



Office of the Chief Executive

735 Randolph Street, Suite 1900
Detroit, Michigan 48226

November 16, 2023

The Honorable
Board of Directors
Great Lakes Water Authority

RE: CEO Report – November 16, 2023

Chairperson Hendrix and Directors,

I want to start my report by expressing my thanks to this Honorable Body for your recent approval of the [term sheet](#) that represents the initial step in a proposed agreement between the Authority, the city of Highland Park and the state of Michigan. Once fully executed, the agreement will bring to conclusion a multi-decade billing dispute between GLWA (previously DWSD) and Highland Park.

The proposed settlement has three main pillars that not only provide much needed assurances from Highland Park, but also support a fresh start with the GLWA-Highland Park relationship. These three pillars are: payment assurances from Highland Park; investment in capital improvements in the Highland Park and GLWA systems by the State; and the addition of metering to create confidence that Highland Park is being billed equitably for their use of the regional system.

I also want to thank Governor Whitmer, the state of Michigan and the city of Highland Park for moving us forward to this proposed agreement. While much work remains, all parties agree that this agreement represents a new and collaborative beginning to our working relationships.

Keeping in the theme of positive developments, I am pleased to announce that we have earned upgrades to the “AA” category from two of three rating agencies, as well as an affirmation of our “AA” rating and stable outlook from the third rating agency:

- Moody’s Investors Service moved our senior lien debt Aa3 (up from A1) for both the water and sewer system;
- Fitch Ratings moved our senior lien debt for the sewer system to the AA (up from A+) and affirmed our A+ rating for the water system;
- Standard & Poor’s Global Ratings affirmed our outstanding water and wastewater system debt at AA- for senior lien debt/A+ for second lien debt with a Stable outlook.

Commentary within the Moody’s credit opinion noted, “*GLWA has effectively balanced its hefty capital needs with an affordable rate structure, stable operating performance, consistent debt service coverage and good liquidity for systems since its inception in 2016.*”

Having now achieved the “AA” ratings category by all three rating agencies is, I believe, recognition of our long-term strategy for affordability and system resiliency, and a testament to the hard work of every team member at GLWA.

Turning my focus to my continued outreach within our organization, I remain committed to getting into our facilities and connecting one-on-one with our team members. In October, I had the opportunity to spend a day at our Lake Huron Water Treatment Plant where I was fortunate to receive a tour of the grounds from Team Leader Ashifali Saiyad after we served a pizza lunch to the team and conducted a meeting with Lake Huron Team Leaders. I also stayed into the evening to be able to service a pizza dinner to the late shift and spend some time hearing what is on their minds. It was a really great day that filled me with energy and ideas!

In addition, I also held my first virtual Team Leader meeting, which is a part of my outreach to this very critical group of leaders at GLWA. More than 90 Team Leaders participated in the meeting and after presentations on relevant items from Organizational Development, there was a robust Q&A session that was so productive, we went over the allotted one-hour timeframe originally set out for the meeting. I plan to host these virtual Team Leader meetings quarterly.

I’ll close out my report with an update on our Professional Development Certification Program for team leaders and represented team members in specific job classifications, which was conducted in October. The program provides an annual stipend for EGLE-required certifications, which are mandatory for team members’ job descriptions or approved by the Chief for the operational area. A total of 150 team members are eligible to receive the stipend, which will be a part of their November 17th pay.

PLANNING SERVICES

Asset Management Group (AMG)

The Information Technology Team and the Enterprise Asset Management Group (EAMG) organized a “NEXGEN Roadshow” across various facilities to demonstrate the functionalities available in NEXGEN, GLWA’s new EAMG system scheduled to go live in October 2024.

Facilities that the team visited included the Water Resources Recovery Facility (WRRF), Conner Creek Combined Sewer Overflow (CSO) facility, Central Services Facility, and all five water treatment plants. Over 290 team members attended the events and gained insight into the system. The roadshows allowed team members to meet the NEXGEN implementation team including staff from NEXGEN, learn about the system functionality and become familiar with the mobile application.



Figure 1: NEXGEN Roadshows clockwise starting from the top left: WRRF, Conner Creek CSO, Lake Huron WTP

PLANNING SERVICES (continued)

In addition, the team members were made aware of plans for user acceptance testing and training using both computers and Android tablets that is planned to occur over the next year.

The roadshows are part of a strategic communication plan to ensure the successful implementation of NEXGEN, and the use of the system to provide effective and efficient data to make informed decisions about our assets. A great big thank you to all who attended, and the NEXGEN implementation team for organizing the events as part of GLWA's strategy to incorporate best Asset Management practices into our daily work.

The EAMG has also started an **asset audit process** aimed at ensuring data within our asset register is accurate and complete for optimal use within the NEXGEN system. In addition, the effort will ensure the tagged assets are easily accessible in the system through mobile solutions and photos of assets are available for easy confirmation of the asset. The EAMG team will be working diligently over the coming year to audit and update as many assets as possible prior to go-live.

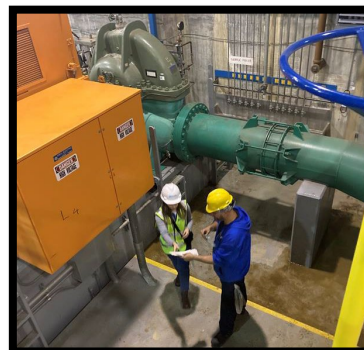


Figure 2: EAMG's Ashley Zimbelman and Field Services Ian Sizemore at Franklin Pump Station

Capital Improvement Planning Group (CIP)

The dedicated efforts of the CIP Delivery team have borne fruit during the past six months, culminating in the successful release of the FY 25-29 Capital Improvement Plan (CIP) Discussion Draft #1 in October. This draft was presented to the GLWA Executive Leadership Team (ELT) on October 12th and the Capital Planning Committee on October 17th. This significant achievement would not have been possible without the invaluable collaboration and support of GLWA's Leadership, CIP Delivery teams, and member partner representatives (Mark Gaworecki, city of Dearborn, and Ed Haapala, West Bloomfield Township).

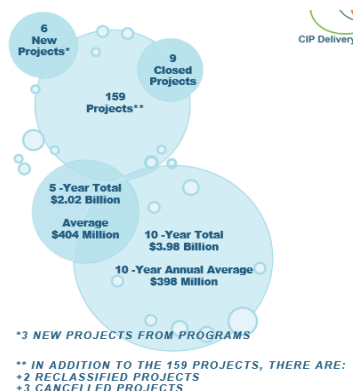
On October 18th, the FY 25-29 CIP was made publicly available. We eagerly await all stakeholders valuable review and input. GLWA is requesting comments by November 15th. In the meantime, the CIP Team is diligently working on the development of "Discussion Draft #2," which will feature updated project budgets and schedules based on the most recent actual data and project updates.



WATER	
5-Year Total	\$1,061,498
5-Year Average	\$212,300
10-Year Total	\$2,169,213
10-Year Average	\$216,921

Financial figures in \$1,000's and rounded

WASTEWATER	
5-Year Total	\$969,901
5-Year Average	\$191,980
10-Year Total	\$182,289
10-Year Average	\$181,229



PLANNING SERVICES (continued)

Again this year, the development of a five-year roadmap with a 10-year outlook proved to be exceptionally challenging due to dynamic market conditions. However, the FY 25-29 CIP Discussion Draft #1 reflects a CIP that aligns with GLWA's financial plan. It illustrates that GLWA will invest approximately \$400 million annually in the two systems over the next five and 10 years. The FY 25-29 includes 59 projects, including six new and nine closed projects.

In addition to our core activities, last month the CIP Team initiated the third Annual CIP Plan Project Photo contest. We extended an invitation to all members of the CIP Delivery teams to submit project photos, competing for recognition in the categories of best water and wastewater photos. These winning images will be featured on the cover of the FY 25-29 CIP document, showcasing our team's dedication to system improvement.

Our efforts to enhance our project management capabilities are continuous. In partnership with AECOM, we are making steady progress in preparation for the rollout of the Program Management Plan (PMP). For example, in October we successfully hosted the 4th Change Leaders Session, with a specific focus on "Risk Management".

These sessions provide a valuable platform for CIP Delivery teams to collaborate, share insights, and collectively address challenges. We appreciate the active participation and valuable contributions from our team during these sessions.



Lastly, we released video training materials covering PMP Chapter 6. These resources are designed to bolster the collective understanding and expertise of our delivery teams in critical areas, ultimately strengthening our project management capabilities

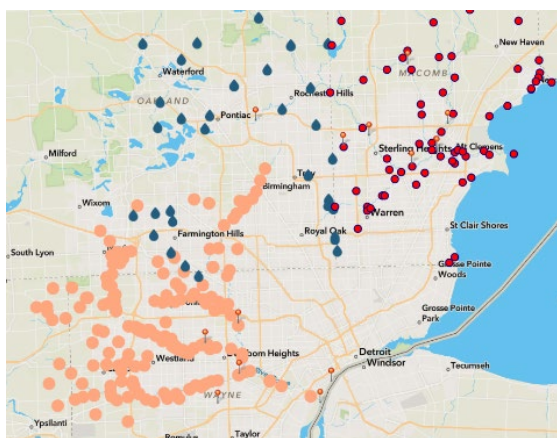
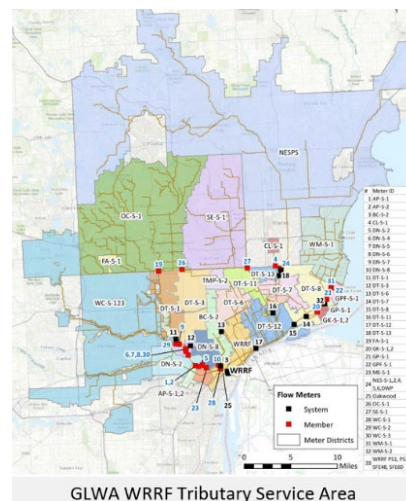
Systems Planning Group

The **Charges Work Group** was called together twice in October. Once to provide outcomes of the Water Charges Methodology Subgroup work and recommendations, and again to provide information on Charges Rollout #1 (Capital Improvement Plan).

