GLWA
Great Lakes Water Authority

Audit Committee Meeting
Friday, October 23, 2026 at 8:00 a.m.
www.glwater.org

Join Zoom Meeting
Meeting ID: **889 1958 6622** Passcode: **636832**
US Toll-free: **877 853 5247 or 888 788 0099**

AGENDA

Note: Binders 1 and 2 have been combined and PDF was renumbered

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES
    A. August 28, 2026 (Page 1)
5. PUBLIC PARTICIPATION
6. OLD BUSINESS
    A. *Discussion:* FY 2026 Annual Financial Audit Update (Page 6)
7. NEW BUSINESS
    A. *Action Item:* Proposed Calendar Year 2027 Audit Committee Meeting Dates (Page 8)
8. REPORTS
    A. CFO Report (Page 9)
    B. Monthly Financial Report for June 2026 (Page 41)
    C. Grants, Gifts, and Other Resources Report
        i. August 2026 (Page 42)
        ii. September 2026 (Page 53)
    D. Water Funding Task Force Update as of October 21, 2026 (Page 64)
    E. Quarterly Investment Report (Unaudited) (Page 123)
    F. Qualified Financial Institution Review (Page 152)
    G. Business Inclusion and Diversity (B.I.D.) FY 2026 Update (Page 154)
    H. Annual Conflict of Interest Distribution Notice (Page 157)
    I. FY 2026 Q4 Construction Work-in-Progress Report through June 30, 2026 (Unaudited) (Page 158)
    J. Max Day – Peak Hour Annual Report 2026 (Page 189)
9. COMMUNICATIONS
    A. The Procurement Pipeline September 2026 (Page 192)
    B. The Procurement Pipeline October 2026 (Page 194)
10. LOOK AHEAD
    A. Next Audit Committee Meeting: November 20, 2026 at 8:00 a.m.
11. OTHER MATTERS
12. ADJOURNMENT

Great Lakes Water Authority

735 Randolph Street
Detroit, Michigan 48226
glwater.legistar.com

Meeting Minutes - Draft

Audit Committee

Friday, August 28, 2026 | **8:00 AM** | **Zoom Telephonic Meeting**

Join Zoom Meeting:
https://glwater.zoom.us/j/82764564496?pwd=BACdiUtlglL6lAlV6rVeWFoGNR0yJP.1

Join by Telephone
US Toll-Free:
877 853 5247; or 888 788 0099
Meeting ID: 827 6456 4496 Passcode: 208522

1. Call To Order

Chairperson Baker called the meeting to order at 8:00 a.m.

2. Quorum Call

Present: 3 - Chairperson Brian Baker, Director Gary Brown, and Director Jaye Quadrozzi

3. Approval of Agenda

Nicolette Bateson, Chief Financial Officer/Treasurer, requested to move item 8E., Quarterly Economic Outlook Task Force Update, to 7A.

Chairperson Baker requested a Motion to Approve the Agenda as Amended.

Motion By: Jaye Quadrozzi
Support By: Gary Brown
Action: Approved as Amended
The motion carried by a unanimous vote.

4. Approval of Minutes

A. 2026-344 Minutes of July 24, 2026

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: 4A Minutes - July 24, 2026 Audit Committee Meeting

Motion By: Gary Brown
Support By: Jaye Quadrozzi
Action: Approved
The motion carried by a unanimous vote.

5. Public Comment

There were no public comments.

6. Old Business

A. None

7. New Business

8E. 2026-349 Quarterly Economic Outlook Task Force Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: 8E1 EOTF Report Cover Memo
8E2 EOTF 2026 Q2 Update_8-14_v3

Motion By: Jaye Quadrozzi
Support By: Gary Brown
Action: Received and Filed
The motion carried by a unanimous vote.

A. 2026-298 FY 2028 Charges Rollout Schedule

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: 7A1 Memo FY2028 Annual Financial Planning Calendar w_Charges Rollout

Motion By: Gary Brown
Support By: Jaye Quadrozzi
Action: Received and Filed
The motion carried by a unanimous vote.

B. 2026-288 Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting (COA)

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: 7B1 FY 2025 GFOA Certificate of Achievement Award
7B2 FY 2025 GFOA COA Certificate

Motion By: Gary Brown
Support By: Jaye Quadrozzi
Action: Received and Filed
The motion carried by a unanimous vote.

C. 2026-342 Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: 7C1 FY 2027 GFOA Distinguished Budget Presentation Award
7C2 GFOA Budget Award

Motion By: Gary Brown
Support By: Jaye Quadrozzi
Action: Received and Filed
The motion carried by a unanimous vote.

D. 2026-343 2026 Achievement of Excellence in Procurement Award

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: 7D1 2026 AEP Award Memo
7D2 - 2026 AEP Award Presentation new

Motion By: Gary Brown
Support By: Jaye Quadrozzi
Action: Received and Filed
The motion carried by a unanimous vote.

8. Reports

A. 2026-345 CFO Report

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: 8A1 CFO Report August 2026

Motion By: Jaye Quadrozzi
Support By: Gary Brown
Action: Received and Filed
The motion carried by a unanimous vote.

B. 2026-346 Monthly Financial Report for May 2026

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: 8B May 2026 Monthly Financial Report

Motion By: Gary Brown
Support By: Jaye Quadrozzi
Action: Received and Filed
The motion carried by a unanimous vote.

