



FY 2027 Schedule of Charges As Approved

February 25, 2026

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Introduction

The Great Lakes Water Authority (GLWA) Board of Directors approved the FY 2027 Budget and Charges on Wednesday, February 25, 2026. The final *approved* charges are lower than the *proposed* charges previously mailed on January 26, 2026. This document provides the schedule of charges as approved in addition to materials that may be of interest to our Member Partners and the community they serve.

In addition to this report, Member Partners will receive their individual community charge sheets based on the adopted budget and approved charges. The final cost of service study will also be distributed and posted on GLWA's website.

Key Takeaways for the FY 2027 Budget and Related Charges

- The approved Fiscal Year 2027 average system charge adjustment is an increase of 5.8 percent for the water system and 4.26 percent for the wastewater system.
- A decrease in forecasted investment earnings is driving approximately one percent of the increase for both systems. Due to economic conditions, this is being seen across all public investment portfolios.
- Despite this increase, GLWA's ten-year average charge increase continues to be well below inflation at 3.03 percent for the water system and 1.85 percent for the wastewater system. This has been achieved through cost controls and refinancing debt at lower rates.
- The water budget and financial plan provides for \$7.5 million annually for the Linear System Integrity Program (LSIP). This is a start but far less than the needed to build up to \$75 million by Year 10 to effectively manage the aging water transmission mains.
- The staffing plan has a net zero increase with only a slight increase in full-time equivalents, which is used for budgeting purposes.

Public Health, Reliability of Service, and Affordability

Resource challenges at the regional and local level continue to place pressure on end consumer budgets. Yet reliable service is the underpinning of public health. For the most part, the aging water infrastructure is invisible to the residents and businesses until there is a watermain break or another event that impacts their daily life. GLWA Chief Executive Officer Suzanne R. Coffey, PE., spoke out about our state's water infrastructure needs in a recent Detroit News opinion editorial (attached). We look forward to working with you on these important matters in the year ahead.

Questions? Please do not hesitate to contact us at charges@glwater.org if you have questions, comments, or concerns.

GLWA CEO: The cost of delivering water is going up. Here's why

Suzanne Coffey

Feb. 4, 2026, 8:01 p.m. ET

Most of us don't think about water until it isn't there. It fills the coffee pot in the morning, allows us to wash dishes and flush toilets, runs at school sinks before class and keeps small businesses open for the day. For less than a penny per gallon, clean water shows up reliably and quietly, so embedded in our daily lives that it's easy to take for granted. That reliability, however, depends on infrastructure that across Michigan is aging faster than it's being replaced.

Much of the water system serving our region was built nearly a century ago, during periods of rapid industrial and population growth. Pipes and mains installed when Calvin Coolidge was president were never intended to last this long. Today, these systems are under mounting strain. "Sliding down the cliff" is more than a metaphor; it's the reality that GLWA and utilities across Michigan and the U.S. face daily, as small leaks and minor service interruptions signal a deeper, systemic decline.

At Great Lakes Water Authority (GLWA), nearly half of our water transmission mains were built between the 1920s and 1960s. More than 220 miles of pipe, about a quarter of our system, now require replacement or decommissioning. Addressing that need represents roughly \$1.2 billion in additional investment.

To simply keep conditions from getting worse — not to expand or modernize — will require about \$75 million more every year, on an ongoing basis, dedicated to water main renewal.

It's a staggering figure but still far less expensive than what it costs to respond reactively to emergencies. Chronic underinvestment has left many systems in crisis mode. Last winter in Southwest Detroit, a single 54-inch main break required emergency evacuations and millions in repair costs, not to mention the disruption to families and businesses who had no choice but to wait for vital services to be restored. Multiply that by the hundreds of similar risks across the state and the scale of the problem becomes impossible to ignore.

When infrastructure fails, the consequences ripple quickly. Emergency repairs cost many times more than planned replacement of weakened pipes, especially in dense neighborhoods or during extreme weather. Businesses close. Families are displaced. Communities bear the cost of disruption. Planned investment, by contrast, allows work to happen deliberately, with notice, coordination and far less impact on daily life.

GLWA is not standing still. Each year, we invest hundreds of millions of dollars in capital improvements across the regional water and wastewater systems, with our planned capital spend of approximately \$471 million a year during each of the next five years. We use advanced inspection technology to assess pipes from the inside, target the highest-risk segments and renew infrastructure before catastrophic failure occurs. Since 2021, this approach has identified and addressed hundreds of vulnerable pipe segments that might otherwise have failed without warning.

We have also worked aggressively to control costs — refinancing debt to strengthen our bond rating, tightening budgets and keeping average water rate increases below inflation over the past decade, even as construction materials, chemicals and labor costs surged after the pandemic. These steps reflect a commitment to stewardship and affordability.

But there are limits to what local utilities can control. GLWA is funded almost entirely by what we charge our customers. We have no authority to levy taxes or millages. Bonding alone cannot solve a generational infrastructure challenge without placing unsustainable pressure on household bills now and into the future. Asking today's residents to shoulder the full cost of infrastructure originally built with federal support decades ago raises serious questions of fairness and long-term affordability.

This challenge extends well beyond GLWA. Statewide, roughly 30% of Michigan's water and sewer infrastructure is already in poor condition, and [regional estimates](#) show that billions of dollars annually are needed just to bring systems to fair or good condition. What's required now is a shared solution, one that treats water infrastructure as the essential public good it is.

That means coordinating infrastructure investment so roads aren't rebuilt only to be torn up again for aging water mains beneath them. It means modernizing state and federal funding programs to reward proactive, well-managed utilities, not only systems already in crisis. And it means developing sustainable funding approaches that don't place the entire burden on ratepayers.

Stepping back from the cliff doesn't require dramatic gestures. It requires steady, sustained investment — paired with smart planning, accountability and partnership. When we act early, we protect public health, support local jobs, preserve affordability over time and avoid far greater costs down the road. The question isn't whether we can afford to invest in Michigan's water infrastructure. The question is how much longer we can afford not to.

Suzanne Coffey is CEO of the Great Lakes Water Authority.

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GLWA
Great Lakes Water Authority

FY 2027
Approved Charges



Overview The Water and Sewer Service Charges for FY 2027 were approved by the GLWA Board of Directors on February 25, 2026.

FY 2027 Approved Charges The water system average charge increase is 5.80% and the sewer system average charge increase is 4.26%. Despite these increases, GLWA’s ten-year average cumulative charge increase, with water at 3.03% and sewer at 1.85%, continues to be well below the consumer price index for water, sewer and trash.

Methodology There are no methodology changes this year that impact how charges are allocated among Member Partner communities.

Across-the-Board Adjustments Nearly every Member Partner received the same charge adjustment. The exceptions were three water Member Partners who had allowable modifications and two sewer Member Partners due to pre-established contract related provisions.