PLANNING SERVICES (continued)

The first meeting occurred on October 16th, where Bart Foster of the Foster Group debriefed recommendations from the Water Charges Methodology Subgroup. The Subgroup has recommended a water charge rate simplification alternative that includes a delivery factor, and that GLWA consider avenues other than water charge methodology to address charges of Member Partners with unique circumstances. There will be a call for consensus amongst all Members present at the Annual Charges Rollout Meeting #2 on November 14, 2023, on these two topics. Charges Rollout #1 occurred on October 19th, where the focus is on the FY2025 Draft CIP.

The **Wastewater Analytics Task Force (WATF)** meeting held on October 25th began with a presentation from Phil Brink of CDM Smith on the Annual Flow Balance preliminary results for Fiscal Year 2023. Next, Mini Panicker of GLWA shared an update on the backwater gate and outfall inspection and maintenance activity. The final presentation was delivered by Sherri Gee of GLWA and Carrie Turner of Limnotech to explain the connectivity between the 2020 Wastewater Master Plan, the recently submitted Long-term CSO Control Plan, and GLWA's new resiliency office that will build on the recommendations of these plans to enhance long-term regional sustainability of water resources. The next convening of the WATF is scheduled as a virtual meeting via Zoom for Wednesday, December 15th.



The **Watershed Hub Work Group** met on October 25th to discuss ongoing regional E. coli grab sampling work that has concluded for the season in the Clinton and Rouge River watersheds. Attendees reported on their respective efforts, and the group reviewed the Watershed Hub Geographic Information System mapper that continues to be populated with sampling data. The group also discussed an outline of how the results will be shared more widely in the form of a report in early 2024. The next meeting of the Watershed Hub Work Group is scheduled for Wednesday, November 29th.

PLANNING SERVICES (continued)

On October 31st, the **Water Analytical Work Group (AWG)** met for a special “spooktacular” Halloween-themed meeting to discuss 2024 group planning and learn about the Summer Usage and Exceedance Process presented by Charges Outreach & Modeling Manager, Matt Lane. The 2023 system peak hour was 7:00 am-8:00 am EST on June 2, 2023, measured at 789 MG (697 MG in 2022). For 2023, the city of Lincoln Park exceeded its Max Day contract value. Based on the data provided, the exceedance coincided with a main break that occurred within their system. Exceedances resulting from water main breaks are cause for exemption from consequences in accordance with Section 5.04 (see Section 5.05B) of the water model contract.



Additionally, Associate General Counsel, Laurie Koester presented on 2023 Non-Coincident Exceedances and Future Impacts. There were 35 Member Partners with water use above their contract value during 2023, but not on the system max day. Under the current contract negotiation methodology, which considers a Member’s highest demonstrated max day and peak hour over the past six years, these Member Partners may see higher contract values in the 2026 negotiation year.

System Analytics & Meter Operations (SAMO)

The System Analytics & Meter Operations (SAMO) Group continues to progress on the Wholesale Water Meter Pit Rehabilitation and Meter Replacement project. The second project of this program started in October 2023. SAMO has identified 58 wholesale metering facilities planned for meter and instrumentation upgrades along with meter pit rehabilitation, however work on the highest priority 25 sites will begin immediately.

The SAMO group continues its progress working on the Sewer Meter Upgrade/Replacement program. The system meter at sewer site DT-S-1 has been replaced and commissioned. The sewer meter site DN-S-4 (City of Dearborn) is scheduled to be replaced on November 20, 2023. The next project in the program is to upgrade meters at sewer meter sites AP-S-1 (City of Allen Park), GK-S-2 (City of Grosse Pointe Park), and system meters DT-S-11. The construction work is upcoming.

WASTEWATER OPERATING SERVICES

Wastewater Operations

The Water Resource Recovery Facility (WRRF) operations complied with the Water Quality Standards for the month of September.

The Monthly Average Total Phosphorus (TP) for Monitoring Point 049A (Primary Effluent discharge) was 2.3 mg/l, in excess of the limit of 1.5 mg/l. In October 2023, there was a single discharge event of only eight hours, following a period of two weeks with no discharge events.

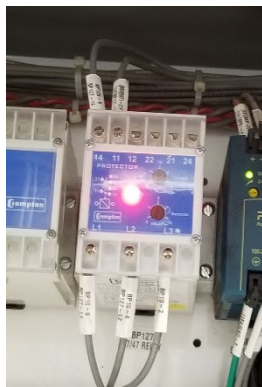
WASTEWATER OPERATING SERVICES (continued)

Under these circumstances, samples collected from this monitoring point are likely to have high concentrations of pollutants, and there were no other events during the month to bring down the average.

Maintenance



Central Maintenance Electrical Instrumentation Control Technician (E), Elette Ahmad, performing the replacement of the failed relay



The Incineration Complex experienced issues with intermittent power loss from Electrical Building (EB) 25. The intermittent power loss contributed to equipment disruption each time the power was lost. The Asset Management team and Central Maintenance team worked together to determine that the cause of the power loss was a main breaker opening and tie breaker closing due to a failed undervoltage relay. Thanks to the prompt action from the team, the failed relay was quickly identified, and the substation was switched to manual until the relay could be replaced. The team is investigating the cause of the relay failure so that this can be prevented in the future.

The Primary Team performed a replacement of the scum hopper pump 8-16. This scum hopper pump works to remove scum from Primary Clarifier (PC) 16. Having an effective scum removal system is critical for the performance of wastewater treatment and in minimizing damage to downstream components.



The old scum hopper pump removed (l), and the new pump installed (r)

WASTEWATER OPERATING SERVICES (continued)

The Primary team also performed the rehabilitation of Grit Cross-conveyor 1 at Pump Station 1. Originally, this belt was equipped with a mechanical splice that required repairs and rehabilitation more frequently than a vulcanized belt. The Primary Team decided to change the splicing on this belt to vulcanized to provide more longevity, decreasing overall maintenance costs for the conveyor. The belt will also be more robust and will be able to withstand heavy grit loads during wet weather events.



The new vulcanized belt installed at Grit Cross-conveyor 1

Laboratory

Six Laboratory team members attended the 2023 Michigan Water Environment Association (MWEA) Laboratory Practices Seminar. Among the topics were Biological Phosphorus Removal, Standardizing Documentation in the Lab, and Preservation Methods.

Majid Khan, Director Wastewater Operations, gave a presentation on the topic of Diversity, Equity and Inclusion.



The GLWA Team at the Lab Practices Seminar in Lansing. Left: Hainite Tuitupou, Elliott Boinais, Niyila Reid, Joe Messina, Lynda Kostrzewski and Andrea Busch. Right: Majid Khan

Engineering and Construction

Wastewater Projects in Design or Misc.:

CIP Design:

CIP-211005 – Contract No. 2103338 – PS2 VFD Replacement

This design project involves replacing end of life Variable Frequency Drives (VFD) for five of the main lift pumps at Pump Station 2, and replacing 4,160V electrical gear, including transformers, that will eventually power all eight main lift pumps. Late last month, the consultant firm, HDR Michigan, Inc., submitted 60 percent design documents for review. The first review meeting was on October 30, 2023, with a second review meeting scheduled for November 8, 2023.

WASTEWATER OPERATING SERVICES (continued)

CIP 211007, Contract No. 1904337 – Pump Station 2 Bar Rack & Grit System Improvements

The 100 percent design document has been sent to procurement for advertisement in October 2023. The project team is working with the Michigan Department of Environment, Great Lakes, and Energy (EGLE) for acceptance of the Part 41 Permit application.

CIP 211008, Contract No. 2101915 – WRRF Sludge Dewatering Pumps System Improvements

Sludge pump testing was completed. Tech Memo's 5B and 6 were completed and the tech memo workshop is planned for November to finalize design concepts and begin the next phase of design.

CIP 222001, Contract No. 2002655 – Oakwood District Intercommunity Relief Sewer (ODIRS)

The design is completed for this project and bidding documents will be sent to Procurement in December 2023. Construction is expected to begin fall 2024.

CIP 260619, Contract No. 2004538 – St. Aubin, Leib and Seven Mile CSO I&C Replacement

This design-build project will replace the end-of-life control system with a new Ovation control system at three Combined Sewer Overflow (CSO) facilities. Initially, the Design Build team was scheduled to deliver the Seven Mile Issue for Construction (IFC) design by mid-October 2023 but with design delays, it has updated the schedule to reflect a Friday, November 3, 2023, delivery date. The contractor has scheduled the following meetings for the next month; Instrumentation workshop, graphics workshop, standards workshop, and Leib CSO construction kickoff walkthrough. Contractor, Detroit Electrical Services has mobilized at Leib CSO.

CIP 260904, Contract No. 2200545 - Professional Services for 3rd Floor Renovation at WRRF NAB

This project will renovate the 3rd floor New Administration Building (NAB) to maximize and optimize the space utilization of the building as part of the Wastewater Master Plan. The consultant has submitted the 95 percent construction development documents and specifications. The first part of the review workshop was held on September 22, 2023, and the second part of the review workshop was held on October 10, 2023. The comments resolution is in progress.

CIP 270006, Contract 2200061, Design Services of CSO Facilities Improvements II

Workshops were held to review and comment on the Basis of Design Report and the 30 percent drawings. The comment resolution is in progress. Additionally, a workshop was held at Conner Creek and St. Aubin to gather Operations & Maintenance (O&M) input and experience.

CIP 270010 – Contracts 2303955 & 2303960 – Puritan Fenkell and Seven Mile HVAC Upgrades

The original TOES proposals were over the maximum allowable amount. Therefore, the scope of work is being separated by facility to be managed under two separate contracts. The updated documentation is being finalized.

CIP 273001, Contract No. 2103225 – Hubbell Southfield CSO Facility Improvements

Wade Trim (WT) is working on finalizing the draft Schedule of Values (SOV) and scheduled to be submitted soon. WT has set up ProjectWise to maintain project documents. A meeting with operations staff is scheduled to discuss the operation of the flushing system.

WASTEWATER OPERATING SERVICES (continued)

Non-CIP Design; Task Order Engineering Services (TOES):

TOES 38T, Contract No. 2203014 – Complex II Conveyor System Fire Protection Improvements – Pilot System

This project will install fire protection devices inside the Complex II Incineration Building per recommendations by the insurance company. This significantly reduces the risk of equipment damage and loss of property. The pre-bid meeting was held on October 19, 2023. The bid due date is November 2, 2023.