C. 2026-347 Grants, Gifts, and Other Resources Report Through July 31, 2026

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: 8C1 Grants Gifts and Other Resources Report

Motion By: Gary Brown
Support By: Jaye Quadrozzi
Action: Received and Filed
The motion carried by a unanimous vote.

D. 2026-348 Water Funding Task Force Update as of August 14, 2026

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: 8D Water Funding Task Force Update

Motion By: Jaye Quadrozzi
Support By: Gary Brown
Action: Received and Filed
The motion carried by a unanimous vote.

F. 2026-350 2026 Vendor Performance Assessment Annual Report

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: 8F1 2026 VPA Annual Report Memo
8F2 2026 VPA Annual Report 08-28-26

Motion By: Gary Brown
Support By: Jaye Quadrozzi
Action: Received and Filed
The motion carried by a unanimous vote.

9. Communications

A. 2026-351 The Procurement Pipeline August 2026

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: 9A The Procurement Pipeline for August 2026

No Action Taken

10. Look Ahead

A. Next Audit Committee Meeting: September 25, 2026 at 8:00 a.m.

11. Other Matters

There were no other matters.

12. Adjournment

Chairperson Baker requested a Motion to Adjourn.

Motion By: Gary Brown
Support By: Jaye Quadrozzi
Action: Approved
The motion carried by a unanimous vote.

There being no further business, the meeting was adjourned at 8:59 a.m.

GLWA Great Lakes Water Authority

Financial Services
Audit Committee Communication

Date: October 23, 2026

To: Great Lakes Water Authority Audit Committee

From: Steve Hoover, CPA, Financial Reporting Governance Manager

Re: Annual Financial Audit Update

Background: Each year, the Great Lakes Water Authority (GLWA) prepares an Annual Comprehensive Financial Report (ACFR) and Schedule of Expenditures of Federal Awards (SEFA) in accordance with financial accounting standards and federal guidelines.

Baker Tilly US, LLP (Baker Tilly) has been engaged to perform the annual financial audit for GLWA and issue an independent opinion as to whether the financial statements are fairly stated in accordance with generally accepted accounting principles. This engagement covers the fiscal years ending June 30, 2025, 2026 and 2027.

Analysis: The GLWA Financial Services team has finalized the FY 2026 trial balance and submitted all supporting workpapers to Baker Tilly. Baker Tilly conducted fieldwork from September 8 through September 18, 2026.

Review procedures for the draft FY 2026 ACFR are currently underway. Comments from both GLWA and Baker Tilly are being addressed, and remaining open items continue to be resolved. The presence of open items at this stage is customary, as questions commonly arise during fieldwork and the review of supporting documentation, necessitating additional time to ensure complete and accurate responses.

It should be noted that the Office of Management and Budget (OMB) has not issued the final 2026 Compliance Supplement, which remains in draft status. Baker Tilly is actively monitoring its release. This delay, which is outside the control of both GLWA and Baker Tilly, may affect the timing of the SEFA filing. We both continue to monitor the publication of that document.

The ACFR remains on schedule for presentation to the Audit Committee in November 2026. Final issuance of the financial audit report continues to be projected for early December 2026 pending approval by the Board of Directors. An updated timeline from Baker Tilly is attached.

Proposed Action: Receive and file this report.

Memo

To:	Great Lakes Water Authority Audit Committee
From:	Stephanie Silva, Manager (Baker Tilly)
c.c.	Jodi Dobson, Partner (Baker Tilly)
Date:	October 23, 2026
Subject:	Great Lakes Water Authority Audit Status and Annual Comprehensive Financial Report (ACFR)

We have prepared this memo to communicate to the audit committee our expectations regarding the timing of fieldwork, review, draft reports and issuance of the ACFR. The schedule below summarizes expected milestone dates to meet a deadline of issuance on December 9, 2026.

Activity	**Due Date**
All audit workpapers uploaded to portal for audit	**Tuesday, September 8, 2026 Complete**
End of Fieldwork (Including first review)	**Friday, September 18, 2026 Complete**
GLWA to provide preliminary draft of basic financial statement and footnotes	**Friday, October 2, 2026 Complete with open items**
Baker Tilly to complete all internal reviews - comments accumulated and provided to GLWA	**Monday, October 19, 2026 Complete with open items**
Final draft provided to Baker Tilly (Notes, Required Supplemental Information, Supplemental Information and available statistical schedules)	**Friday, October 30, 2026**
Preparation of separate system financial statements (internal)	**Thursday, November 12, 2026**
Presentation of draft to Audit Committee	**Friday, November 20, 2026**
Presentation of draft to full Board of Directors	**Wednesday, December 9, 2026**
Issuance of the ACFRs'	**Wednesday, December 9, 2026**

* - Comments should include everyone on team in addition to various third parties (i.e. attorneys, bond advisors, etc.). Ideally, all changes would be accumulated into one file and given to us.

The information provided here is of a general nature and is not intended to address the specific circumstances of any individual or entity. In specific circumstances, the services of a professional should be sought. Baker Tilly US, LLP trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. © 2018 Baker Tilly US, LLP

GLWA
Great Lakes Water Authority

Financial Services
Audit Committee Communication

Date: October 23, 2026

To: Great Lakes Water Authority Audit Committee

From: Nicolette Bateson, CPA, Chief Financial Officer/Treasurer

Re: Proposed Calendar Year 2027 Audit Committee Meeting Dates

Background: Annually the Audit Committee establishes its meeting schedule for the upcoming calendar year.