Headline Focus this Year GLWA continues its focus on addressing deferred maintenance through the deployment of advanced technology and strategic asset management. This was a key objective of stakeholders in establishing the regional authority and continues to be a top priority of the Linear System Integrity Program (LISP).

Over 130 (or 16%) of the 800 miles of water transmission main are beyond their useful life - having been placed in service in the 1920s or earlier. The proposed budget supports \$7.5 million towards this program – a modest amount compared to the current total estimated costs of comprehensive renewal and replacement over time.

Transparency in the Budget Process Visit glwater.org for publicly available details for the budget, charges, financial plan and capital improvement plan. Member Partners may also visit the Outreach Portal for presentations and information from the Charges Rollout meetings.

Proposed Budget The *water system* budget increase accounts for 4.6% of the 5.8% charge

increase. Operating expense increases (\$11.1 million) are the result of filling vacant positions in competitive fields such as skilled trades, capital project management, and information technology. Increased funding is also required for field maintenance and information technology costs for cybersecurity and device renewal. For infrastructure projects, related debt service increased by \$10 million. A \$4 million decrease in forecasted investment earnings, due to declining interest rates, is nearly 1% of the charge increase. Decreased sales volume also increased the charges.

The *sewer system* budget increase accounts for 3.4% of the 4.26% charge increase. The largest increases are infrastructure related debt service (\$13.0 million) and the Improvement & Extension Fund Transfer, a set aside for capital projects (\$2.4 million). A \$4.1 million decrease in forecasted investment earnings accounts for 0.8% of the charge increase. Operating expense increased \$1.7 million.

Average System Charge Adjustment Despite these increases, GLWA’s ten-year average is well below the rate of inflation over the past ten years. Affordability is at the core of our decision-making every day. As stewards of a vital service, daylighting the growing need to address aging pipes is essential to long-term affordability and reliability of services.

Year	Water	Sewer
2018	1.8%	-0.7%
2019	1.8%	0.1%
2020	0.6%	0.8%
2021	3.2%	2.0%
2022	1.5%	-0.6%
2023	3.7%	2.4%
2024	2.75%	2.75%
2025	3.25%	3.0%
2026	5.9%	4.5%
Approved 2027	5.80%	4.26%
Ten-Year Average	3.03%	1.85%

**GREAT LAKES WATER AUTHORITY
WATER SUPPLY SYSTEM**

Service Charges and Allocated Revenue Requirements

Approved as of February 25, 2026 - Effective July 1, 2026 for bills issued on or after August 1, 2026

Line No.	Member Partner	Contract	Fixed Monthly Charge (a)		Commodity Charge (a)		Projected Revenue From Charges
			\$/mo		\$/mcf		\$
1	Allen Park	Model	\$	148,100	\$	10.52	\$ 2,962,800
2	Almont Village	Model	\$	15,100	\$	13.56	\$ 301,900
3	Ash Township	Model	\$	52,600	\$	11.46	\$ 1,051,800
4	Belleville	Model	\$	20,500	\$	11.62	\$ 409,800
5	Berlin Township	Model	\$	44,900	\$	13.36	\$ 898,200
6	Brownstown Township	Model	\$	239,500	\$	13.96	\$ 4,789,300
7	Bruce Township	Model	\$	19,200	\$	56.78	\$ 383,700
8	Burtchville Township	Model	\$	27,000	\$	19.99	\$ 539,900
9	Canton Township	Model	\$	668,300	\$	14.08	\$ 13,364,400
10	Center Line	Model	\$	30,700	\$	7.92	\$ 614,700
11	Chesterfield Township	Model	\$	279,300	\$	12.66	\$ 5,584,800
12	Clinton Township	Model	\$	485,200	\$	10.24	\$ 9,703,400
13	Commerce Township	Model	\$	222,300	\$	16.91	\$ 4,446,500
14	Dearborn	No Contract	\$	576,800	\$	8.93	\$ 11,533,900
15	Dearborn Heights	Model	\$	240,800	\$	10.00	\$ 4,814,600
16	Eastpointe	Model	\$	102,500	\$	8.28	\$ 2,048,900
17	Ecorse	Model	\$	72,200	\$	7.27	\$ 1,444,400
18	Farmington	Model	\$	62,900	\$	11.77	\$ 1,257,400
19	Farmington Hills	Model	\$	563,500	\$	13.53	\$ 11,270,200
20	Ferndale	Model	\$	68,000	\$	8.61	\$ 1,359,300
21	Flat Rock	Model	\$	90,700	\$	14.39	\$ 1,813,700
22	Flint	Model	\$	633,900	\$	12.55	\$ 12,678,300
	<i>less: Adjustment for KWA Debt Service (b)</i>						\$ (5,959,200)
	<i>Net projected revenue - Flint</i>						\$ 6,719,100
23	Fraser	Model	\$	80,700	\$	11.60	\$ 1,614,500
24	Garden City	Model	\$	109,200	\$	12.15	\$ 2,184,000
25	Gibraltar	Model	\$	22,700	\$	10.33	\$ 453,200
26	Greenwood Township (DTE)	Model	\$	85,900	\$	16.13	\$ 1,717,900
27	Grosse Ile Township	Model	\$	77,300	\$	14.00	\$ 1,546,400
28	Grosse Pt. Park	Model	\$	83,900	\$	13.72	\$ 1,677,700
29	Grosse Pt. Shores	Model	\$	37,600	\$	17.87	\$ 751,400
30	Grosse Pt. Woods	Model	\$	81,800	\$	10.23	\$ 1,635,300
31	Hamtramck	Model	\$	54,000	\$	6.82	\$ 1,079,000

**GREAT LAKES WATER AUTHORITY
WATER SUPPLY SYSTEM**

Service Charges and Allocated Revenue Requirements

Approved as of February 25, 2026 - Effective July 1, 2026 for bills issued on or after August 1, 2026