JOC-37T – Contract No. 2202879 – WRRF/CSO Process Cameras

This design project will begin by adding process cameras to both the WRRF and CSO systems. The designer, HRC is working with GLWA team members to identify key pilot locations and develop construction documents to install the camera systems. Process areas include the WRRF Incineration and Dewatering Complexes, and the following CSO facilities: Conner Creek, Hubbell-Southfield, Baby Creek, St. Aubin, Oakwood, Puritan-Fenkell, and Seven Mile. A pilot installation will be used to assist with both the GLWA IT integration and contractor, D/A Central's work. The pilot design is for Hubbell-Southfield and a small area of Incineration. A 30 percent design deliverable package is expected to be completed the week of November 6, 2023, with a review meeting to be held the week of November 20, 2023.

Wastewater Projects in Construction:

CIP Construction:

CIP 211005.3, Contract No. 2104082 – Pump Station 2 Mag Meter Replacement

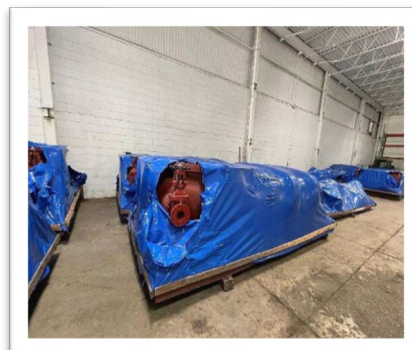
This construction project replaces the six remaining 54-inch end-of-life flow meters for the main lift pumps. Magnetic flow meter shop drawing and SOV have been submitted and approved as of November 3, 2023. The associated lead time for the flow meters (longest lead item) from the Contractor is forthcoming.

CIP 211006, Contract 2103350 – PS No.1 Improvements (WRRF)

The submittal process is ongoing. Contractor Weiss is currently working at the mezzanine to demo air handling unit (AHU) No. 6 as well other demolition in tunnel. Based on a meeting discussion with GLWA and contractor Wade Trim (WT) regarding electrical conduit routing on October 25, 2023, WT directed Weiss to proceed with routing shown contract plans, and submit piping and conduit layout for review and approval.



*Capped and removal of 10" Sludge line
at north end of service tunnel*



Discharge Gates inside Weiss's Storage

WASTEWATER OPERATING SERVICES (continued)

CIP 211008, Contract 2002190 – Rehabilitation of Ferric Chloride Feed System at Pump Station-1(PS-1) and Complex B Sludge Lines (WRRF)

After three rounds of chemical cleaning, the Contractor remains unable to demonstrate that sufficient vivianite has been removed from the thickened waste activated sludge (TWAS) line between Complex B and Complex A. Therefore, the Contractor has begun to excavate at low points and mechanically clean the line. Completion of the mechanical cleaning is targeted for late November 2023, to restore the TWAS line to service before freezing weather threatens the temporary TWAS bypass line.



Pickle Liquor Foundation Demolished



Chemical Building Tank 1 Demolition



Ceiling and Lighting

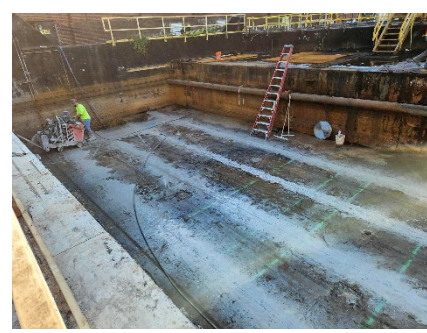
The acoustical ceiling, light fixtures and other finishes are being installed in the chemical building. All four old pickle liquor tanks have been demolished and the Contractor is in the process of removing the tank foundations and the associated chemical sump.



*TWAS Mechanical Cleaning
Excavation*



TWAS Line Prepared for Mechanical Cleaning



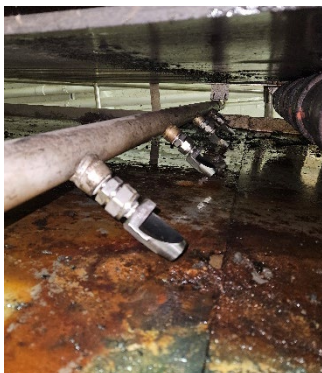
Chemical Sump Saw Cutting for Demolition

CIP 213007, Contract CON-197 – WRRF Modification to Incineration Sludge Feed Systems at Complex II (WRRF)

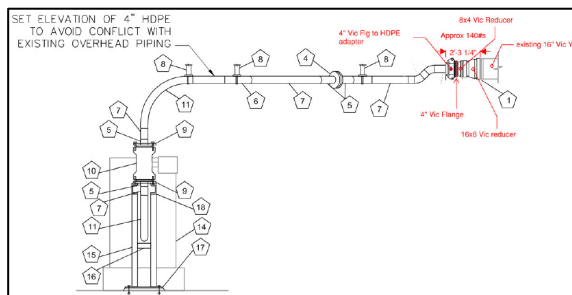
The CON-197 conveyor supplier has delivered the first batch of parts needed to correct sludge conveyor deficiencies, and the Contractor has started the necessary modifications. The remaining parts are being fabricated. Replacement of the conveyor drip pan spray nozzles is nearly complete, and materials are being gathered for installation of curtains at each spray header to alleviate overspray that caused water to flow down through the incineration complex.

WASTEWATER OPERATING SERVICES (continued)

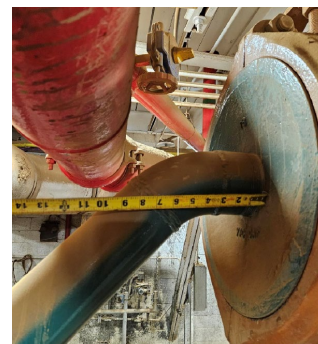
To allow installation of the new high-density polyethylene (HDPE) strainer backwash piping and valves, an equipment shutdown request (ESR) is being processed to resolve an interference by lowering the fire protection main in the area of the screened final effluent (SFE) strainer 3 discharge connection.



*Backwash Fire Protection Line
Spray Nozzles*



New Drip Pan Piping Configuration



Interference

CIP 216004, Contract 1802410 – Rehabilitation of various Sampling Sites and PS#2 Ferric Chloride System (WRRF)

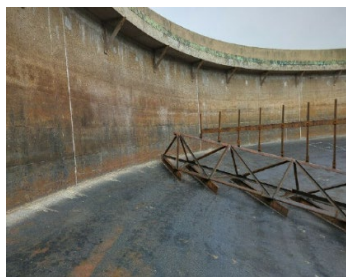
The Contractor has completed all contract work and is preparing final waivers and other commercial paperwork required for final payment and close-out.

CIP 216006, Contract 1903601 and 1903598 – Assessment and Rehabilitation of WRRF Yard Piping and Underground Utilities (WRRF)

Demolition and abatement in the tunnels are being finalized with their costs this week. Eight of the 18 improvements are out for bid with bids due just before December 25, 2023. The rest of the improvements will soon submit 100 percent of plans for GLWA review. A full accounting with actual bid prices and recommendation for approval is expected by January 2024 for presentation at the March 2024 Board meeting.

CIP 216011, Contract No. 2100239 – WRRF Facilities Structural Improvements

The Contractor has completed all base contracts and additional facilities assessments and is working to finalize the draft priority report. All repairs at four of six Complex B tanks have been completed. The Contractor will soon perform repairs at Complex B tank# 9 per approved ESR. The Contractor is also performing exterior repairs at New Administration Building (NAB).



*Repairs completed at Tank # 13
at the NAB*



*Window caulking replacement
at the NAB*

WASTEWATER OPERATING SERVICES (continued)

CIP260204, Contract No. 2103688 – Rehabilitation of Connors Creek Sewer Systems (RWCS)

Grouting, rebar coating, and spot repairs are ongoing at the airport. Debris removal is complete. 47,000 tons were forecasted for the project. However, amounts that total between 8,000 to 10,000 tons are anticipated for removal in the project. A claim from the Contractor is currently in negotiation. Slip lining between Six and Seven Miles is scheduled to begin with pit installation to start this month. The city airport expansion project is being coordinated and the sewers that connect to that section of the sewer will be altered. Wastewater Engineering, Water Engineering, System Resiliency, through the Utility Review and Permits (URAP) group are coordinating work with the city airport designer and staff.

CIP260206 - 2202757 - Joy Brush Bates Rehabilitation (RWCS)

Work on the Joy sewer is west of M-10 highway on Edison sewer. Shotcrete operation is complete at the Woodward-Edison connection.

CIP 260207, Contract No. 2004082 – Rehabilitation of the Woodward Sewer (RWCS)

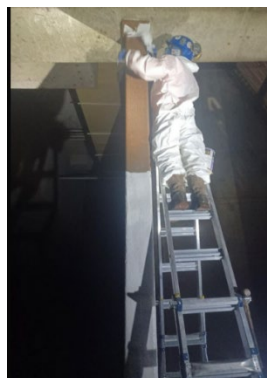
The project has accepted a material substitution proposal to change the WS-300 non-circular slip lining to Cured-in-Place-Pipe (CIPP) lining. The CIPP lining is complete. The Woodward sewer is being prepared for final inspection this month. There are six major items around the slipline and CIPP that need completion. It is anticipated this project can be final and accepted within three months depending on the Contractor's effort.

CIP 260614, Contract No. 1902224 – CSO Facilities Structural Improvements (CSO)

The Contractor completed all work at seven CSO facilities, close out documents for five out of nine facilities are approved, others are in review/development. Construction Change Directive (CCD)-W is in the approval process to start design for replacement of existing electrical conduit enclosure at the Hubbell-Southfield facility. Change Order No. 2 is in the process of approval for Board approval in December 2023.



*Wall repairs at
Puritan Fenkell Facility*



*Basin Column Priming at
Conner Facility*

WASTEWATER OPERATING SERVICES (continued)

CIP 260623, Contract No. 2102618 - Baby Creek CSO Facility Screen Rehabilitation

The rehabilitation of screen numbers 2, 3, & 4 has been completed. The rehabilitation of screen number 6 has begun. There are a total of 15 screens that are required to be removed, rehabilitated, and reset into operation.