Analysis: Listed below are the proposed 2027 Audit Committee meeting dates following the cadence of meeting on the *fourth* Friday of each month with some exceptions as noted below.

The proposed meeting time is 8:00 a.m. with the meetings continuing to be held online and/or as posted to provide for remote telephonic and online participation by the public.

January 22, 2027	May 28, 2027	September 24, 2027
February 26, 2027	June 25, 2027	October 22, 2027
March 26, 2027	July 23, 2027	November 19, 2027*
April 23, 2027	August 27, 2027	December 17, 2027*

* Moved up by one week earlier due to holidays scheduled.

It should be noted that the Audit Committee is a sub-quorum advisory committee which, except for the meetings where the Audit Committee selects an external auditor, the Committee is not subject to the Open Meetings Act. As a matter of practice, the GLWA Audit Committee encourages public participation by remote telephonic and electronic means with access information posted on the Audit Committee agendas.

Proposed Action: Approve the meeting schedule as proposed.

GLWA Great Lakes Water Authority

Financial Services
Audit Committee Communication

Date: October 23, 2026

To: Great Lakes Water Authority Audit Committee

From: Nicolette Bateson, CPA, Chief Financial Officer/Treasurer

Re: CFO Report

This month's report includes activity from last month as well as this month due to the cancellation of the September 2026 meeting. Highlights encompass Member Partner engagement, Water Funding Task Force activity, and professional development opportunities for our team members.

One Water Partnership

On October 1, 2026 two presentations were provided by the Financial Services team – both are attached. The first was a presentation related to the recently released, *The Crisis Beneath Us*. The material was similar to the presentation received by the GLWA Board in September 2026. Copies of the reports were provided to Member Partners. The second discussion was an overall update that included the charges rollout calendar as well as an update on the 14 Mile Road capital improvement project that was added this year.

Water Finance Management Conference

For several years, I have served on the program committee for the annual Water Finance Management Conference which brings together water utility leaders, financial executives, and industry experts to exchange ideas and explore the latest trends shaping the water finance sector. This conference is a great learning and networking experience – as well as an opportunity to share the work we do at GLWA. This year I presented the topic of *Building an Action Plan for Sustainable Funding* by leveraging decades of research on the growing water infrastructure funding gap into impactful stakeholder engagement. The feedback was very positive – as we are all struggling with knowing and forecasting the gap with actionable steps being less evident.

Charges, Outreach, & Modeling

The American Water Works Association (AWWA) hosted a three-day conference attended by Financial Services Director Scott Garrigan and Management Professional Zac Truman. The session included approximately 60 water and wastewater professionals from across the country. A key component of their participation was an intensive seminar on the "M1" methodology,

focusing on the principles of cost-of-service analysis and the development of rate structures consistent with those principles.

The Charges Outreach & Modeling Team presented a charges presentation, titled Pricing the Priceless, to the entire Financial Services Area staff at the annual Financial Services Area Offsite Training event at Macomb Community College on September 18, 2026. The presentation gave team members a high-level introduction to the annual process of setting wholesale water and sewer charges.

September also presented the opportunity for Management Professional Zac Truman and Financial Services Director Scott Garrigan, to participate in the American Water Works Association's Rate-Setting Essentials training. This program provides foundational proficiency in rate and charge development, guided by the AWWA M1 Manual.

September also marked the completion of the contract reopener process. The contract team, including CO&M Manager Matt Lane, met with all 86 member partners to review max-day and peak-hour demand data, which will be incorporated into the FY 2028 Charges.

AWWA Regionalization and Water Financing Roundtable

Financial Services Director Scott Garrigan participated in an AWWA roundtable on September 10–11 focused on "Regionalization and Financing of Water." The session addressed operational efficiencies associated with regionalization, potential state revolving fund policy approaches to support regional and local priorities, and current conditions in the municipal funding market. Panelists included representatives from American Water, the Ohio EPA, the Ohio Water Development Authority, the National Rural Water Association, PFM, and RBC Capital Markets.

Michigan Government Finance Officers Association (MGFOA) – Fall Institute

Finance team members across GLWA took part at this year's Michigan Government Finance Officers Association (MGFOA) Fall Institute from September 13 - 16 in Traverse City, Michigan. The MGFOA promotes excellence in government finance through training, resources and networking opportunities. This year's Fall Institute included federal, state and local legislative updates, a cybersecurity keynote, a discussion regarding upcoming Governmental Accounting Standard Board (GASB) changes, as well as a variety of sessions highlighting the impacts and uses of artificial intelligence in our industry.

American Water Works and Women on Water

In September, Haran Stanley, Affordability & Assistance Manager, attended the Michigan Chapter American Water Works Association Annual Conference & Exhibition. The evening Women on Water (W.O.W.) event drew 50 registered attendees and provided a valuable

opportunity for connection and collaboration. This event also concluded Haran's term as Committee Chair, though she will continue to serve as a member of the group.

National Grants Management Association

The National Grants Management Association (NGMA) – Michigan Chapter convened its second virtual meeting on September 22, 2026, under the leadership of Chapter Chair Alicia Schwartz, GLWA Manager of Grants Management. The meeting provided an overview of the Michigan State budget process and associated timelines and was attended by more than 30 participants from across the state. The next meeting, scheduled for January 2027, will address Subrecipient Monitoring. The Michigan Chapter continues to advance issues identified by NGMA members statewide and supports the enhancement of grants management practices.