Line No.	Member Partner	Contract	Fixed Monthly Charge (a)	Commodity Charge (a)	Projected Revenue From Charges
			\$/mo	\$/mcf	\$
32	Harper Woods	Model	\$ 57,300	\$ 8.59	\$ 1,145,400
33	Harrison Township	Model	\$ 105,300	\$ 9.36	\$ 2,106,000
34	Hazel Park	Model	\$ 49,200	\$ 8.17	\$ 983,400
35	Highland Park	Model	\$ 46,000	\$ 6.50	\$ 919,900
36	Huron Township	Model	\$ 98,800	\$ 12.01	\$ 1,975,900
37	Imlay City	Model	\$ 97,600	\$ 16.50	\$ 1,951,700
38	Imlay Township (Single User)	No Contract	\$ 700	\$ 470.00	\$ 13,100
39	Inkster	Model	\$ 84,000	\$ 6.97	\$ 1,679,400
40	Keego Harbor	Model	\$ 19,400	\$ 15.99	\$ 387,900
41	Lapeer	Model	\$ 100,300	\$ 15.09	\$ 2,006,400
42	Lenox Township	Model	\$ 21,500	\$ 9.98	\$ 430,700
43	Lincoln Park	Model	\$ 148,800	\$ 6.94	\$ 2,975,100
44	Livonia	Model	\$ 748,200	\$ 13.40	\$ 14,965,500
45	Macomb Township	Model	\$ 814,600	\$ 18.80	\$ 16,291,300
46	Madison Heights	Model	\$ 134,600	\$ 8.87	\$ 2,692,900
47	Mayfield Township (KAMAX)	Model	\$ 3,200	\$ 52.00	\$ 64,400
48	Melvindale	Model	\$ 43,200	\$ 7.36	\$ 864,300
49	New Haven, Village of	Model	\$ 28,500	\$ 11.52	\$ 570,100
50	NOCWA	Model	\$ 1,431,400	\$ 13.23	\$ 28,626,000
51	Northville	Model	\$ 49,300	\$ 14.00	\$ 986,400
52	Northville Township	Model	\$ 298,600	\$ 17.93	\$ 5,971,500
53	Novi	Model	\$ 582,800	\$ 16.40	\$ 11,656,100
54	Oak Park	Model	\$ 91,900	\$ 8.02	\$ 1,838,200
55	Oakland GWK Drain District	Model	\$ 6,000	\$ 5.00	\$ 119,000
56	Plymouth	Model	\$ 71,000	\$ 13.11	\$ 1,419,700
57	Plymouth Township	Model	\$ 287,100	\$ 15.19	\$ 5,740,400
58	Redford Township	Model	\$ 191,300	\$ 10.12	\$ 3,825,700
59	River Rouge	Model	\$ 33,800	\$ 6.96	\$ 676,300
60	Riverview	Model	\$ 55,700	\$ 10.25	\$ 1,113,300
61	Rockwood	Model	\$ 16,000	\$ 13.82	\$ 320,500
62	Romeo	Model	\$ 12,400	\$ 26.73	\$ 247,700
63	Romulus	Model	\$ 236,000	\$ 9.75	\$ 4,720,600
64	Roseville	Model	\$ 168,400	\$ 7.78	\$ 3,369,100

**GREAT LAKES WATER AUTHORITY
WATER SUPPLY SYSTEM**

Service Charges and Allocated Revenue Requirements

Approved as of February 25, 2026 - Effective July 1, 2026 for bills issued on or after August 1, 2026

Line No.	Member Partner	Contract	Fixed Monthly Charge (a)		Commodity Charge (a)		Projected Revenue From Charges
			\$/mo		\$/mcf		\$
65	Royal Oak Township	Model	\$	13,600	\$	10.71	\$ 271,400
66	Shelby Township	Model	\$	724,400	\$	14.12	\$ 14,486,200
67	SOCWA	Model	\$	1,510,700	\$	10.22	\$ 30,218,700
68	South Rockwood	Model	\$	7,600	\$	13.11	\$ 152,800
69	Southgate	Model	\$	135,600	\$	9.35	\$ 2,712,700
70	St. Clair Shores	Model	\$	201,800	\$	8.34	\$ 4,037,100
71	Sterling Heights	Model	\$	945,100	\$	13.53	\$ 18,904,500
72	Sumpter Township	Model	\$	46,800	\$	11.06	\$ 936,500
73	Sylvan Lake	Model	\$	15,000	\$	18.64	\$ 299,300
74	Taylor	Model	\$	298,600	\$	9.04	\$ 5,970,700
75	Trenton	Model	\$	114,000	\$	11.33	\$ 2,280,100
76	Troy	Model	\$	880,200	\$	16.58	\$ 17,603,900
77	Utica	Model	\$	38,200	\$	12.99	\$ 765,000
78	Van Buren Township	Model	\$	217,300	\$	14.22	\$ 4,346,700
79	Walled Lake	Model	\$	51,700	\$	14.23	\$ 1,034,500
80	Warren	Model	\$	618,100	\$	8.15	\$ 12,361,000
81	Washington Township	Model	\$	153,200	\$	14.08	\$ 3,063,400
82	Wayne	Model	\$	115,000	\$	9.43	\$ 2,299,400
83	West Bloomfield Township	Model	\$	684,900	\$	20.22	\$ 13,696,400
84	Westland	Model	\$	388,900	\$	10.27	\$ 7,778,600
85	Wixom	Model	\$	162,000	\$	16.65	\$ 3,241,000
86	Woodhaven	Model	\$	93,300	\$	14.20	\$ 1,866,500
87	Ypsilanti Comm Util Auth	Model	\$	674,100	\$	11.17	\$ 13,483,200
88	Total Wholesale Contract Member Partners (c)						\$ 384,435,600
<u>Detroit Customer Class - \$</u>							
89	Wholesale Revenue Requirement (d)						\$ 53,787,600
90	less: Ownership Benefit per Lease						\$ (20,700,000)
91	Net Local System Wholesale Revenue Requirement (c)						\$ 2,757,300
92	Revenue from Wholesale Water Charges (88) + (91) (c)						\$ 417,523,200
<u>Detroit Customer Class -Other</u>							
93	Indirect Retail Revenue Requirements (e)						TBD

**GREAT LAKES WATER AUTHORITY
WATER SUPPLY SYSTEM**

Service Charges and Allocated Revenue Requirements

Approved as of February 25, 2026 - Effective July 1, 2026 for bills issued on or after August 1, 2026

Line No.	Member Partner	Contract	Fixed Monthly Charge (a) \$/mo	Commodity Charge (a) \$/mcf	Projected Revenue From Charges \$
94	less: Use of Lease Payment for Debt Service				TBD
95	Net Indirect Retail Revenue Requirements (e)				TBD
96	Subtotal Subject to GLWA Board Approval (91) + (95)				TBD
97	Direct Retail Revenue Requirements (f)				TBD
98	Total Local Retail Revenue Requirement (95) + (97)				TBD
99	Total Requirement Detroit Customer Class (91) + (98) (agrees with GLWA Budget Schedule 3)				TBD
<u>Other Water System Charges</u>					
100	Lead and Copper Rule Sample Testing Fee - \$/Sample				\$ 63.00

- (a) Approved - effective date of July 1, 2026. Effective on all bills issued on or after August 1, 2026.
- (b) Flint receives a monthly credit related to KWA debt service in accordance with service agreements.
- (c) Agrees with GLWA Budget
- (d) Wholesale revenue requirements for the Detroit Customer Class.
- (e) Local System revenue requirements related to Master Bond Ordinance and related agreements
- (f) Local System operating expenses (net of shared services reimbursement) and I&E deposit. Not Subject to GLWA Board approval.

(e) & (f) Local System information provided from Detroit Water and Sewerage Department as of TBD.