Screen # 4 is being rehabilitated

CIP 260901, Contract No. 2101878 – WRRF Hazmat Building Rehabilitation

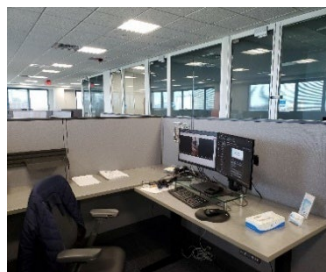
Shop drawing submittals and request for information (RFI) review is ongoing along with monthly progress meetings. The contractor is continuing plumbing, rough carpentry, and underground utilities and began excavation for new foundations.

CIP 260902, Contract NO. 2101879 – 4th Floor Renovation at NAB

Team members from Wastewater Engineering, Document Control and Asset Management have proceeded with relocation to the newly renovated 4th floor. Relocation is expected to be completed by November 9, 2023. The Contractor is expected to be completed with the contract as scheduled on November 20, 2023.



New 4th floor NAB offices



New 4th floor NAB cubicle

CIP 260905, Contract No. 2203675 – WRRF Plumbing Shop Improvements

The submittal and RFI review are ongoing and monthly progress meetings are held. The existing bathroom structure was demolished and laying of conduit routing is in progress.

Non-CIP Construction:

Contract No. 2201101 – Complex II Incinerator 11 Rehabilitation

The review of shop drawings and RFIs continues. Additional structural repair was determined to be required for the bypass stack. Two rabble arms require replacement and two will be replaced. Other issues to be addressed include possible excessive compression of expansion of the joint, catwalk at top of the stack, rebuilding flexible connectors and spring hangers.

WASTEWATER OPERATING SERVICES (continued)

JOC Task 58 – Contract No. 2100910 – Complex II Incineration Grating Repair

The contractor has completed installing the Maintenance Platform at conveyor belts K and L, extended the existing maintenance platform at conveyors P9 and P10 and installed new lighting next to conveyor K. The Contractor is near completion with the additional safety handrails at conveyor H. The Contractor is expected to be completed with the work by the end of November 2023.



Maintenance Platform at conveyor K and L



Extended Maintenance Platform at P9 and P10



New lights at conveyor K



New handrails at conveyor H

JOC Task C-05 – Contract No. 2100732 – Baby Creek Screen PLC Panel Replacement

This construction project replaces the existing end-of-life screen control panels with Ovation Controls connected to new control panels. Both the design and integration efforts are being accomplished by GLWA team members. The Contractors, Outbound Technologies and Ferndale Electric are expected to wrap up remaining construction and punch list items before the end of November 2023. The final completion date is set for January 29, 2024.

Contract No. 2101610 – Mag Meter Replacement for Circular Primary Clarifiers

This construction project replaces six end-of-life flow meters. The 96-inch flow meters are associated with the WRRF's primary circular clarifiers. The Contractor continues to work on the magnetic flow meter for Clarifier #18, and in late October 2023 began working on the flow meter for Clarifier #17. The new MV-17 flow meter is planned to be installed in the beginning of the week of November 6, 2023.

WASTEWATER OPERATING SERVICES (continued)

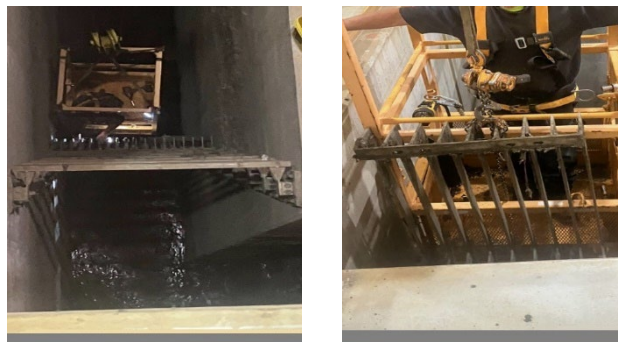
CSO Control Program

CSO Operations

CSO Operations did not have an overflow the month of October. The precipitation was minimal and provided team members the opportunity to catch up on cleaning, restocking of laboratory inventory and preventative and corrective maintenance completion.

CSO Maintenance

The CSO Maintenance team is continuing with the staircase repairs in the Conner Creek basin, installing new brackets to secure the staircase. Maintenance also removed the remaining bottom section of bar racks from the west well at Oakwood. The bar rack caused a buildup of grit and sewer debris in the wet well.



West wet well bar rack removal at Oakwood CSO Pumping Station

There are currently three active TOES projects for O&M at the CSO's.

- Design to install proximity switches for the discharge gates at Hubbell-Southfield CSO. This will aid operations with a notification in SCADA when the gates are operated.
- Design of a hatch over the retention area at Conner Creek CSO and exterior lights in the discharge gates area. A hatch will be installed to lower equipment (mini skid steer, manlift, etc.) to aid in cleaning and repairs in the retention area just behind the bar racks while the lights will provide better visibility for operations of the effluent gate for the facility.
- Update of the standard operating procedure (SOP) for six of the CSO facilities. There have been changes in operations that are not captured in the existing SOP's. An updated version will document the changes to better guide our existing and new team members.

WATER OPERATIONS

Water Quality

42-Inch Transmission Main Chlorination

During the last week of August, a contractor performing work in a new subdivision in Romulus near Wick Road and Cogswell, damaged the GLWA 42-inch transmission main during construction for land preparation for a new home development. Ric-Man construction was contacted to make repairs. The main was isolated at Wick Road and Ozga Road to Hannan and Tyler. The isolation was approximately one mile. The isolation of the transmission main did not impact the water service to the community, because the community had a new redundancy main in that area. The repairs were a challenge due to a number of utilities located underground. Once repairs were made, Field Services contacted Water Quality to perform disinfection on September 23, 2023. GLWA Water Quality assembled a team for the disinfection and traffic control. Once the pipe was energized with water, the team was notified there was a leak at the repair. The contractor wanted to know if it was ground water or distribution water. On September 8, 2023, Team Leader Yvette Hayes-Johnson performed a field test on the ground water and determined that the water was leaking from the transmission main; the Water Works Park (WWP) laboratory verified the results.



The main had to be drained again, and the contractor had to enter the pipe through an access hatch and walk the pipe to the leak area and weld all the new joints from the inside, due to difficulties of re-digging with utilities underground. On August 18, 2023, Water Quality's Yvette Hayes-Johnson performed the disinfection with the assistance of GLWA field services. Yvette Hayes-Johnson gave kudos to new team leader Curtis Carter for managing complaints from customers in the area. He also had extended cooperation from customers that were inconvenienced with hoses and vehicles along their properties. Samples were collected and passed the required two consecutive days of testing; the main was returned to service. A job well done by all team members that participated in this extended project to protect public health and provide drinking water of unquestionable quality to the GLWA service area.

WATER OPERATIONS (continued)

Water Truck Inspection

On October 26, 2023, EGLE visited Southwest Water Plant to conduct the annual inspection of the water supply trucks. Connor Wickham, a Michigan Department of Environment, Great Lakes, and Energy (EGLE) Environmental Quality Analyst, inspected three GLWA water supply trucks. Mr. Wickham met with Plant Manager Jeffrey Jones, Management Professional David Banka, and Office Support Specialist Davidson Okpaleke. During his inspection, Connor reviewed the Standard Operating Procedure (SOP) for the water supply truck disinfection, testing, filling, and distribution procedures. Mr. Wickham was very impressed with the condition of the trucks and thought the SOP was well thought out and executed. We are pleased to announce that all three trucks passed inspection. Kudos goes to the Southwest team for their hard work and dedication to ensure safe and clean water to the community.

Northeast Water Treatment Plant

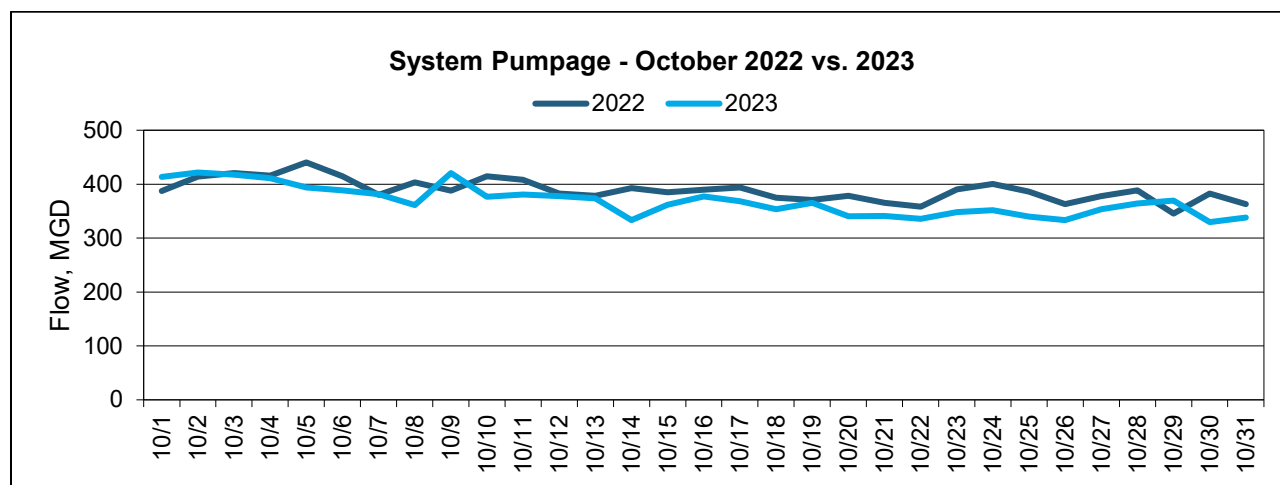
Kudos goes to Caine Hornok, Water Technician who has shown exceptional work ethics as well as leadership capabilities. When given tasks, he performs the given duty to the highest standard and is also able to lead the apprentices in peer-to-peer training. His vast knowledge of valving systems proves to be very beneficial to his peers and answers any questions that he has learned through his two and a half years of experience.



Congratulations! Northeast Plant is lucky to have such a valuable water technician as part of its operations team.

