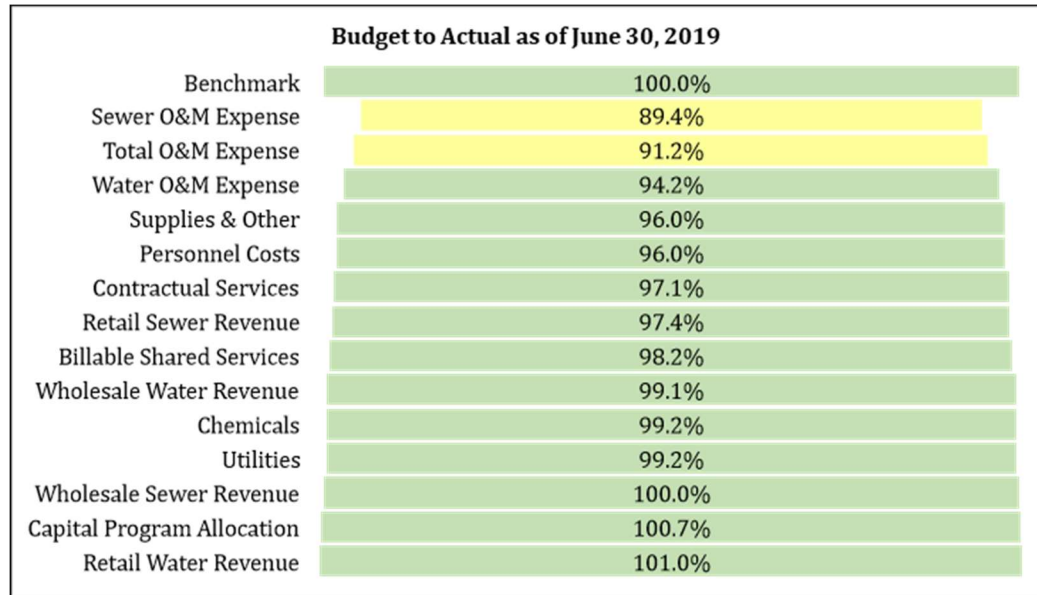
Sue F. McCormick
Chief Executive Officer

SFM/dlr

Attachments (3)

Revenue and Expense Budget to Actual¹ – Pro-rata Benchmark of 100%

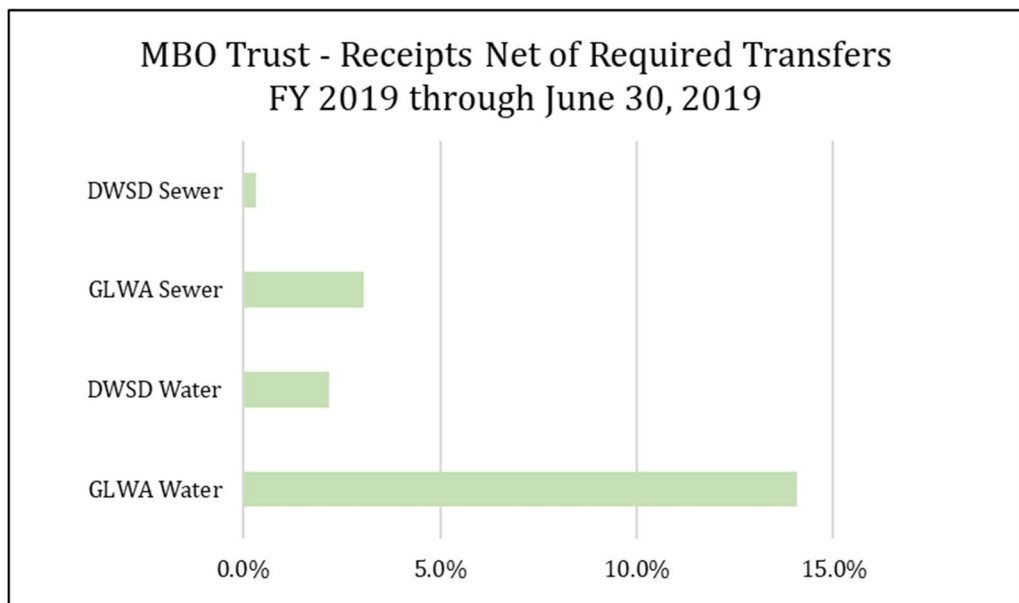
Preliminary June 2019 yearend financial results indicate only two categories falling outside the 7.5% of the pro-rata benchmark for the current fiscal yearend.



Sewer Operations & Maintenance (O&M) Expense: Sewer and Total O&M Expense closed FY 2019 consistent with the trend of positive variances throughout the year. This is largely attributable to the categories of Capital Program Allocation, Supplies & Other, and Chemicals.