USACE Training

Alicia Schwartz, GLWA Manager of Grants Management, also participated in the U.S. Army Corps of Engineers (USACE) Section 203 Workshop. This two-and-a-half-day program provided a comprehensive overview of the Corps' requirements and procedures for developing and submitting a locally led Section 203 feasibility study. Sessions addressed statutory obligations, study development standards, and methods for integrating engineering, economic, environmental, and planning components to meet U.S. Army Corps of Engineers expectations. The workshop offered valuable insight into the level of technical rigor and coordination required for GLWA to prepare a defensible, policy-compliant feasibility study and to engage effectively with the Corps throughout the process.

Water Funding Task Force Update

At the GLWA Board of Directors meeting on September 23, 2026, Chief Financial Officer/Treasurer Nicolette Bateson, Financial Services Director Scott Garrigan, and Maggie Pallone, Senior Vice President, Public Sector Consultants (PSC) presented the task force report titled, "The Crisis Beneath Us".

Accompanying the publication of this report, PSC hosted an Infrastructure Roundtable on September 25th, 2026, in Lansing, MI. The roundtable participants were also provided a copy of "The Crisis Beneath Us" which was used as the basis of the roundtable discussion. Participants from GLWA leadership and representatives from organizations in Michigan who are working to raise awareness about the state's infrastructure condition.

FSA Second Annual Training Day

On Friday, September 18th team members of the Financial Services Area engaged in an all-day training event related to the community impacts of their shared responsibilities. This year's

theme was, "Clean Water, Clear Choices: Working Together for Our Community." Sessions covered such topics as the GLWA Linear Systems Integrity Program (LSIP), Information Security, the Water Funding Task Force, and breakouts on Public Speaking. Team members have provided very positive feedback. FSA Leadership is now looking ahead to dates for a 2027 event. Many thanks to Kim Garland, Deputy Chief Financial Officer for championing this professional development opportunity.

Procurement Update

Last month, Procurement Managers Michael Lasley and Kimberley Ungerman attended the 2026 NIGP Annual Forum, the largest North American conference focused on public procurement. The four-day event offered sessions on core procurement practices, advanced sourcing strategies, technology and AI, ethics, and cooperative purchasing. GLWA representatives participated in plenary sessions and small workshops, connecting with procurement professionals from across North America to exchange insights and best practices. The NIGP Products Exhibition also provided attendees with the opportunity to explore new products and services from nearly 210 government suppliers.

Members of the GLWA Procurement team attended the Michigan Public Purchasing Officers Association (MPPOA) Annual Fall Conference, held in September. The MPPOA, an official chapter of the National Institute of Governmental Purchasing (NIGP), provides statewide education and professional development for public procurement practitioners.

This year's conference offered a series of advanced learning sessions addressing procurement leadership, the emerging role of artificial intelligence in public purchasing, development of effective technology solicitations, and best practices in software acquisition and contract administration. In addition to formal programming, GLWA Procurement team members participated in networking engagements with representatives from municipalities, universities, and airport and transit authorities across Michigan, supporting continued collaboration and knowledge sharing within the public procurement community.



GLWA
Great Lakes Water Authority

Focus on Finance & 14 Mile Road Updates

One Water Partnership

October 1, 2026

Today's Topics

Charges Rollout Calendar with Matt Lane

14 Mile Road Funding & Schedule with Sean Grant and Nickie Bateson



SECTION 01
Charges Rollout Calendar

Matthew Lane
Manager - Charges Outreach & Modeling

FY 2027/2028 Charges Roll Out

Thursday, November 12, 2026
Charges Roll Out #1 – Units of Service

November 17, 18, 19, 2026
Units of Service – Member Partner One-on-One Meetings

Wednesday, December 9, 2026
Charges Roll Out #2- CIP Version 1.0 and Cost Pool Allocation Report for New CIP Projects

Thursday, January 14, 2027
Charges Roll Out #3- Proposed FY 2028 Revenue Requirement and Review of Preliminary, Proposed Charge Worksheets

January 19,20,21, 22, 2027
Preliminary, Proposed Charges – Member Partner One-on-One Meetings

Wednesday, February 4, 2027
Charges Roll Out Meeting #4 - Feedback on Proposed Service Charges and Review of Proposed FY 2028 Budget and 10-Year Financial Plan

Wednesday, February 24, 2027
GLWA Board Meeting- Public Hearing for FY 2028 Schedule of Revenue and Charges, Possible Adoption

Thursday, July 1, 2027
Effective Date of FY 2028 Budget and Charges



SECTION 02
14 MILE ROAD FUNDING & SCHEDULE

Nicolette Bateson, CPA
Chief Financial Officer & Treasurer

Sean Grant, P.E.
Manager LPM – Water Engineering

14 Mile Road Project Funding

Source of Funds (in millions)	FY 2026	FY 2027	FY 2028
FY 2025 Bond Issue (unspent bond proceeds)	$4.5		
FY 2026 Bond Issue in June 2026 for FY 2027 capital program needs		$54	
FY 2027 Bond Issue in Spring 2027 for FY 2028 capital program needs			$26

$84.5 over three fiscal years

How is the project funded?
Through annual bonded debt issued that meet the upcoming fiscal year's cashflow needs.