GREAT LAKES WATER AUTHORITY
SEWAGE DISPOSAL SYSTEM
Service Charges and Allocated Revenues Requirements

Approved as of February 25, 2026 - Effective July 1, 2026 for bills issued on or after August 1, 2026

Line No.	Member Partner	Contract	Fixed Monthly Charge (a)	Projected Revenue From Charges
			\$/mo	\$
1	OMID	Model	\$ 6,800,500	\$ 81,606,000
2	Rouge Valley	Older	\$ 5,252,600	\$ 63,031,200
3	Oakland GWK	Older	\$ 4,386,600	\$ 52,639,200
4	Evergreen Farmington	Model	\$ 3,442,500	\$ 41,310,000
5	SE Macomb San Dist	Model	\$ 2,369,900	\$ 28,438,800
6	Dearborn	Model	\$ 1,951,900	\$ 23,422,800
7	Grosse Pointe Farms	Older	\$ 253,300	\$ 3,039,600
8	Grosse Pointe Park	Model	\$ 180,800	\$ 2,169,600
9	Melvindale	Model	\$ 149,400	\$ 1,792,800
10	Farmington	Model	\$ 113,900	\$ 1,366,800
11	Center Line	Model	\$ 99,700	\$ 1,196,400
12	Allen Park	Model	\$ 80,100	\$ 961,200
13	Grosse Pointe	Model	\$ 109,400	\$ 1,312,800
14	Highland Park	Model	\$ 375,900	\$ 4,510,800
15	Hamtramck	Model	\$ 408,200	\$ 4,898,400
16	Harper Woods	Model	\$ 15,500	\$ 186,000
17	Redford Township	Model	\$ 32,000	\$ 384,000
18	Wayne County #3	Older	\$ 4,600	\$ 55,200
19	Total Wholesale Contract Member Partners (c)			\$ 312,321,600
<u>Other Sewer System Charges</u>				
20	Industrial Waste Control (c)			\$ 9,508,000
21	Pollutant Surcharges (c)			\$ 5,115,500
22	Subtotal Regional Wholesale Revenues			\$ 326,945,100
<u>Detroit Customer Class - \$</u>				
23	Wholesale Revenue Requirement (d)			\$ 230,799,200
24	less: Ownership Benefit per Lease			\$ (5,516,000)
25	Net Local System Wholesale Revenue Requirement (c)		\$ 18,773,600	\$ 225,283,200
26	Total Revenue from Wholesale Charges (22) + (25) (c)			\$ 552,228,300

GREAT LAKES WATER AUTHORITY
SEWAGE DISPOSAL SYSTEM
Service Charges and Allocated Revenues Requirements

Approved as of February 25, 2026 - Effective July 1, 2026 for bills issued on or after August 1, 2026

<u>Detroit Customer Class -Other</u>		
27	Indirect Retail Revenue Requirements (e)	TBD
28	less: Use of Lease Payment for Debt Service	TBD
29	Net Indirect Retail Revenue Requirements (e)	TBD
30	Subtotal Subject to GLWA Board Approval (25) + (29)	TBD
31	Direct Retail Revenue Requirements (f)	TBD
32	Total Local System Revenue Requirement (29) + (31)	TBD
33	Total Requirement from Detroit Customer Class (25) + (32) (agrees with GLWA Budget Schedule 3)	TBD

- (a) Approved - effective date of July 1, 2026. Effective on all bills issued on or after August 1, 2026.
 - (b) Reserved
 - (c) Agrees with GLWA Budget
 - (d) Wholesale revenue requirements for the Detroit Customer Class.
 - (e) Local System revenue requirements related to Master Bond Ordinance and related agreements
 - (f) Local System operating expenses (net of shared services reimbursement) and I&E deposit. Not Subject to GLWA Board approval.
- (e) & (f) Local System information provided from Detroit Water and Sewerage Department as of TBD.

GREAT LAKES WATER AUTHORITY
Sewage Disposal System

Approved Industrial Waste Control Charges as of February 25, 2026
- Effective July 1, 2026 for bills issued on or after August 1, 2026

Line No.	Meter Size (Inches)	Charge per Month	
		Full Charge	Administrative Only
1	5/8	\$ 4.06	\$ 1.02
2	3/4	\$ 6.09	\$ 1.53
3	1	\$ 10.15	\$ 2.55
4	1-1/2	\$ 22.33	\$ 5.61
5	2	\$ 32.48	\$ 8.16
6	3	\$ 58.87	\$ 14.79
7	4	\$ 81.20	\$ 20.40
8	6	\$ 121.80	\$ 30.60
9	8	\$ 203.00	\$ 51.00
10	10	\$ 284.20	\$ 71.40
11	12	\$ 324.80	\$ 81.60
12	14	\$ 406.00	\$ 102.00
13	16	\$ 487.20	\$ 122.40
14	18	\$ 568.40	\$ 142.80
15	20	\$ 649.60	\$ 163.20
16	24	\$ 730.80	\$ 183.60
17	30	\$ 812.00	\$ 204.00
18	36	\$ 893.20	\$ 224.40
19	48	\$ 974.40	\$ 244.80

GREAT LAKES WATER AUTHORITY

Sewage Disposal System - Industrial Specific Retail Charges

Approved as of February 25, 2026 - Effective July 1, 2026 for bills issued on or after August 1, 2026

Line No.	Pollutant Surcharges	Charge (\$/lb)
1	Biochemical Oxygen Demand (BOD) - for concentrations > 275 mg/l	\$ 0.427
2	Total Suspended Solids (TSS) - for concentrations > 350 mg/l	\$ 0.572
3	Phosphorus (PHOS) - for concentrations > 12 mg/l	\$ 8.249
4	Fats, Oils, and Grease (FOG) - for concentrations > 100 mg/l	\$ 0.137

	Septic Disposal Fee	Charge
1	Fee per 500 gallons of disposal	\$ 42.00



FOR IMMEDIATE RELEASE

February 25, 2026

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GLWA BOARD APPROVES WATER & WASTEWATER SERVICE BUDGET AND CHARGE INCREASES FOR FISCAL YEAR 2027

- *Water System average system charge increase is **5.8 percent**; Wastewater System average system charge increase is **4.26 percent**.*
- *Increased budget and charges reflect the continued need to responsibly invest in aging regional infrastructure that serves 40% of Michigan's population.*
- *Budget includes an additional \$7.5 million to begin expanding GLWA's strategic watermain replacement program.*

DETROIT— The Great Lakes Water Authority (GLWA) Board of Directors, at its meeting on February 25, 2026, approved the organization's Fiscal Year 2027 and FY 2028 biennial budget, as well as the corresponding FY 2027 water and wastewater service charges for its member partner communities. The average system-wide service charge increase is **5.8 percent** for the water system and **4.26 percent** for the wastewater system.

"Budget and charge increases are never implemented lightly," said Suzanne R. Coffey, P.E., Chief Executive Officer, GLWA. "However, our regional system is at an inflection point. Aging infrastructure is deteriorating faster than it can be replaced under the current funding model, while climate impacts and operational demands continue to rise. Our responsibility is striking the right balance; protecting affordability for the communities we serve while making the investments necessary to ensure long-term reliability, public health and system resilience."