Systems Control Center (SCC)

The October 2023 pumpage was 5.2 percent lower than the October 2022 pumpage



WATER OPERATIONS (continued)

Engineering

Contract No. 1803990 – Lake Huron Water Treatment Plant High Lift Pumping, Metering and Yard Piping Improvements

Contract Type: Design Build

Project Manager: Brian VanHall

Contractor: Weiss Construction LLC

Engineering Contractor: Hazen & Sawyer

The work status for Contract No. 1803990 is in the first phase of construction. Current work underway consists of the exterior yard piping improvements to install a new 72” magnetic flow meter on the south discharge header and new 84” triple off-set butterfly valve for operational flexibility and meter maintenance.

Demolition of the existing 120” south header piping is in progress, and is expected to be completed within the next two weeks. This will be followed by installation of new piping with blind flanges that will provide for testing and double isolation while the vaults are being constructed and the new 84” butterfly valve is procured.

The contractor has temporarily rerouted an electrical ductbank, and installed an earth retention system to minimize the excavation area. This measure will have a minimal impact on operations, and ensure access is maintained for chemical deliveries. Equipment used for demolition was limited based on allowable overhead loads on the clearwell. A crane is being used to remove the header piping without imposing new loads onto the clearwell.

The yard piping work is planned to be completed between April - July 2024 (depending on butterfly valve delivery). The second phase of construction includes interior high lift improvements and three new 20 MGD high lift pumps with associated valves and piping.



Pictured left to right:

- *Contractor removing sections of the existing header piping with the concrete encasement.*
- *South header area excavated with portion of the existing 120" header removed*
- *Contractor receiving delivery of the new piping*

WATER OPERATIONS (continued)



Pictured left to right:

- Trench from the south wall of LH high lift pump building to manhole at the westside of the sampling station to allow for temporary rerouting of an electrical ductbank
- Removal of old flowmeter

Contract No. 1904231 – Northeast Water Treatment Plant Flocculator Replacement

Contractor/Vendor: Commercial Contracting Corporation

Engineer: GLWA Water Engineering (In-House)

Project Manager: Brian VanHall/Pete Bommarito

Notice To Proceed (NTP) for this contract was issued on January 24, 2022.

The existing equipment both inside and outside of the sedimentation basins is original to the plants' construction, and was no longer in working order which consisted of 16 flocculators in total. The contractor's demolition work was executed immediately following the sludge removal for each of the four sedimentation basins, existing flocculator shafts, paddles, bearings and bearing supports, which have successfully been demolished in all four of the sedimentation basins. All 16 chain driven gears and chain guards in the drywells have also been demolished.

Within the Act 399 permit and within the contract, GLWA requested a physical model (Clemson Engineering and Hydraulics) of the sedimentation basin be constructed and tested to evaluate improvement to the distribution of mixed water through the existing inlets within the basin. Clemson Engineering and Hydraulics recommended that the existing (non-operational) inlets be demolished, and a new baffle wall be constructed to evenly distribute the mixed water throughout the flocculation channels.

Since the last update the contractor has installed the new flocculator equipment, including bearings, solid shafts, pipe shafts, paddle arms and paddles. The new equipment has successfully been aligned to 0.015" (both vertically and horizontally) per the contract specifications. Architectural improvements to both the north and south flocculator galleries have also been completed, this work included brick removal and replacement, tuck pointing, expansion joint repairs and joint sealant applied to the existing windows. Structural steel improvements in the south drywell have also been completed, including new access stairs, and raised platforms. Similar structural steel improvements in the north flocculator gallery are now underway. In the next month, both dry and wet commissioning and startup will occur, and the new flocculation system will be turned over to the Northeast WTP staff for normal operation.

WATER OPERATIONS (continued)

It is anticipated within the coming months, the new flocculation equipment for the remaining three sedimentation will be released for fabrication and installation.



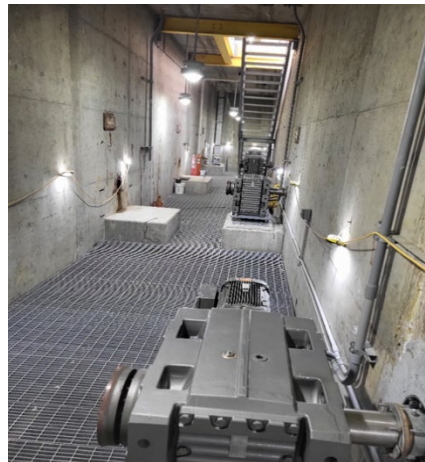
*Existing flocculation equipment
Sedimentation Basin #4*



New flocculator shafts and paddles



Aligning New Bearings w/ Laser Tracker



*New stairs, raised platform and new flocculator
Motors and Drives*



Existing inlet controls



Demolished inlet controls



New baffle wall for inlet improvements



WATER OPERATIONS (continued)



Brick removal and replacement

Energy, Research & Innovation

Research

US EPA National Priority Research Project

The GLWA research team is heavily involved with several projects relating to improving and optimizing water treatment and water quality. Two of these projects are part of the United States Environmental Protection Agency's (USEPA) National Priorities on Disinfectants, Disinfection By-Products (DBPs), and Opportunistic Pathogens in Drinking Water Distribution Systems. The research projects seek to address environmental problems associated with water quality (DBPs and pathogens) in drinking water systems and availability (to the extent that improving water quality increases the amount of safe drinking water to the public) and to continue to drive knowledge and understanding regarding the risk-risk trade-offs between microbial disinfection and disinfection byproducts formation. There is an interesting challenge in that the more chlorine used for disinfection, the greater the formation of disinfection by-products. This basic science has been known for over two decades. What is unknown however is how to treat drinking water to provide residual disinfection against pathogens and decrease the formation of disinfection by-products. Doctors Dienye Tolofari and John Norton are involved with these two US EPA projects.



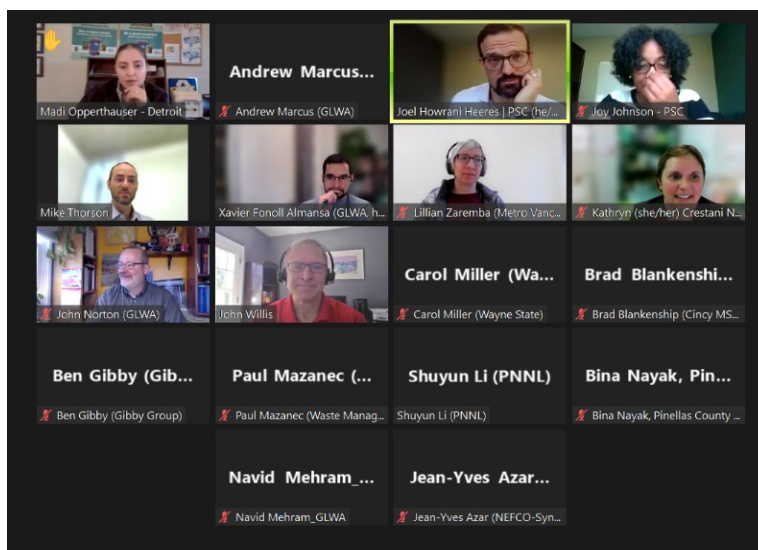
A group photograph of utility partners involved in the U.S. EPA project including GLWA (represented by Dr. Dienye Tolofari) taken after the kick-off meeting held at Georgia Tech, Atlanta, Georgia.

Another project, funded by the Water Research Foundation, involves the assessment of various rapid analytical methods of determining the presence of *Legionella* within drinking water systems. This project involves the research team, but is also strongly supported by GLWA water quality team, led by Patrick Williford and supported by Balvinder Sehgal and Wajid Khan.

WATER OPERATIONS (continued)

Hydrothermal Liquefaction (HTL) Professional Stakeholder Engagement Session

GLWA's Research and Innovation team organized Hydrothermal Liquefaction (HTL) Professional Stakeholders Engagement Session as part of our \$1.5 M dollar Department of Energy (DOE) research grant. The HTL research at GLWA aims to convert biosolids generated at our Water Resource Recovery Facility (WRRF) to liquid fuels, which has a potential to create new businesses and jobs for the City of Detroit and beyond. Prominent leaders from universities, businesses, and municipalities attended to identify drivers, issues, and constraints for adapting HTL in their respective organizations. The meeting opened with a brief introduction by Dr. Xavier Fonoll Alamansa (GLWA), which was followed by Dr. Mike Thorson (PNNL) providing detailed background on HTL. During the Q&A session, the stakeholders were interested in the potential advantages and disadvantages of HTL over conventional technologies for biosolids management, like anaerobic digestors (ADs). The ability to HTL to reduce Per- and polyfluoroalkyl substances (PFAS), for example, may improve the quality of biosolids being used as land fertilizers by our partner, the New England Fertilizer Co., or NEFCO.



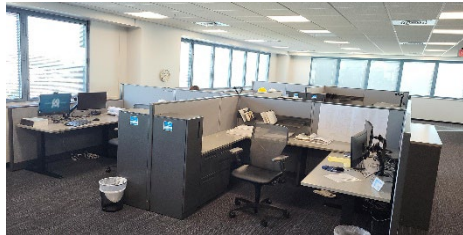
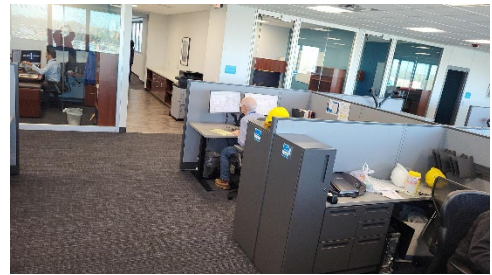
INFORMATION TECHNOLOGY

In the past month, the IT Security Team has proactively blocked or thwarted 45,735 spam messages, 17,783 spoofed messages and 0 viruses. Additionally, 10,718 phishing attempts have been caught and 7,027 malware attempts have been blocked.

The IT Business Productivity Team, in conjunction with the Organizational Development and Payroll Teams, is preparing for the late December launch of the first phase of Workday. Final testing and data conversion is taking place, and team members are being trained to use the system. Additionally, new time clocks that work with Workday have been installed and are ready for use beginning with the first payroll period of 2024, which starts on December 25, 2023. Intensive time clock and system support is being organized for the first weeks of Workday use.