How does the new debt service from bonds impact charges?
FY 2026 and FY 2027 – No impact because charges were already in place.
FY 2028 - Debt service budget impact was mitigated with a) concurrent bond refunding transaction and b) use of *variable rate debt* at lower 3.45% interest rate (versus 5% in budget).

Please note: The timing of project plan, bond refunding savings, and market for new bonds at favorable rates aligned – we cannot always count on that to occur.

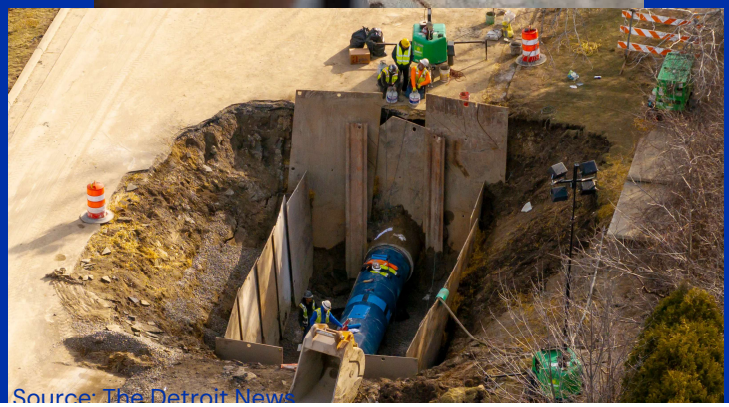
14 Mile 48”/54” Emergency Replacement

- March 7th, 2026 – Latest break on this WTM
- Prestressed Concrete Cylindrical Pipe (PCCP) manufactured by Interpace (circa 1970)
- Previous breaks in 2017 and 2021