Three Key Drivers Behind FY 2027 Budget/Charge Increases

There are three key drivers behind the FY27 budget/charge increases:

1. *A Critical Need for Investment in Aging Infrastructure* – Much of GLWA's infrastructure is approaching or exceeding its intended useful life and experiencing increasing strain which makes proactive investment essential. In fact, more than

220 miles of pipe, which equates to about a quarter of the regional system, now require replacement or decommissioning. Addressing that need represents roughly \$1.2 billion in additional investment. To begin to expand GLWA's strategic watermain replacement program, \$7.5 million has been included in the FY 2027 budget.

2. *Increases to Operating Expenses* – Inflation continues to significantly impact the cost of many operating expenses, including the cost of utilities (electric and gas), chemicals for water and wastewater treatment, personnel, and continued investment in technology for business and operating systems, as well as contractual services (such as emergency crews and suppliers that help GLWA respond to watermain breaks).
3. *Decreased Opportunity to Utilize Investment Earnings to Offset Charges* – The money from positive returns on GLWA's investment portfolio go directly to offset charges to member partner communities. Due to U.S. Federal Reserve rate cuts, earnings from GLWA's investment portfolio are estimated to decrease by \$8 million (\$4 million applied to the water system and \$4 million applied to the sewer system) in FY 2027. This means that GLWA does not have the flexibility it has had in previous years to lessen the impact of the charge increase by applying the earnings.

“Our budget and charge increases are based on extensive financial and asset management planning and strategy development, as well as transparent discussions over many months during each budget development cycle with our member partner communities and our board of directors,” said Nicolette N. Bateson, CPA, Chief Financial Officer and Treasurer. “I am certain that we have used all the tools in our toolbox to optimize operations and contain costs. Sustaining affordability while modernizing infrastructure will need to go beyond the current funding model of placing the burden on our member partners and the households and business they serve across our region and will require regional collaboration and support from state and federal partners.”

GLWA's total budget for FY 2027 is \$1 billion, which is approximately \$36 million above FY 2026. It should be noted that nearly half of GLWA's water system budget and more than half of the wastewater system budget are dedicated to capital improvements that support the reliability of the regional system for current and future generations.

Transparency and Engagement

GLWA developed the FY 2027 budget and charges through an extensive, five-month engagement process including four charges rollout meetings attended by 55 customer communities, in-depth individual meetings with 12 customer communities, and public

hearings. This collaborative process ensures transparency, shared understanding, and accountability.

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.

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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.

WHY DOES GLWA NEED TO RAISE ITS CHARGES?



The Great Lakes Water Authority's (GLWA) proposed water and wastewater system charges for Fiscal Year 2027, which begins on July 1, 2026, reflect the continued need to responsibly invest in an aging regional infrastructure system that serves approximately 40 percent of Michigan's population.

Requests for budget and charge increases are never presented lightly. Our increases are based on extensive financial and asset management planning and strategy development, as well as extensive discussions with our customer communities and Board of Directors.

Internal cost controls and a focus on overall affordability underly all our decision making because we understand the actions we take now will have a great impact on future generations.

There are three key drivers behind our request to increase water and wastewater system charges (5.8% and 4.26%, respectively):

1. Critical Need for Investment in Aging Infrastructure



The water system serving our region was built nearly a century ago. Pipes and mains installed in the 1920s when Calvin Coolidge was president were never intended to last this long and are under growing strain. In fact, more than 220 miles of pipe, or about a quarter of our system, now require replacement or decommissioning. The longer we wait to do this work the more expensive it gets.

2. Increases to Operating Expenses



Inflation continues to significantly impact the cost of many operating expenses, including the cost of utilities (electric and gas), chemicals for water and wastewater treatment, personnel, and continued investment in technology for business and operating systems and contractual services (such as emergency crews and suppliers that help us respond to watermain breaks).

3. Decreased Opportunity to Utilize Investment Earnings to Offset Charges



Because of U.S. Federal Reserve rate cuts, earnings from GLWA's investment portfolio will decrease by \$8 million (\$4 million applied to the water system and \$4 million applied to the sewer system). This means that GLWA does not have the flexibility it has had in previous years to lessen the impact of the charge increase by applying the earnings. This decrease in investment earnings has impacted water utilities across the United States.

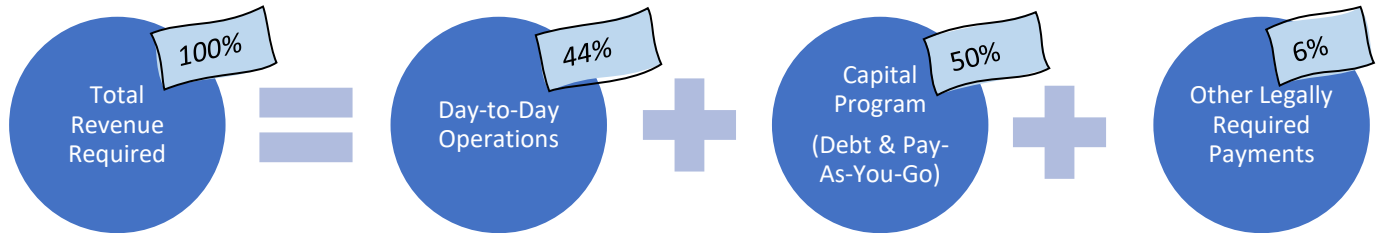
Despite the proposed FY 2027 increases, as well as absorbing several years of double digit increases in chemical, utility, construction and other costs, GLWA's 10-year average system charge adjustment for the water system is slightly above 3% and is slightly below 2% for the sewer system.

A public hearing on the proposed budget and charge increases will be held at 1:00 p.m. on Wednesday, February 25, 2026. For more information on the meeting please visit www.glwwater.org.

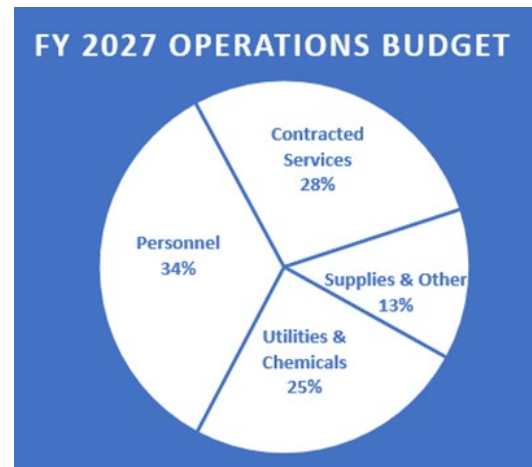


FY 2027 & FY 2028
Adopted Biennial Budget

The total budget for a water utility, like the Great Lakes Water Authority (GLWA), is referred to as the “revenue requirement.” It tells us *how much revenue / cash is required* to operate and maintain the systems for a given year. The total revenue requirement increased by \$36.2 million or 3.8% for FY 2027. Three major categories makeup GLWA’s total revenue requirement of \$989.9 million.