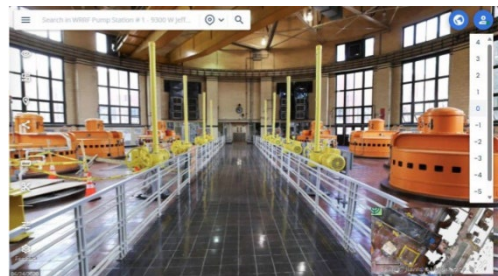
INFORMATION TECHNOLOGY (continued)

The IT Customer Service Delivery Team in collaboration with the Facilities and Wastewater Engineering Teams completed the relocation of 30 team members, including all the IT equipment from the 3rd floor to the newly remodeled 4th floor North Administration Building at the Water Resource Recovery Facility.



The new office design allows team members to work in better partnership with each other, and improves team member morale. This move also allows the start of the 3rd floor renovation.

The IT Enterprise Asset Management Systems Team is pleased to announce the completion of the implementation of NavVis IVION, GLWA's virtual facility tour software. NavVis IVION converts 3D reality capture data into a digital twin for collaboration and decision-making purposes. NavVis IVION allows team members to explore facility scans to view panorama images, points of interest (POI), asset locations, measure distances, areas, and angles, route between POIs, and much more all without having to physically visit the site. NavVis offers 360° panorama views and 3D LiDAR data of indoor and outdoor spaces at facilities mapped using laser scanning technology with NavVis' VLX camera.



The 3D LiDAR data can be used to create Building Information Model (BIM) representations of GLWA facilities as a basis for capital improvement designs. Team members in operations, maintenance, engineering, safety, and asset management can benefit from this new technology available to GLWA.

Currently, the IT PMO is managing 19 active projects and is processing four project requests.

PUBLIC AFFAIRS

TAP IN Campaign Update

GLWA's recruitment campaign TAP IN, continues to make a splash in the community. The 30 second television and radio spots continue to run in targeted areas of southeast Michigan. The television spot even had a special placement during the Detroit Lions Monday Night Football game on ESPN in targeted communities on Xfinity! In addition, large campaign posters are now up at convenience stores throughout Detroit and several surrounding communities within our service area. The campaign will continue to run through February 2024.

PUBLIC AFFAIRS (continued)

Here are the latest statistics from the campaign:

- 276,824 trackable campaign impressions;
- 23,801 video views (not including broadcast);
- 5,984 visits to www.glwater.org/careers since campaign launch in October;
- 112,290 broadcast spots delivered; and
- We have a video spot running on YouTube with a 40 percent view rate. For reference, 15 percent is considered the standard for a good view rate on YouTube.

You can watch the full video by clicking [HERE](#).



GLWA's Chief Executive Officer (CEO) Continues Team Member Outreach; Visits Lake Huron Water Treatment Plant and Conducts First Team Leader Quarterly Virtual Meeting

As a part of the CEO's ongoing team member outreach program, CEO Coffey continues to visit facilities. On October 19, she visited Lake Huron Water Treatment Plant, where she interacted with team members on both the day and night shifts, providing both a pizza lunch and dinner for team members, and providing time for an informal chat with herself and the rest of the Executive Leadership Team. She also conducted another one in her series of meetings with Team Leaders at each plant.

On November 2, she hosted her first Team Leader Virtual Quarterly meeting which was coordinated by Public Affairs. The one-hour virtual meeting was held on Microsoft Teams and featured information on key Organizational Development initiatives such as recruitment, benefits, and training. She also conducted a lengthy Q&A session with the Team Leaders, which raised good questions and shared interesting points of view.

PUBLIC AFFAIRS (continued)

Workday Basics Training Communications

The Public Affairs team collaborated with Organizational Development to implement and deploy a communications strategy for upcoming Workday training. Workday is GLWA's new Enterprise Resource Planning (ERP) system. All GLWA team members are required to complete a Workday training class.

Pink Out the Plant

In October, the Public Affairs team once again raised money for breast cancer research during National Breast Cancer Awareness Month. Team members who donated \$10 received a commemorative "Pink Out the Plant" (POP) t-shirt. The design allowed team members to honor a loved one who has battled breast cancer by adding their names to the t-shirt for an additional \$5. Team members from our Water Resource Recovery Facility (WRRF) came together once again for their annual "Pink Out the Plant" event to honor those who have battled breast cancer and show off their pink. The more than \$3,000 raised supports "Making Strides Against Breast Cancer".



SECURITY AND INTEGRITY

The Hazmat Unit coordinated and completed a total of 233 hours of training during the month.

Security and Integrity attended training on proper Threat Assessment and Workplace Violence Prevention in Livonia, MI.

Lastly, the Group finalized the upcoming Cyber-Security tabletop exercise in the coming months.

ORGANIZATIONAL DEVELOPMENT

Performance Team

Professional Development Certification Program

The Professional Development Certification Program for team leaders and represented team members in specific job classifications was conducted in October. The program provides an annual stipend for Michigan Department of Environment, Great Lakes, and Energy (EGLE) required certifications. The EGLE certifications is required by the team member's job description or approved by the Chief for the operational area in which the team member is employed.

This year, the water technician apprentices were added to the program as a pilot. Water technician apprentices are required to obtain the F4 Complete Treatment Certification as part of their apprenticeship. The addition of the water technician apprentices to the program reflects GLWA's dedication to growing the skills and qualifications of the apprentices.

One hundred and fifty team members are eligible to receive the stipend. The stipend is scheduled to be part of the team member's November 17th pay.

Community Outreach

The apprenticeship team participated in the Wayne County Regional Educational Service Agency (RESA) School District Partnership Appreciation Breakfast hosted by Wayne RESA's Department of Workforce Development, Adult Education, Career Technical Education, and Career Counseling on Wednesday, October 25, 2023, at Wayne RESA's Education Center. GLWA's partnership with the school district helps support students through career exposure, exploration, and learning for youths in Wayne County. The breakfast allowed team members from GLWA to meet the entire faculty team, network with other business and industry partners, and collaboratively strategize on how to continue contributing and sustaining Wayne County and ultimately, our state's workforce.

Apprenticeships

GLWA apprentices (electricians, water technicians, instrumentation technicians (EICT-I), and maintenance technicians) continue to perform well in their respective programs.

The apprenticeship team collaborated with Detroit Employment Solutions Corporation (DESC) and Oakland County Michigan Works! to offer additional support services and tutoring for GLWA apprentices.

ORGANIZATIONAL DEVELOPMENT (continued)

Benefits and Wellness

Team Member Engagement:

GLWA 2024 Open Enrollment and Wellness Fair

The GLWA 2024 Open Enrollment was held from September 21 – October 6, 2023. This year's festive event included a Hawaiian theme that engaged team members as well as our benefit-related vendors.

On-site health screenings were held October 2 – 5, 2023, at the Water Board Building (WBB), Water Resource Recovery Facility (WRRF), Central Services Facility (CSF), and Water Works Park (WWP). Approximately 13 vendors provided resources to GLWA team members and answered questions about their GLWA benefit programs. Vendors included: Blue Cross Blue Shield of Michigan, Health Alliance Plan, Delta Dental of Michigan, Heritage Vision Plans, The Hartford, Liberty Mutual, Purchasing Power, Nationwide, Ulliance EAP and MissionSquare Retirement.

Health Screenings and Flu Shot Clinic

GLWA also hosted on-site flu shot clinics at no cost to team members. Michigan Community Visiting Nurses Association (VNA) administered both the influenza and the new COVID vaccine.

Cardiovascular screenings were provided for GLWA team members and DWSD employees as well. Angiology Corporation of America provided the AngioScreen, a 10-minute, on-site screening that requires no preparation or blood-work, and costs little more than the conventional biometric screenings. It provides the best-known tests for detecting vascular disease, the leading cause of heart attacks and strokes, and it instantly provides a highly engaging written and digital visual report. For the first time participants can see what the lining of their arteries looks like in an instant one-page report. The screening is mobile, non-invasive, involves no radiation and no needles!

The GLWA 2024 Open Enrollment/Health Fair was a successful event to provide information about benefits and resources available to GLWA team members, and a time for our vendors to get to know our team members.

Mental Well-being:

Wellness Wednesday Meditations

Held Wednesdays at noon, GLWA team members participated in October meditations led by Blue Cross Blue Shield of Michigan's well-being team. Each session focused on helping team members to cultivate more joy and positivity in their lives leaving with a sense of calmness and released anxiety.

ORGANIZATIONAL DEVELOPMENT (continued)

October focal points included:

- Gratitude
- Loving Kindness
- Bhramari Pranayama (Bee Breathing)
- Standing in Trees

Drop 5 Virtual Weight-Loss Community

Held Thursdays at noon, the October Drop 5 Community facilitated by Blue Cross Blue Shield of Michigan's well-being team promoted connection and belonging to help team members improve well-being.

October topics included:

- Julia Kyle Explains the Types of Grief and How to Cope
- Name Your Emotions to Strengthen Your Brain's Resiliency
- Reflective Writing Workshop with Catherine
- Building Healthy Pizzas from the Crust-Up

Jay Shetty and Tamara Levitt: A World Mental Health Day Conversation

On October 10, 2023, more than 20 GLWA team members participated in *A World Mental Health Day Conversation* hosted by the Calm Organization's Chief Purpose Officer, Jay Shetty, and Head of Mindfulness, Tamara Levitt. From the employer perspective, managers learned how to better support team members' mental health and promote healthy minds in the workplace. All participants were able to walk away with tools and resources to implement in their daily lives.

Financial Well-being:

U.S. Department of Labor Outreach

As part of the National Retirement Security Week, the Department of Labor facilitated outreach presentations for GLWA team members. The three-part series over a 3-week period included:

1. Taking the Mystery Out of Retirement Planning.
2. What Women Should Know About Their Retirement Plan.
3. What You Should Know About Your Retirement Plan.

ORGANIZATIONAL DEVELOPMENT (continued)

Retirement Planning Lunch & Learn

The Central Services Facility hosted the MissionSquare Retirement Education on-site lunch and learn seminar on October 19, 2023. All GLWA team members were able to meet with MissionSquare retirement plan specialists virtually October 17. Team members were able to review their retirement goals and portfolio performance during one-on-one consultations for both dates.

Physical Well-being:

31 Days of Health - Fall Edition

The sequel to our May walking challenge, GLWA team members engaged in a month-long walking challenge. Nine teams of four and six individuals walked to compete for one of four weekly themed gift baskets. Together 11 million steps were logged!