Master Bond Ordinance (MBO) Trust Net Receipts

Overall net cash flow (receipts) is positive for both GLWA and DWSD. This means that all legal commitments of the MBO Trust and the lease payment are fully funded to date – and that positive cash flow is



available for additional capital program funding in subsequent year(s).

Questions? Contact the Office of the Chief Financial Officer at CFO@glwater.org

¹ All amounts are GLWA entity-wide unless noted as water, sewer, and/or retail.

Welcome to the September edition of *The Procurement Pipeline*, a monthly newsletter designed to bring you informative updates on doing business with GLWA.

New Monthly Series: *Tips for Responding to an RFB or RFP*

This month's focus is the link between pre-bid/proposal meetings and their link to successful solicitation submittal.

- 1) Look for wording that identifies "mandatory" pre-bid or pre-proposal meetings – Plan ahead to attend. To protect fair bidding practices, there are no exceptions regarding mandatory requirements. Bid or proposal responses will not be accepted unless the firm was represented at the meeting.
- 2) Do not arrive late for a pre-bid or pre-proposal meeting – We must now allow adequate time for the GLWA Security process for access to our facilities; no one will be admitted past the start time.

ATTENTION: Information Technology Firms

In October 2019 GLWA will issue a Request for Proposals (RFP) for software and implementation services to replace our existing Enterprise Asset Management (EAM) system. The successful integrator will provide innovative and creative solutions to support our water and wastewater asset management initiatives.

Key considerations for the new EAM include:

- ✓ Easy-to-use, workflow-driven, cloud-based, and mobile-friendly application suite for information-based decision support
- ✓ Solutions for vertical (treatment and pumping facilities) and horizontal (water and sewer networks) assets
- ✓ Integrated inventory and work management functions
- ✓ Integration and/or interface with other GLWA applications
- ✓ Change management and user training

The new system must be fully implemented by June 2022. Interested vendors should register on [Bonfire](#) in order to receive the RFP, when it is released. All questions and inquiries should be emailed to [Mahfuzur Rahman](mailto:Mahfuzur.Rahman) prior to the solicitation release date.

New Procurement Forms

To streamline the evaluation process, GLWA's Procurement quotes, proposals and bid templates have slightly changed. If you have any questions, please contact the Buyer on the solicitation, or post your questions to Bonfire for that specific solicitation.

Small Business Initiative (SBI)

The SBI Team is preparing for a special half-day training sponsored by the Schoolcraft College Procurement Technical Assistance Center (PTAC) titled, "Doing Business with GLWA." Whether or not a vendor is already doing business with GLWA this is a good time to hear tips for using Bonfire, learn more about the new Procurement forms, and better understand GLWA's insurance requirements. Check the [Schoolcraft College PTAC website](#) for additional information

What's Coming Down the Pipe?

Current Solicitations: Available on [Bonfire](#)

Next Three to Nine Months: See reverse side

Keeping Up With GLWA


Our [CEO's monthly report](#) provides a wealth of information and news about important initiatives.


Where to Meet GLWA

GLWA participates in many outreach events throughout southeast Michigan. We welcome you to visit us at the following events. Note: event sponsors may require pre-registration and/or a fee.

 [Event: GLWA Capital Improvement Plan 3 Year Outlook - September 17, 2019](#)

 [Walbridge's Built for Opportunity Event October 9, 2019](#)

 [MDOT Bonding & Training Program October 23, 2019](#)

 [MDOT Bonding & Training Program October 30, 2019](#)

 ["Doing Business with GLWA" Training sponsored by Schoolcraft PTAC - November 6, 2019](#)

Visit us online! See the Vendors page at www.glwater.org or contact us via procurement@glwater.org.