Day-to-Day Operations includes the personnel, specialty contractual services, utilities, chemicals, and supplies to operate five water treatment plants, the largest single-site Water Resource Recovery Facility (WRRF) in North America and all of the systems, processes, and controls to manage the vast regional water and sewer network. The total FY 2027 Operations & Maintenance Budget is \$431.3 million, up \$12.8 million over the previous year. This growth is from cost increases for utilities, chemicals, insurance and contractual provisions. New this year is the start of the water master plan update and increased technology security measures. The net staffing increase is zero. We have a successful apprenticeship program where graduates filled key vacancies.



Capital Program costs include making payments on bonded debt, balanced with cash funding, to prevent GLWA from maxing out its borrowing capability for future generations. Because many of our assets are underground, it is hard to envision the scope of all capital needs. For perspective, consider that there are over 800 miles of transmission main that move treated drinking water from five water treatment plants to the local systems’ distribution network and there are also over 200 miles of trunk sewers and interceptors that return wastewater to the WRRF. The combined total of 1,000 miles equals the driving distance from Detroit to Jacksonville, Florida. The FY 2027 Capital Program-related revenue requirement is \$494 million, an increase of \$23 million.

Other Legally Required costs increased \$0.9 million to \$64.8 million. This includes the lease payment to the City of Detroit Water & Sewerage Department (DWSD) (\$50 million restricted for DWSD debt and capital program needs), legacy pension payments to the City of Detroit General Retirement System (\$7.8 million), a half of one percent of revenues for the Water Residential Assistant Program (WRAP) (\$4.8 million), and a working capital requirement (\$2.1 million).

Revenue Required from charges increased 4.8%. The average system charge increase to Member Partners of 5.80% for water and 4.26% for sewer is achieved by offsetting revenue requirements with investment income and other operating revenue (although to a lesser extent with an approximately \$4 million decrease for each system).

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

The operations and maintenance (O&M) budget accounts for 43.6% (\$431.3M) of the total revenue requirement budget of \$989.9 million. Compared to the FY 2026 Adopted Budget, this is an increase of almost \$12.8M (3.1%). The following is a discussion of the proposed O&M budget highlights for FY 2027. Note: amounts presented in millions (M).

Staffing & Personnel - Overall the staffing plan number of positions (1,352) did not change. Across multiple areas, five apprentices graduated who were promoted to regular team member status filling vacancies in key operational areas. Since not all positions are filled, the “full-time equivalent” count is 1,194 which is a vacancy rate of 12%. Medical plan costs increased an average of 11.5%.

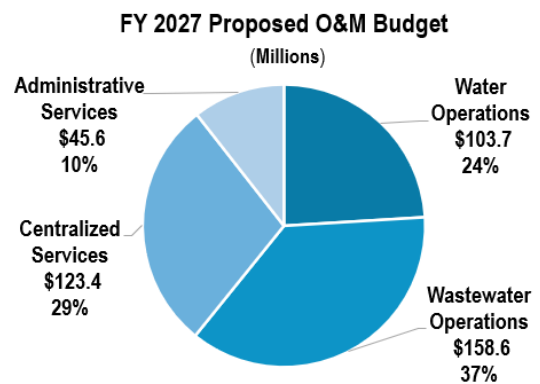
Water Operations - increase of \$2.2M (2.1%) Personnel increased (\$3.6M) for merit, market adjustments, and skills level progressions are included. Contractual Services decreased (\$2.8M) primarily due to the new sludge removal and hauling contract. Chemicals (bulk) are stable due to lower forecast volume of orthophosphate and stabilized market prices. Unallocated reserves (\$1.3 M) and other items (\$0.1M) also increased. Unallocated reserves are included in the budget to address cost increases or other contingencies throughout the year.

Wastewater Operations - increase of \$2.1 M (1.3%) An increase in Contractual Services (\$2.3M) is due to transferring the asset maintenance and reliability program for sewer operations from centralized Field Services; boiler operation services; and, a vendor price increase for operating the Biosolids Dryer Facility. Although staffing positions decreased by 10, personnel costs increased (\$1.6M) due to merit, market adjustments and skills level

progressions. Chemicals decreased significantly (\$4.1M) due to reduced forecast volume of chemicals used to control phosphorus and lower market prices. Unallocated reserve increased (\$1.8M) and other items increased (\$0.5M).

Centralized Services¹ - increase \$6.0M (5.1%) Personnel costs increased (\$2.4M) due to merit, market adjustments and skills level progressions. The increase in Supplies & Other (\$1.4M) is for wireless access points for the water plants to support technology and communication needs. Contractual Services net increase (\$0.5M) is due to capital projects for shared facilities, an update to the Water Master Plan, and technology for secure off-site backup services. These increases are offset by the sewer asset maintenance and repair costs transferred to the Wastewater Operations. Unallocated reserve increased (\$1.7 M).

Administrative Services² - increase of \$2.5 M (5.8%) Personnel cost increased (\$1.5M) due to merit and market adjustments. Unallocated reserves increased (\$0.7M). Contractual services increased (\$0.3M) due to legal resources needed to mitigate risk & safeguard the organization as well as an increase in insurance costs.



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

¹ Includes the System Resiliency, Planning Services, Systems Control; Facility and Fleet Operations; Field Service Operations; Energy, Research & Innovation; Transformation; Information Technology; and Security & Integrity/HazMat.

² Includes the Board of Directors, Chief Executive Officer, Chief Administrative & Compliance Officer (includes Risk Management & Safety), General Counsel, Public Affairs, Organizational Development, and Financial Services.

MAKING SENSE OF YOUR DOLLARS

Every dollar paid to GLWA for **Water Services** provides for...

FY 2027 Water System Budget Infographic

45.4% OPERATIONS AND MAINTENANCE

45.4¢ ON THE DOLLAR

The cost for people, utilities, chemicals, and services to deliver water of unquestionable quality around-the-clock, every day of the year.

44.3% DEBT SERVICE

44.3¢ ON THE DOLLAR

Physical improvements to GLWA's regional water system and its assets are financed with debt. Debt service principal and interest are funded monthly.

5.3% REGIONAL SYSTEM LEASE

5.3¢ ON THE DOLLAR

This money goes to the Detroit Water and Sewerage Department (DWSD) to pay for GLWA's lease of the regional water system. DWSD uses those funds for improvements to the local system and to pay debt related to capital improvements.

3.8% REVENUE FINANCED CAPITAL

3.8¢ ON THE DOLLAR

To lower the debt burden, GLWA sets aside money each year from revenues to pay for capital improvements in future years. This pay-as-you-go approach eliminates the need to pay interest on debt in future years and improves financial resiliency.