The grand prize for the overall winning team was provided tickets to a Detroit Pistons game and a prize cooler for the winning soloist. We thank “Heritage Vision Plans and Delta Dental of Michigan” for their donations to support the well-being of GLWA team members.

Training

During the month of September, **265** GLWA team members completed **39** safety courses and **20** non-safety courses, for a total of **306** instructor-led training hours.

Talent Management

Staffing

The table below provides a breakdown of GLWA Team Members since the last CEO report:

Number of New Hires	22
Number of Separations	8
Total Staffing - Regular FTEs (YTD)	1020

FINANCIAL SERVICES AREA

October 2023 Audit Committee Recap

The most recent regular monthly Audit Committee meeting originally scheduled for Friday, October 27, 2023 and was postponed to Thursday, November 9, 2023. The GLWA Audit Committee binders are publicly available at www.glwater.org/financials/. The October binder was distributed in anticipation of the original meeting date and includes the following items.

- ✓ An update on the annual financial audit which is on schedule.
- ✓ A report related to the Detroit General Retirement System Component II June 30, 2022 actuarial report was finalized. That report includes the Detroit Water and Sewerage Department (DWSD) cost pool which requires contributions from both GLWA and DWSD. The good news is confirmation that the pension contribution is now reduced to only annual administrative costs of \$2.5 million based upon the forecasted funded status of the plan as of June 30, 2023.
- ✓ The annual report on water max day and peak hour in support of the upcoming charges rollout process for FY 2025.
- ✓ A draft of the June 2023 unaudited financial report (Executive Summary attached).
- ✓ Monthly updates on the Business Inclusion and Diversity (B.I.D.) program, Charges Outreach and Modeling team efforts, and Affordability & Assistance team initiatives.
- ✓ A review of gifts, grants and other resources activity.
- ✓ Support for the annual qualified financial institution review related to GLWA investment activity and interests.
- ✓ Circulation of the latest Procurement Pipeline.

Michigan Government Finance Officers Association Fall Institute

In October, five members of the GLWA Financial Services Area were able to attend the MGFOA Fall Institute in Boyne Falls, Michigan. Jill Kusters, David Slowik, Kathy Smith-Roy, Michelle Wong,



and Kim Garland along with nearly 250 colleagues from around the state attended helpful sessions ranging in topic from

important accounting and reporting updates to recent legislation impacting municipal finance. GLWA maintains a strong presence in this key organization with the following Financial Services Area members holding a variety of leadership roles:

- Kim Garland, Immediate Past President
- Matt Lane, Technology Resource Committee Member



FINANCIAL SERVICES AREA (continued)

- Michelle Burt, Membership Committee Member
- Alicia Schwartz, Legislative Committee Member
- Nick Fedewa, Accounting Standards Committee Member
- Kathy Smith-Roy, Past President, and Honorary Life Member

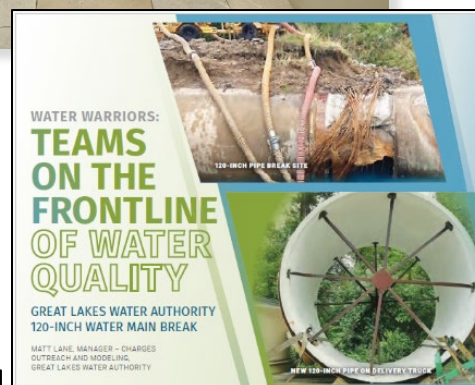
Michigan Women in Finance Fall Networking Event

Michigan Women in Finance (MWIF) held their Fall Networking Event at the Ford House Visitor Center in Grosse Pointe Shores on October 24, 2023. The 40,000 square foot Visitor Center opened in May 2021 and proved to be a beautiful fall venue for this year's event. The Michigan Women in Finance's mission is to bring together issuers, bankers, legal counsel, and others to provide an opportunity to gain insight into the marketplace while expanding their professional network. Alicia Schwartz, Manager Grants and Intergovernmental Relations is currently serving as President of the organization.



Charges Outreach & Modeling

In October, Charges Outreach and Modeling Manager Matt Lane was able to contribute an article to the Michigan Section- American Water Works Association publication, *Water Works News*, focused on the GLWA response to last year's 120-inch water main break. This was the first article in a reoccurring series called Water Warriors: Teams on the Frontline of Water Quality, which will be featured in the Fall and Spring issues of the magazine.



FINANCIAL SERVICES AREA (continued)

Procurement Team Update



Last month, members of the Procurement Team attended the Michigan Public Purchasing Officers Association (MPPOA) annual fall conference in Saint Joseph, Michigan. Over 60 MPPOA members attended the conference where GLWA's

own Tina Clinkscales (Management Professional, Procurement) presided as the outgoing president of the organization.

During the two-day event, the National Institute of Public Procurement presented educational sessions on becoming a trusted advisor, strategic sourcing and planning, leading evaluation committees, and specification writing. GLWA Procurement team members also attended networking sessions with procurement professionals throughout the state of Michigan, including municipalities, universities, and airport and transit authorities.

The MPPOA is an official chapter of the National Institute for Governmental Purchasing (NIGP) and was founded in 1971 as a non-profit professional organization of persons who are employed by a public agency or institution in Michigan. Each year, the MPPOA provides quality support, including education and networking services, to public purchasing professionals throughout the state.

Affordability & Assistance

On Thursday, October 26, 2023, the water affordability and shutoff protection bill package developed by the Senator Chang's workgroup was presented to the Michigan House of Representatives, and on Tuesday, October 31, 2023, the bill package was presented to the Michigan Senate. GLWA applauds the efforts of State Senator Stephanie Chang in engaging a diverse group of stakeholders in the meaningful discussions resulting in this first-of-its-kind statewide water affordability and assistance legislation. GLWA is proud of its participation and ability to contribute as a resource to Senator Chang and the workgroup as they developed the framework for the legislation. GLWA now seeks to further this dialogue by sharing this package of bills with its Member Partner communities for their review and consideration.

FINANCIAL SERVICES AREA (continued)



Madison Merzlyakov participated in a panel discussion hosted by Wayne Metro Community Action Agency on October 19, 2023, as part of their Annual Meeting. Joining Madison in the discussion on water affordability was Sylvia Orduño (People's Water Board Coalition) and Director Gary Brown (Detroit Water and Sewerage Department). Madison discussed the improvements of the Water Residential Assistance Program (WRAP) which stemmed from GLWA engagement with local advocates, service delivery partners, and those in our Member Partner communities who are most affected by economic hardships.

Procurement Pipeline

The October Procurement Pipeline is attached. This month's edition expresses GLWA's appreciation to those attending the September 2023 GLWA Vendor Outreach Event, and includes information on the new Vendor Outreach Contact Guide, which will help the Vendor Community in contacting knowledgeable GLWA team members. In addition, the newsletter contains information on virtual vendor introduction meetings, a list of upcoming solicitations, a reminder of the monthly CEO Report as a helpful source of GLWA news, and instructions on how to renew certificates of insurance (COIs) annually until all work on a contract is completed.

The Office of the General Counsel's November Report is an attachment to the Chief Executive Officer's Report.

Respectfully submitted,

Suzanne R. Coffey, P.E.
Chief Executive Officer

SRC/dlr
Attachments

- June Executive Summary
- October 2023 Procurement Pipeline
- Office of the General Counsel Report



Key Financial Metrics

The table below provides key report highlights and flags the financial risk of a budget shortfall by year-end as follows: No Risk (green) - Potential (yellow) - Likely (red)

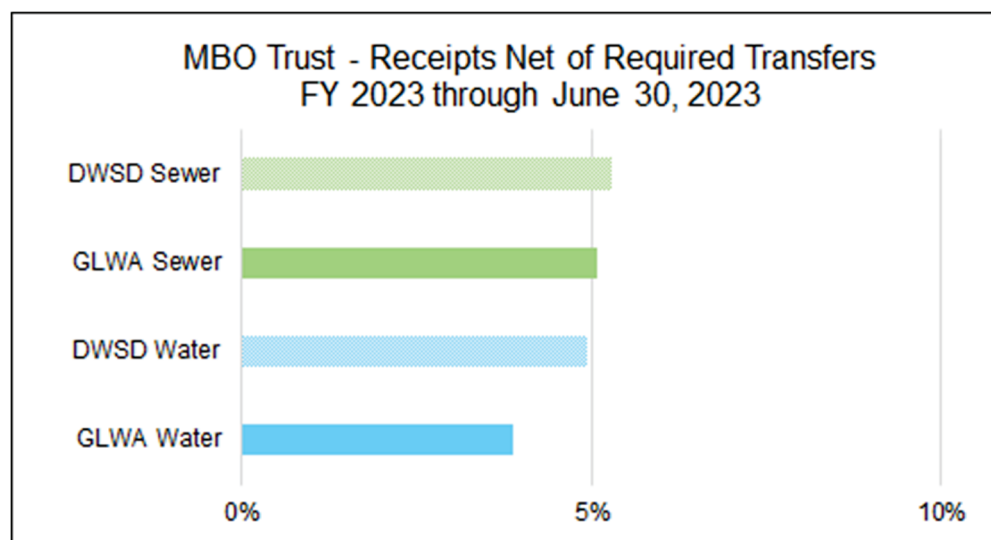
Each variance is monitored by the Great Lakes Water Authority (GLWA) management and, where appropriate, operating and/or budget priorities are re-evaluated. Staff reviews the need for budget amendments quarterly and requests necessary amendments when required based on the most current information available. This report reflects fourth quarter budget amendments approved by the GLWA Board of Directors on June 28, 2023.

For the current year, both water and sewer capital spend reflect variances to budget outside the normal range. These variances reflect the increased costs and ongoing resource challenges facing the construction industry as a whole.

As of June 30, 2023					
Metric	FY 2023 Budget	FY 2023 Amended Budget	FY 2023 Actual	Variance from Financial Plan	Report Page Reference
Wholesale Water Billed Revenue (\$M)	\$338.8	\$338.8	\$342.9	1%	48
Wholesale Water Billed Usage (mcf)	13,513,000	13,513,000	13,813,000	2%	
Wholesale Sewer Billed Revenue (\$M)	\$274.7	\$274.7	\$274.7	0%	50
Wholesale Water Operations & Maintenance (\$M)	\$144.8	\$156.7	\$154.3	-2%	5
Wholesale Sewer Operations & Maintenance (\$M)	\$184.1	\$204.1	\$203.8	0%	
Investment Income (\$M)	\$2.3	\$32.6	\$34.8	7%	37
Water Prorated Capital Spend w/SRA* (\$M)	\$155.5	\$207.9	\$196.3	-6%	28
Sewer Prorated Capital Spend w/SRA* (\$M)	\$125.9	\$108.5	\$104.6	-4%	29

*SRA refers to the capital spending ratio assumption which allows capital program delivery realities to align with the financial plan.