Great Lakes Water Authority
Upcoming Procurements
September 2019

Category	Description	Budget Estimate
Water System (next three months)		
Design Build	Lake Huron Water Treatment Plant - Two New High Lift Pumps, Flow Meter, and Yard Improvements (CIP #111009)	\$26,000,000
Services	HVAC Contract Service for Springwells Water Treatment Plant	\$250,000
Services	Abatement of Mold, Asbestos, Materials and third party testing of samples for one year	\$50,000
Design	Asset Management of the Drinking Water Transmission System	\$300,000
Maintenance	5-Year Sludge Removal and Disposal Services at Northeast, Springwells & Southwest Water Plants	\$55,000,000
Wastewater System (next three months)		
Construction	Site Improvements to Puritan Fenkell and Leib CSO Facilities (CIP #260600)	\$1,000,000
Construction	Treatment Sewer Improvements for Baby Creek CSO Facility (CIP #260600)	\$875,000
Maintenance	Generator Maintenance (all of GLWA)	TBD
Water System (next four to nine months)		
Design Build	7 Mile/Nevada Water Transmission Main Rehab and Flow Control Station (CIP #122017)	\$20,500,000
Design	North Service Center Pumping Station Improvements (CIP #132016)	\$6,000,000
Design	Water Works Park Process Areas Ventilation System Improvements (CIP #115005)	\$650,000
Construction	Rehabilitation of GLWA Outfalls - Phase IV (CIP #260500)	\$9,800,000
Design Build	Phase 2 - Waterworks Park to Northeast Water Treatment Plant Transmission Main	\$90,000,000
Design	Adams Road Booster Pumping Station Improvements	\$5,000,000
Construction	Water Works Park Yard Piping	\$71,000,000
Construction	Phase 1 - 14 Mile Transmission Construction	\$6,100,000
Construction	Flocculoator Improvements - Northeat Water Treatment Plant	\$2,500,000
Wastewater System (next four to nine months)		
Design	Pump Station #2 Bar Racks Replacement and Grit Collection System (CIP #211007)	\$1,600,000
Design	Assessment and Rehabilitation of Yard Piping and Underground Utilities (CIP #216006)	\$25,000,000
Services	Preventative Maintenance and Repair Contract	\$2,500,000
Design Build	CSO-Facilities Structural Improvements Projects	\$12,000,000
Study	Long Term CSO Plan	TBD
Maintenance	Above-Ground Storage Tank Inspection & Maintenance (WRRF & CSO Facilities)	TBD
Asset Management (next four to nine months)		
Consultant	Linear System Integrity Program	\$25,000,000
Information Technology (next three months)		
Services	Enterprise Asset Management System Software and Implementation Services	\$7,000,000



Office of the General Counsel

735 Randolph Street, Suite 1900
Detroit, Michigan 48226

Office of the General Counsel – September, 2019

- ***NPDES ACO Dismissal:*** The Office will assist in preparing documents to have the ACO dismissed.
- ***Legislative Updates:*** The Office continues to support HB 4806 which contains amendments to the exception to governmental immunity, regarding liability for sewer back up claims. GLWA continues to cooperate with member partners on the Lead and Copper Rules as well and attend webinars on the subject. The Office is also monitoring a bio-solids bill.
- ***Gordie Howe International Bridge:*** The IWC program vacated 303 Livernois and relocated to WWRF, however, GLWA's reimbursable relocation costs remain an open item.
- ***Trenton Water Main:*** The Office is negotiating the transfer of the 24-inch water main to GLWA. GLWA retained a survey company to survey the entire easement area for the transfer documents.
- ***Water Contract Negotiations:*** GLWA will attempt to secure long term contracts with all communities that are not on the model contract.
- ***Environmental and Workplace Safety Compliance:*** The Office continues to work with the COO and team leaders from both the water and sewer systems to comply with regulations and to respond to any alleged violations. The Office is also assisting on GLWA's property remediation efforts.
- ***Record Retention Policy:*** The Office is drafting a record retention policy for GLWA.
- ***Industrial Pretreatment Program:*** The Office continued to work with the Industrial Waste Control ("IWC") Group and external stakeholders on finalizing and implementing an updated IPP and overseeing the current program. The Office is also coordinating the transfer of a portion of GLWA's IPP to the Oakland County Water Resource Commissioner ("OCWRC"). The Office is also providing assistance on PFAS and PFOS matters.
- ***Real Estate:*** The Office is supporting operations by drafting access agreements and easements for improvements to the Detroit River Interceptor. The Office is negotiating easements to operate and maintain water and sewer infrastructure in the footprint of the FCA project. The Office is working with GLWA's broker to market 235 McKinstry.
- ***Member Outreach:*** The Office continues to be an active participant in Member Outreach sessions.

- **Main Relocations:** The Office continues to support water operations in its discussions with community stakeholders regarding water main relocations.
- **Civil Litigation:** The Office continues to vigorously defend actions against GLWA, including recently filed class action lawsuit regarding IWC charges. GLWA continues to pursue its action against Highland Park for the collection of unpaid water and sewer invoices. GLWA is a plaintiff in the lawsuit against the State related to the Lead and Copper Rules. Recently, the Court granted the State’s Motion for Summary Disposition. GLWA joined the other plaintiffs in filing a Motion for Reconsideration.
- **Labor Relations:** The Office continues to provide legal advice to Organizational Development on labor relations and employment matters.
- **Arbitration:** The City and GLWA delayed the arbitration to secure an amicable resolution of open items.
- **Procurement:** The Office continues to assist GLWA’s Procurement Team negotiate contracts, change orders and amendments and interpret contractual provisions. The Office is also assisting with the Procurement Policy's Procedures and updating GLWA’s template contracts.
- **Seminars Attended:** State Bar of Michigan, 12th Annual Information Technology Seminar
- **Past Month’s Statistics:**

Contracts reviewed as to form:	19
Contracts drafted or revised:	36
Subpoenas/Information requests received:	6
Subpoenas/Information responded to:	10