Source: The Detroit News

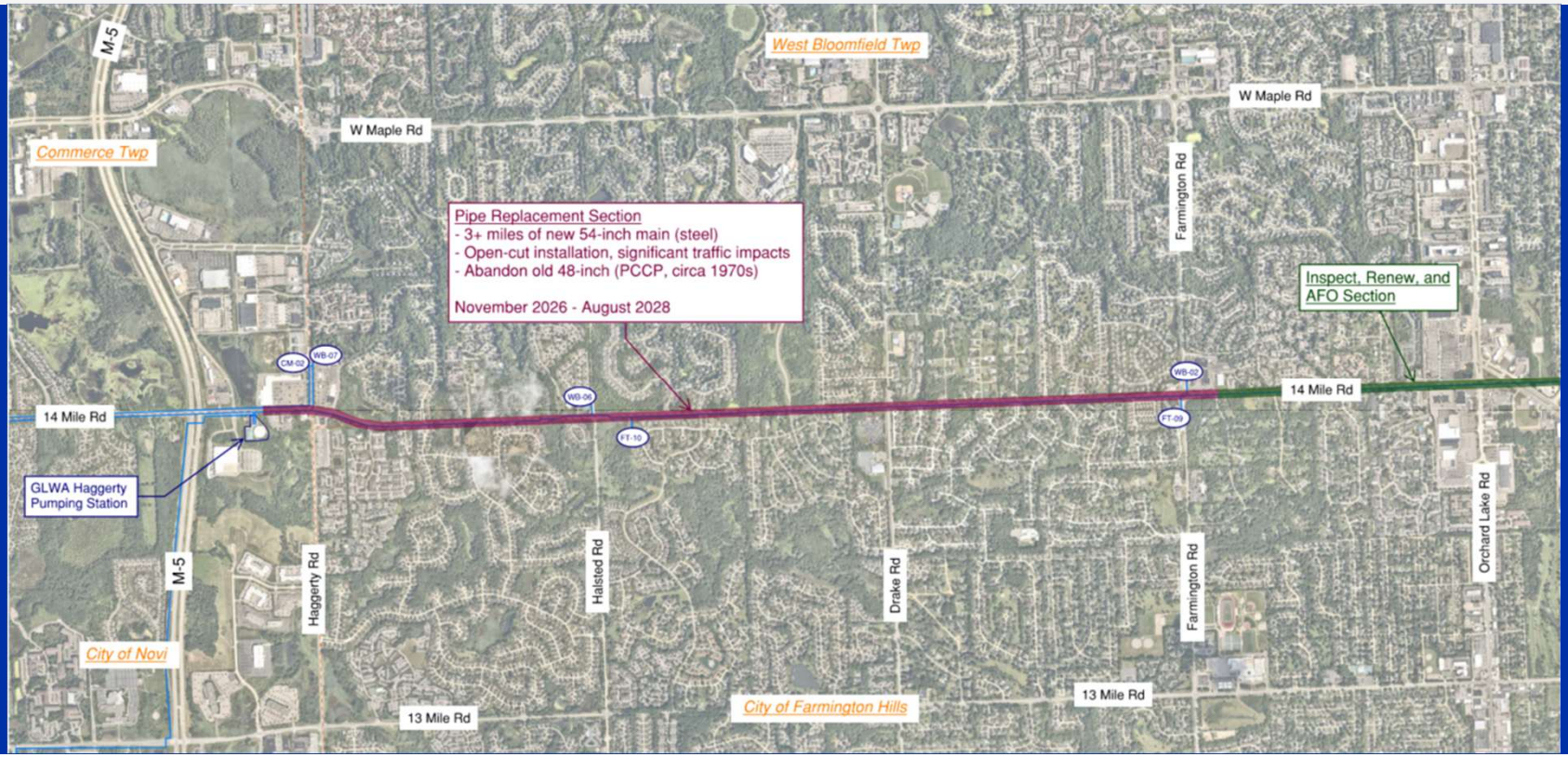




Source: The Detroit News

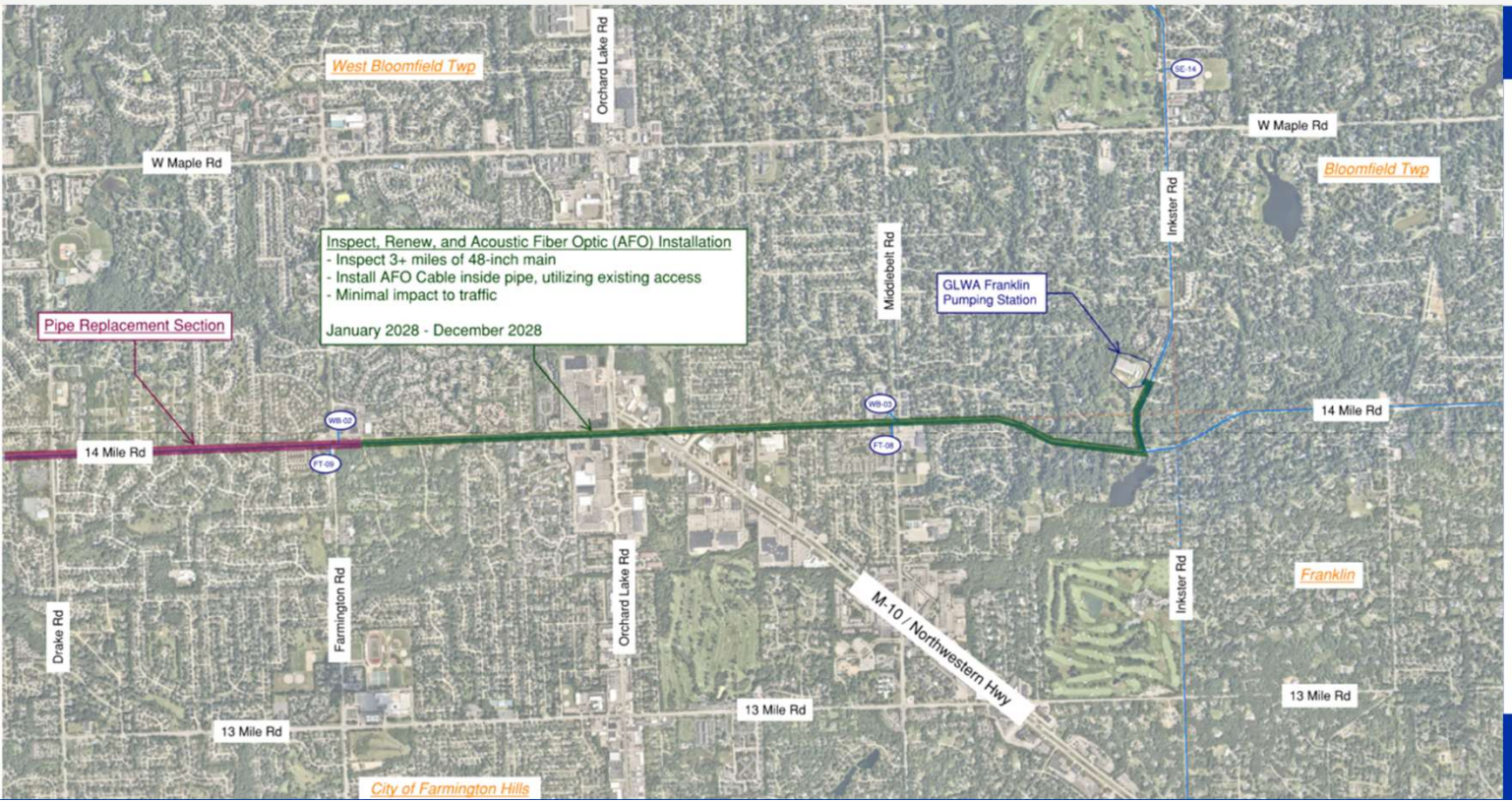
14 Mile 48”/54” Emergency Replacement

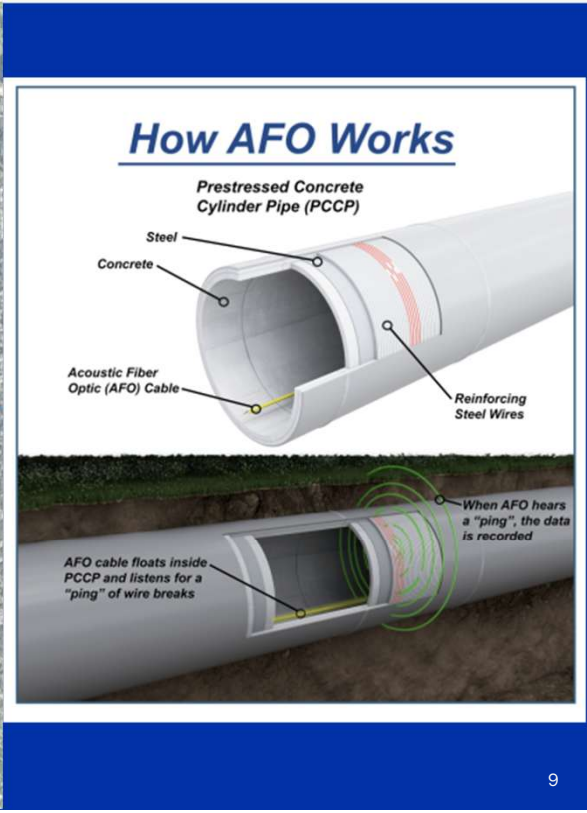
- Install new 54” steel WTM (~3.2 miles)
- Abandon existing 48” PCCP WTP (flowable fill)
- Significant impacts to traffic/public



