



**FOR IMMEDIATE RELEASE**

February 26, 2025

Media Contact:

Stephen Jones / C: 248-202-6166 / [stephen@vvkagency.com](mailto:stephen@vvkagency.com)

Michelle Zdrodowski / C: 313-618-0552 / [michelle.zdrodowski@glwater.org](mailto:michelle.zdrodowski@glwater.org)

**GLWA BOARD APPROVES WATER & WASTEWATER SERVICE BUDGET AND CHARGE INCREASES FOR FISCAL YEAR 2026**

- *Water System service charge increase is 5.9 percent; Wastewater System service charge increase is 4.5 percent.*
- *GLWA's nine-year average charge increase continues to be well below 4% (2.7%-water/1.6%-wastewater)*
- *GLWA's FY26 budget and charges addresses the need to acknowledge multiple years of double digit increases in non-discretionary expenses such as chemicals, utilities and construction materials.*
- *Increased budget and charges support continued focus on public health, infrastructure improvements, and system resiliency*

DETROIT— The Great Lakes Water Authority (GLWA) Board of Directors, at its meeting on February 26, 2025, approved the organization's Fiscal Year 2026 and FY 2027 biennial budget, as well as the corresponding FY 2026 water and wastewater service charges for its member partner communities.

The system-wide service charge increase is 5.9 percent for the water system and 4.5 percent for the wastewater system. This is the first year that GLWA's budget will exceed four percent as the *4% Promise* that was included in the organization's foundational documents ended with current fiscal year. Despite this increase, GLWA's nine-year average charge increase continues to be well below four percent (2.7% for water and 1.6% for wastewater).

"The Great Lakes Water Authority remains committed to delivering wholesale water and wastewater services of unquestionable quality at a fair and equitable cost to our Member Partners," said Suzanne R. Coffey, P.E., Chief Executive Officer, GLWA. "However, like utilities across the nation, we are facing unprecedented cost pressures. We've had to make strategic decisions to balance necessary investments in our infrastructure with fiscal responsibility. Our focus remains on ensuring operational reliability, long-term sustainability, and continued value for the communities we serve. Safety and resiliency are the foundation of everything we do at GLWA – every investment we make into our system reflects that."

The total budget for GLWA for fiscal year 2026 is \$954 million, which is approximately \$48 million above fiscal year 2025.

GLWA's FY 2026 budget and charges address the need to acknowledge multiple years of double digit increases in non-discretionary chemicals, utilities and services costs. These costs have increased nearly 55 percent since 2020. The cost of chlorine, which is an essential chemical to help ensure GLWA produces clean, safe water and appropriately treats wastewater, has risen approximately 40 percent alone in the last 10 years.

The Fiscal Year 2026 budget and charges also support two new critical initiatives that are of widescale benefit to GLWA's service region, including:

- Corrosion Control – while there is no lead in GLWA's water and no lead pipes in the regional transmission system, GLWA recently launched a corrosion control strategy to provide added protection to its member partners' local systems. This comes at an estimated yearly cost of \$6 million;
- Resiliency – GLWA's newly formed Office of System Resiliency launched a multi-year flood mitigation study in partnership with the U.S. Army Corps of Engineers. Southeast Michigan has experienced repeated widespread flooding. There have been five flooding-related FEMA Federal Disasters declared since 2000. This has resulted in economic burden and social hardships across southeast Michigan. The project is funded 50 percent by the U.S. Army Corps of Engineers and 50 percent by GLWA.

The budget and charges also provide funding for GLWA's Linear System Integrity Program (LSIP) which assesses the regional system's transmission pipes and proactively identifies opportunities for pipe renewals and replacements. This is an essential piece of GLWA's overall system resiliency and asset management strategy.

"The main force guiding our budget and charge development has been our promise to do everything within our power to balance the regional system's budgetary needs with overall affordability concerns," said Nicolette N. Bateson, Chief Financial Officer/Treasurer, GLWA. "No decision is made today without understanding how it impacts the future, the environment and those we serve. We understand that this charge increase will have an impact on our member partners, and in turn the residents of the communities we both serve. No one wants to implement charge increases, but in order to responsibly manage and maintain the regional system, is it essential."

GLWA has engaged extensively with Member Partners throughout the annual six-month budget and charge development and rollout process, ensuring transparency and collaboration in financial planning.

The water and wastewater service charges set by GLWA cover all the Authority's costs of providing water and wastewater services. This includes pumping stations, transmission pipes, and treatment plant maintenance and renewal, as well as paying debt service on

outstanding bonds issued to fund ongoing capital improvements to the system's vast infrastructure.

It is important to note that GLWA service charges are only one element of what residents and business owners see on their bill. Each municipality has its own added costs associated with maintaining its local system, which can mean that GLWA's charges may be a larger or smaller percentage of the total cost of a local community's water expenses. Ultimately, each individual member partner community sets the end cost, or local rates, passed along to residents and businesses.

For more information on GLWA, please visit [www.glwater.org](http://www.glwater.org).

###

### **About the Great Lakes Water Authority (GLWA)**

The Great Lakes Water Authority (GLWA) is the provider-of-choice for drinking water services to nearly 40 percent, and efficient and effective wastewater services to nearly 30 percent, of Michigan's population. With the Great Lakes as source water, GLWA is uniquely positioned to provide those it serves with water of unquestionable quality. GLWA also has the capacity to extend its services beyond its 88 member partner communities. As part of its commitment to water affordability, the Authority offers a Water Residential Assistance Program to assist low-income households in participating member communities throughout the system. GLWA's board includes one representative each from Oakland, Macomb, and Wayne counties, two representatives from the city of Detroit, and one appointed by the Michigan governor to represent member partner communities outside of the tri-county area.