Master Bond Ordinance (MBO) Trust Net Receipts (page 55)



Net cash flow receipts remain positive for GLWA Water and Sewer. This means that all legal commitments of the MBO Trust and the lease payment are fully funded – and that positive cash flow is

available for additional capital program funding in subsequent year(s). DWSD Water reports a surplus of \$6.1 million and DWSD Sewer reports a surplus of \$15.8 million of net receipts over disbursements through June 2023.

Budget to Actual Analysis (page 3)

- FY 2023 information includes the fourth quarter budget amendments which were approved by the GLWA Board of Directors on June 28, 2023.
- This report is not final. Adjustments related to the fiscal year end 2023 audit will affect the Budget to Actual Analysis.
- The total Revenue Requirements are on target through June 2023.
- The total overall Operations & Maintenance expenses are at 99.2% of budget through June 2023. This positive variance equates to a dollar amount of \$2.7 million.

Basic Financial Statements (page 9)

- The Basic Financial Statements are prepared on a full accrual basis and reflect preliminary, unaudited results.
- Operating income for June 2023 is \$78.6 million for the Water fund (21.6% of total revenues) and \$109.8 million for the Sewer fund (22.8 % of total revenues).
- Water Net Position decreased by \$ 14.6 million, and Sewage Disposal Net Position increased by \$ 5.8 million for the year to date through June 2023.

Capital Improvement Plan Financial Summary (page 28)

- Water system costs incurred to date are below the amended 107% Capital Spend Ratio assumption.
- Sewer system costs incurred to date are below the amended 86.2% Capital Spend Ratio assumption.

Master Bond Ordinance Transfers (page 31)

- For June, transfers of \$22.9 million and \$22.7 million were completed for the GLWA Water and Sewer funds, respectively.
- Also, for June, transfers of \$6.0 million and \$6.0 million were completed for the DWSD Water and Sewer funds, respectively.

Cash Balances & Investment Income (page 38)

- Total cash & investments are \$535 million for Water and \$665 million in the Sewer fund.
- Total, combined, cumulative, FY 2023 investment income through June is \$34.8 million.

DWSD Retail Revenues, Receivables & Collections (page 42)

- Water usage through June 30, 2023 is 109.25% and revenues are 107.06% of budget.
- Sewer usage through June 30, 2023 is 103.47% and revenues are 100.49% of budget.
- Combined accounts receivable balances for the water and sewer funds report an increase of \$26.7 million over the prior year.
- Past dues over 180 days make up of 70.4% the total accounts receivable balance. The current bad debt allowance covers 99.0% of past dues over 60 days.

GLWA Wholesale Billing, Receivables & Collections (page 48)

- GLWA accounts receivable past due balance net of Highland Park is 10.90% of the total accounts receivable balance, with the majority of that balance related to one water account dispute currently under discussion.
- The Highland Park past due balance is \$54.2 million. It includes \$40.3 million for wastewater treatment services, \$1.8 million for industrial waste control services, and \$12.1 million for water supply services. Highland Park made a catch-up payment of \$1.7 million on June 3, 2022 and has continued to make additional, monthly payments since that time totaling \$5.9 million as of June 30, 2023.

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

Welcome to the October edition of *The Procurement Pipeline*, a monthly newsletter designed to provide updates on doing business with the Great Lakes Water Authority (GLWA).

Thank You for Attending the 2023 GLWA Vendor Outreach Event!

GLWA thanks the Vendor Community for attending last month's 2023 Vendor Outreach Event at the Laurel Manor Conference Center in Livonia. GLWA values our relationship with the Vendor Community, and this event was a great opportunity to connect in person, to share new information about GLWA, and to hear your most important questions. Thank you again to all who attended!



The 2023 Vendor Outreach Contact Guide

To help ensure that the Vendor Community has direct access to the GLWA team members who can best answer your questions, we have created the 2023 Vendor Outreach Contact Guide. The guide, which provides contact information for GLWA team members involved in all aspects of the procurement process, may be accessed by attendees of the 2023 Vendor Outreach Event via the Whova mobile or web platform. All other Vendors interested to receive the Contact Guide may request a copy via GLWAVendorOutreach@glwater.org.

Reminder: How to Submit Renewal Certificates of Insurance (COIs)

The [March 2023 Procurement Pipeline](#) featured an article on fulfilling GLWA's standard insurance requirements, including how renewal Certificates of Insurance (COIs) must be submitted on an annual basis until all work on a contract is completed.

To provide improvements in GLWA's processing and tracking of vendor COIs, vendors should now submit their renewal COIs directly to COI@GLWater.org. Vendors must also include the GLWA contract number on COI documents. Note that this process update applies only to renewal COIs. COIs for new contracts or purchase orders (POs) must still be submitted to the GLWA Buyer of Record.

Virtual Vendor Introduction Meetings

If you are interested in learning more about doing business with GLWA, contact us at GLWAVendorOutreach@glwater.org to schedule a virtual vendor introduction meeting. Topics include information on submitting a competitive bid or proposal to any GLWA solicitation.

Keeping up with GLWA

Our Chief Executive Officer (CEO) Monthly Report provides a wealth of information and news about important initiatives within GLWA's service territory that impact GLWA, its member partners, and the public. To read the September 2023 Monthly Report, please [click here](#).

What's Coming Down the Pipe?

Current Solicitations: Register in GLWA's [Bonfire Procurement Portal](#) for new solicitations and contract award information.

Upcoming Procurements: Next Three to Nine Months—See newsletter page 2.

Visit GLWA online!

To see the GLWA vendor homepage, please visit www.glwater.org or contact us via email at procurement@glwater.org.

Upcoming Solicitations October 2023

Category	CIP #	Description/Project Title	Budget Estimate
Water System (next four to nine months)			
Construction	122004	96-Inch Water Transmission Main Relocation - Phase III	\$90,000,000
Construction- Pre-Purchase	122004	96-Inch Water Transmission Main Relocation - Phase III - Pre-Purchase Pipe	\$2,300,000
Construction	122016	Downriver Transmission Main Loop – Phase 1 – Inkster Rd	\$21,000,000
Wastewater Systems (next four to nine months)			
Construction	260510	CSO Outfall Rehabilitation Phase VI	\$15,000,000
Construction	211005.2	WRRF Pump Station 2 VFD Replacements	\$12,000,000
Design	270001	Pilot Netting and Disinfection Facilities at B03, B04, and B05	\$8,000,000
Design	270008	CSO Facility Disinfection Improvements	\$3,900,000
Water System (next three months)			
Professional Services	O&M	Valve Exercising Project for Field Services	\$7,500,000
Construction - Pre-Purchase	122004	96-Inch Water Transmission Main Relocation - Phase III - Pre-Purchase Valves	\$3,000,000
Wastewater (next three months)			
Study	213009	Biosolids Study	\$2,500,000
Projects moved to Procurement Team (Preparing for solicitation on Bonfire)			
Construction	122016	Downriver Transmission Main Loop-Phase I	\$20,700,000
Professional Services	O&M	Refuse and Recycling Waste Pickup and Disposal Services	\$655,000
Professional Services	170506 & O&M	Water Transmission main, valves and other priority repairs	\$21,500,000
Construction	260211	Sewer Rehabilitation and Repair II	\$18,000,000
Construction	211007	Pump Station - 2 Bar Rack Replacement and Grit Collection System Improvements	\$110,000,000
Design-Bid-Build	261001	WRRF Rehabilitation of Secondary Clarifiers	\$2,300,000

Vendors should continue to monitor [Bonfire](#) for solicitation updates.

Acronyms		
WRRF: Water Resource Recovery Facility	CSO: Combined Sewer Overflow	WTP: Water Treatment Plant

Office of the General Counsel – November 16, 2023

- ***Legislative Updates:*** The Office is monitoring infrastructure spending bills at the federal and state level and working with others to develop state storm water utility legislation. Michigan's legislature has approved a supplemental appropriation containing a \$5 million dollar grant to GLWA.
- ***Gordie Howe International Bridge:*** GLWA filed a notice of claim with the Court of Claims related to its relocation claim.
- ***June and July 2021 Rain Events:*** The Office is providing legal support in response to the significant rain events in June and July 2021. Recently, the trial court dismissed most of the lawsuits against GLWA based on governmental immunity. The Plaintiffs are appealing the decision.
- ***Trenton Water Main:*** The Office is negotiating the transfer of the 24-inch water main to GLWA.
- ***Contract Negotiations:*** The Office is negotiating 30-year wastewater disposal services contracts with sewer member partners that do not have a 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.
- ***Record Retention Policy:*** The Office submitted GLWA's record retention policy to the State. The Office is working on a record storage and disposal policy to work hand in hand with the record retention policy.
- ***Industrial Pretreatment Program ("IPP"):*** The Office also continues to provide assistance on PFAS and PFOS matters, including comments on the new drinking water regulations and negotiating an administrative consent order with an industrial user.
- ***Real Estate:*** The Office is working to secure easements and acquire properties related to various water and sewer projects. Each real estate transaction will be presented to the Board for approval when they are fully negotiated.
- ***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 and Arbitrations:*** The Office continues to vigorously defend actions against GLWA. In October, 2023, the Board authorized settlements of key litigation including a class action lawsuit regarding IWC charges and the collection actions against Highland Park. The Office is working on implementing those resolutions.
- ***Labor Relations:*** The Office continues to provide legal advice to Organizational Development on labor relations and employment matters.
- ***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. The Office is part of a cross-functional team working to complete significant revisions to the GLWA construction contract, including consideration of using an entirely new contract format. The Office continues to provide advice on federal grant compliance.

Statistics:

Contracts approved as to form:	30
Contracts drafted or revised:	90
Subpoenas/Information requests received:	8
Subpoenas/Information responded to:	7