14 Mile 48”/54” Emergency Replacement

- Condition assessment of ex 48” PCCP WTM
- Renew pipe segments, as required (e.g. CFRP repairs)
- Install Acoustic Fiber Optic (AFO) monitoring system





14 Mile 48”/54” Project Timeline (to date)

March 7, 2026

Break on 48” WTM near Verona Dr

March 16, 2026

Agreement to purchase materials for new 54” steel WTM

April 13, 2026

Begin survey, environmental, geotechnical, and preliminary design

June 2026

30% Design Milestone

July 21, 2026

Press Conference announcing details of the project

September 2026

90% Design Milestone, Submit for Permits

Utility investigations

October 2026

Open Houses at the surrounding communities

14 Mile 48”/54” Project Timeline (Projected)

November 16, 2026

Break ground on constructing new 54” WTM

Winter 2026/2027

54” Pipe Installation, working west to east, 2 crews

Summer 2027

Continue 54” Pipe Installation

Installation Valve Vaults

Summer/Fall 2027

Complete 54” Pipe Installation

Restore areas along 14 Mile Road that can be restored

Winter 2027/2028

Make final connections to existing system, commission new 54” WTM

Spring 2028

Begin condition assessment of existing 54” PCCP Main

Complete restoration of 14 Mile Road

Summer/Fall 2028

Renewal of pipe segments (as needed); installation of Acoustic Fiber Optic (AFO)

End of 2028

Project Completion



SECTION
National Grants Management Association
Michigan Chapter

Alicia Schwartz
Manager – Grants Management

New! National Grants Management Association Michigan Chapter

- The National Grants Management Association (NGMA) is a professional association founded in 1978 with over 7,000 grants management professionals across supervisory, accounting, compliance, and supporting roles.

- In May 2026, the Michigan Chapter of NGMA stood up in May 2026.
  - Alicia Schwartz, Manager – GLWA Grants Management, will be serving as Chapter Chair for the first two years.

- The Michigan Chapter will play an essential role in providing grant management professionals in Michigan with the following:
  - Local networking, knowledge sharing and grant specific education subjects
  - Promote grants management best practices and standards in Michigan
  - Tailor training on Michigan specific grants and allow focus on state funding opportunities
  - Prepare and encourage Michigan professionals to earn their Certified Grants Management Specialist certification

National Grants Management Association Michigan Chapter – Upcoming Events

- The Michigan Chapter will be holding an in-person event in late October in Lansing, Michigan.
- In January 2027, there will be a virtual meeting and the subject discussed will be Subrecipient Monitoring.
- To join the Michigan Chapter, you do have to be an NGMA member. There are several key benefits for members including:
  - Career Development – Trainings, Certifications, and CPE opportunities
  - Local Community – Regional expertise and support
  - Peer Collaboration – Shared challenges and networking connections
- The Annual Grants Training will be in Washington D.C. from March 22 – 25, 2027. Registration is open.
- For more information email Alicia Schwartz via alicia.schwartz@glwater.org

NGMA
National Grants Management Association

WATER FUNDING TASK FORCE

THE CRISIS BENEATH US

One Water Partnership

October 1, 2026

GLWA
Great Lakes Water Authority

PSC
PUBLIC SECTOR CONSULTANTS

WATER FUNDING TASK FORCE

Building the case for statewide water investment

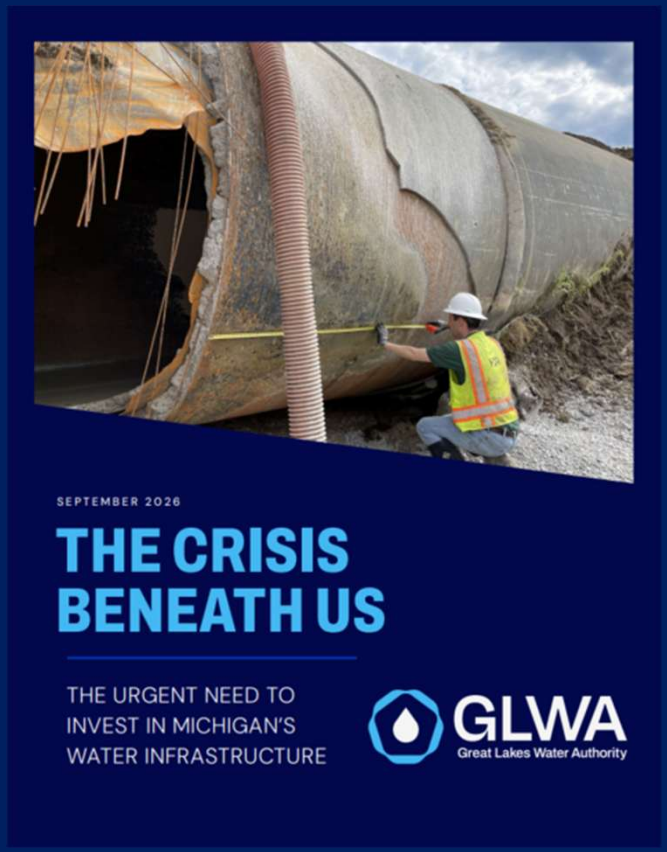
The report gives policymakers the information to make an informed decision on Michigan's water infrastructure