0.6% CLOSED PENSION

0.6¢ ON THE DOLLAR

GLWA inherited a portion of the city of Detroit's pension plan expense for employees and retirees that maintained the water system before GLWA was formed. Over time, the annual payment will decrease.

0.5% WRAP (WATER RESIDENTIAL ASSISTANCE PROGRAM)

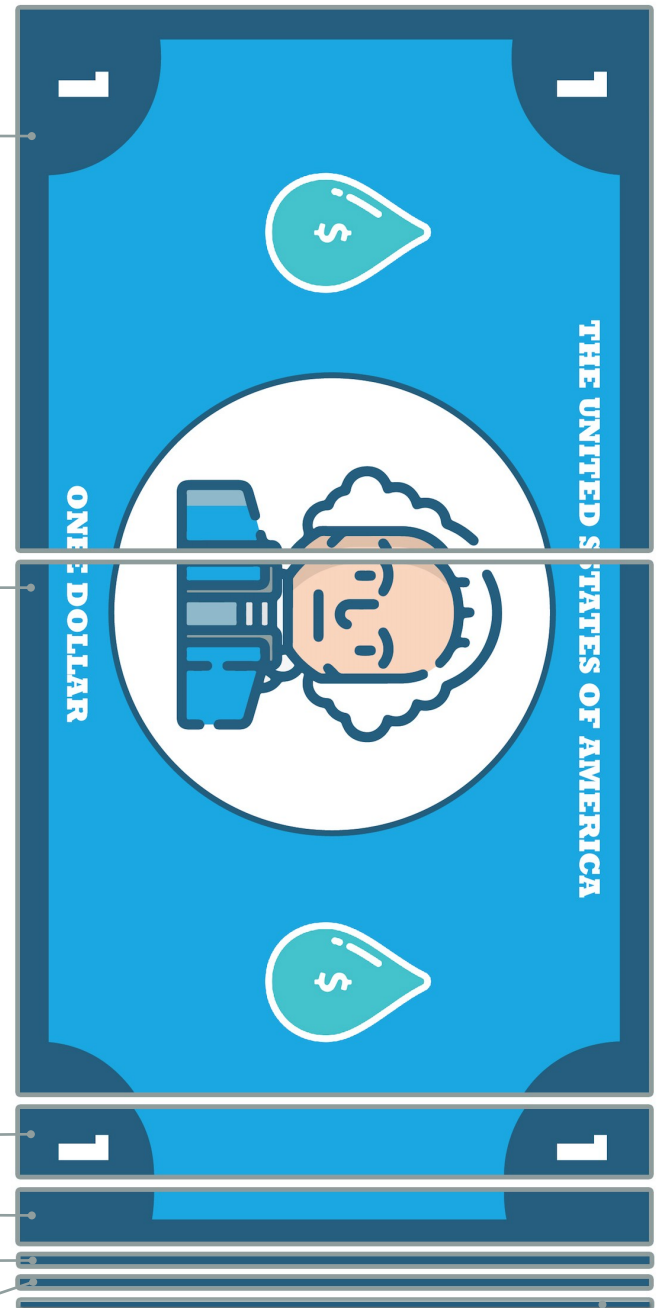
0.5¢ ON THE DOLLAR

Half a percent of GLWA's revenue goes straight to funding WRAP, making it the only sustainably-funded assistance program in the country. WRAP provides not only financial assistance, but also conservation education and minor plumbing repairs and replacements.

0.1% TRUST FUND WORKING CAPITAL & OTHER

0.1¢ ON THE DOLLAR

The amount required to maintain sufficient liquidity in the Master Bond Ordinance Trust Receiving and other funds, and the Extraordinary Repair & Replacement Reserve Fund.



Source: Adopted FY 2027 Budget as of February 25, 2026

MAKING SENSE OF YOUR DOLLARS

Every dollar paid to GLWA for **Wastewater Services** provides for...

FY 2027 Wastewater System Budget Infographic

42.2% OPERATIONS AND MAINTENANCE

42.2¢ ON THE DOLLAR

The cost for people, utilities, chemicals, and services to deliver effective and efficient wastewater services around-the-clock, every day of the year.

41.5% DEBT SERVICE

41.5¢ ON THE DOLLAR

Physical improvements to GLWA's regional wastewater system and its assets are financed with debt. Debt service principal and interest are funded monthly.

9.7% REVENUE FINANCED CAPITAL

9.7¢ ON THE DOLLAR

To lower the debt burden, GLWA sets aside money each year from revenues to pay for capital improvements in future years. This pay-as-you-go approach eliminates the need to pay interest on debt in future years and improves financial resiliency.

4.9% REGIONAL SYSTEM LEASE

4.9¢ ON THE DOLLAR

This money goes to the Detroit Water and Sewerage Department (DWSD) to pay for GLWA's lease of the regional wastewater system. DWSD uses those funds for improvements to the local system and to pay debt related to capital improvements.

0.9% CLOSED PENSION

0.9¢ ON THE DOLLAR

GLWA inherited a portion of the city of Detroit's pension plan expense for employees and retirees that maintained the wastewater system before GLWA was formed. Over time, the annual payment will decrease.

0.3% TRUST FUND WORKING CAPITAL & OTHER

0.3¢ ON THE DOLLAR

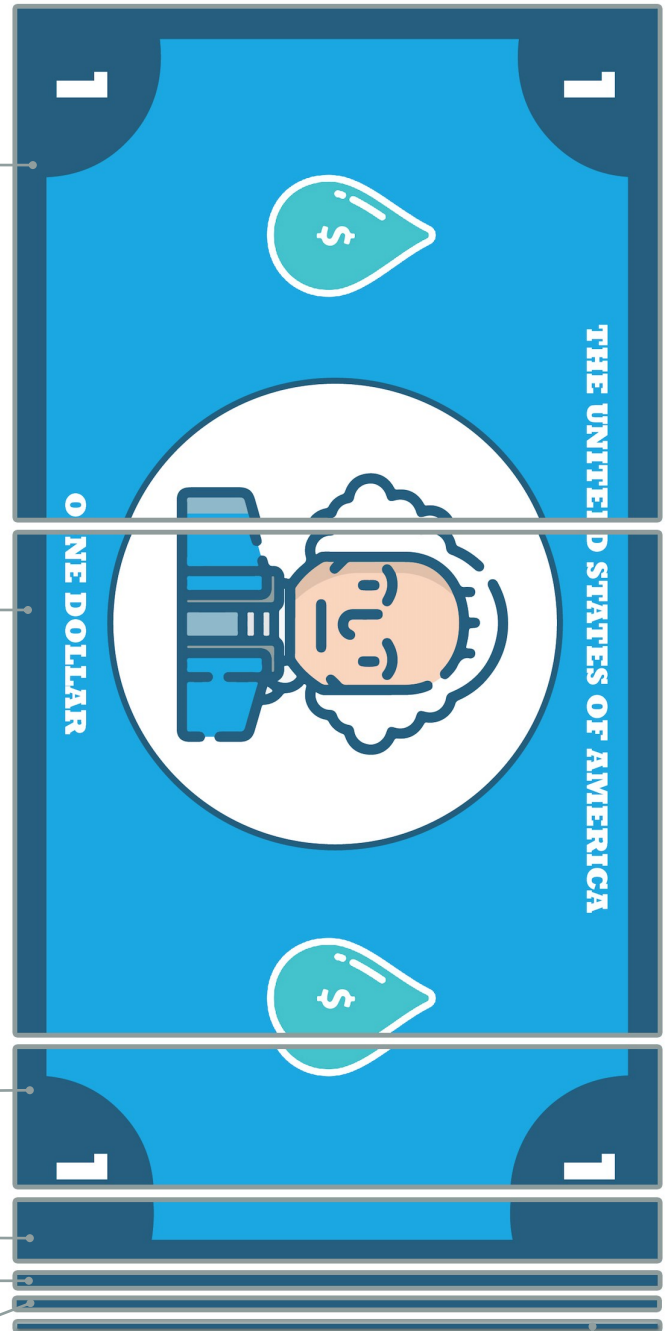
The amount required to maintain sufficient liquidity in the Master Bond Ordinance Trust Receiving and other funds, and the Extraordinary Repair & Replacement Reserve Fund.

0.5% WRAP (WATER RESIDENTIAL ASSISTANCE PROGRAM)

0.5¢ ON THE DOLLAR

Half a percent of GLWA's revenue goes straight to funding WRAP, making it the only sustainably-funded assistance program in the country. WRAP provides not only financial assistance, but also conservation education and minor plumbing repairs and replacements.

Source: Adopted FY 2027 Budget as of February 25, 2026



MAKING SENSE OF YOUR DOLLARS

Every dollar paid to GLWA for combined **Water and Wastewater Services** provides for...

FY 2027 Water and Wastewater Combined Budget Infographic

43.6% OPERATIONS AND MAINTENANCE

43.6¢ ON THE DOLLAR

The cost for people, utilities, chemicals, and services to deliver water of unquestionable quality and effective and efficient wastewater services around-the-clock, every day of the year.

42.7% DEBT SERVICE

42.7¢ ON THE DOLLAR

Physical improvements to GLWA's regional water and wastewater system assets are financed with debt. Debt service principal and interest are funded monthly.

7.2% REVENUE FINANCED CAPITAL

7.2¢ ON THE DOLLAR

To lower the debt burden, GLWA sets aside money each year from revenues to pay for capital improvements in future years. This pay-as-you-go approach eliminates the need to pay interest on debt in future years and improves financial resiliency.

5.1% REGIONAL SYSTEM LEASE

5.1¢ ON THE DOLLAR

This money goes to the Detroit Water and Sewerage Department (DWSD) to pay for GLWA's lease of the regional water and wastewater systems. DWSD uses those funds for improvements to the local system and to pay debt related to capital improvements.

0.8% CLOSED PENSION

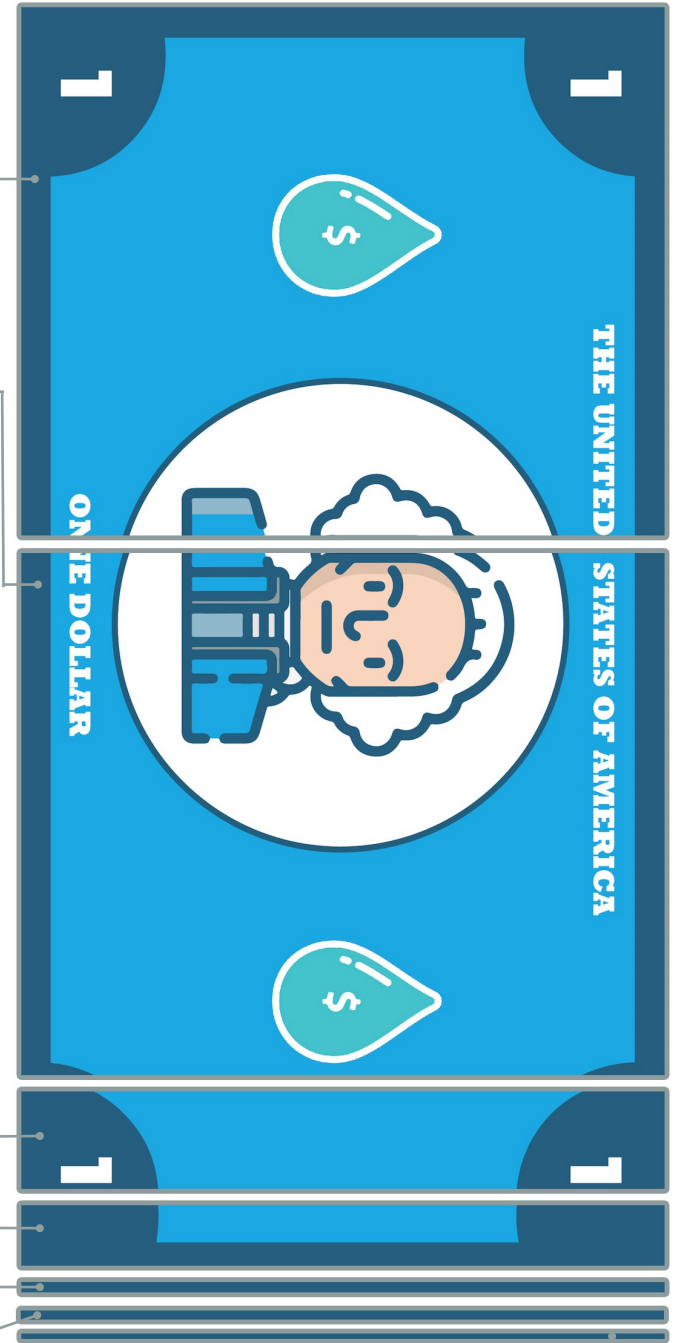
0.8¢ ON THE DOLLAR

GLWA inherited a portion of the city of Detroit's pension plan expense for employees and retirees that maintained the regional system before GLWA was formed. Over time, the annual payment will decrease.

0.5% WRAP (WATER RESIDENTIAL ASSISTANCE PROGRAM)

0.5¢ ON THE DOLLAR

Half a percent of GLWA's revenue goes straight to funding WRAP, making it the only sustainably-funded assistance program in the country. WRAP provides not only financial assistance, but also conservation education and minor plumbing repairs and replacements.



0.1% TRUST FUND WORKING CAPITAL & OTHER

0.1¢ ON THE DOLLAR

The amount required to maintain sufficient liquidity in the Master Bond Ordinance Trust Receiving and other funds, and the Extraordinary Repair & Replacement Reserve Fund.



Source: Adopted FY 2027 Budget as of February 25, 2026

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GLWA
Great Lakes Water Authority

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