- Clearly articulates how the water infrastructure funding gap was created and the impact of the lack of necessary revenue to invest in the systems
- Identifies the gaps in infrastructure funding across Michigan
- Provides context on how other states fund water infrastructure and challenge they face
- Build a strategy to address water infrastructure funding

Over nine months, the task force met with:

14	**15**	**25+**
Peer utilities across the nation	Water utilities in Michigan	Utility CFOs through the CFO Water Forum

The task force also reviewed hundreds of research reports, news articles, and public opinion polls to complement its qualitative research.



THIS IS A STATEWIDE PROBLEM, NOT A SOUTHEAST MICHIGAN PROBLEM.

GLWA convened the task force but the funding gap and infrastructure challenges reach all 1,400 of Michigan's community water systems.

AKRON

It's distribution system is 98 percent original to its late-1950s installation, built for a population that has shrunk by roughly a third since 1980.

OAKLAND COUNTY

A 50-year-old 42-inch main failed in May 2026, cutting water to roughly 200,000 residents across five communities and prompting a state of emergency.

KALAMAZOO

More than 70 water mains broke in the first two months of 2025 — all cast-iron pipe at least 60 years old.

GRAND RAPIDS

A main blew a 12-foot hole in its wall in June 2024. A second break hit the very next day.

THE TAKEAWAY

NOW IS THE TIME.

FUNDING GAP IS WIDENING

Aging infrastructure, climate impacts, and additional regulations are compounding the funding gap.

$85B

20-year investment need for water infrastructure

STEEP DECLINE IN AGE AND CONDITION

Majority of water infrastructure built in the 20s and 60s- reaching it's expected life.

80%

GLWA transmission mains built before 1970

PUBLIC SUPPORT EXISTS

Recent state and national polling show clear support for investments in water infrastructure.

84%

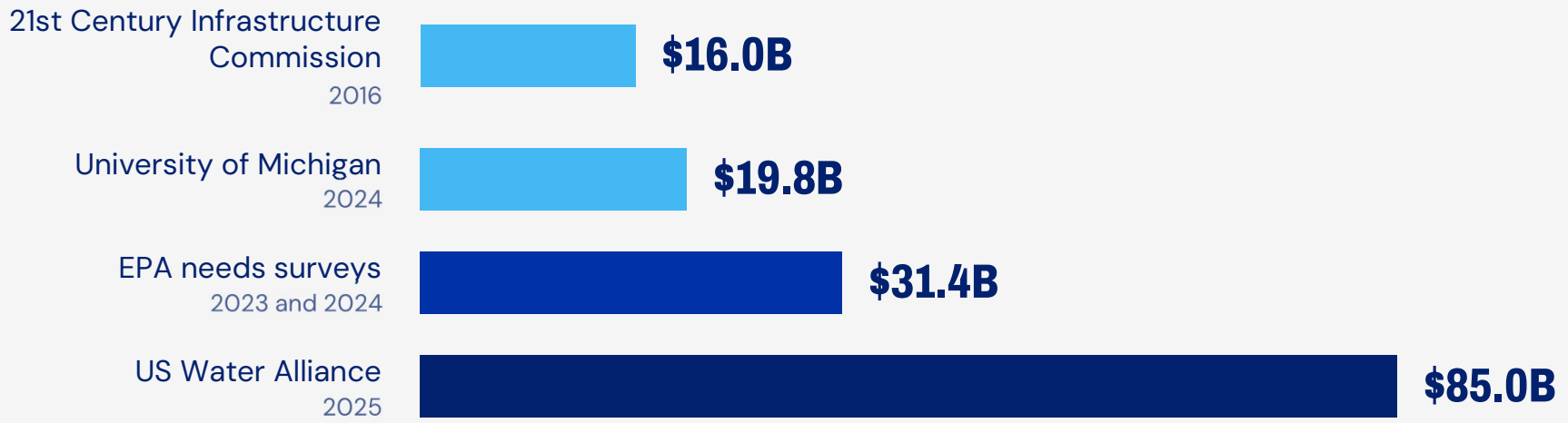
Support for additional funding

The risks and impact of failure is no longer a hypothetical exercise. Economic, environment, and human impact.

THE SIZE OF THE NEED

EVERY STUDY HAS GROWN THE GAP, NOT CLOSED IT

Estimated 20-year water and wastewater investment need in Michigan, by source.



Sources: Michigan 21st Century Infrastructure Commission 2016; Read et al. 2024; EPA 2023, 2024; US Water Alliance, Stantec, and One Water Econ 2025. The US Water Alliance figure adds lead service line replacement, stormwater, PFAS, and operations and maintenance.

STATE FUNDING

GAP IN INFRASTRUCTURE FUNDING

TRANSPORTATION

Dedicated state and federal revenue from taxes and bonds.

$5 billion

Michigan FY 2027 budget — about 11 percent of all state funding.

WATER AND WASTEWATER

No dedicated tax or state funding source.

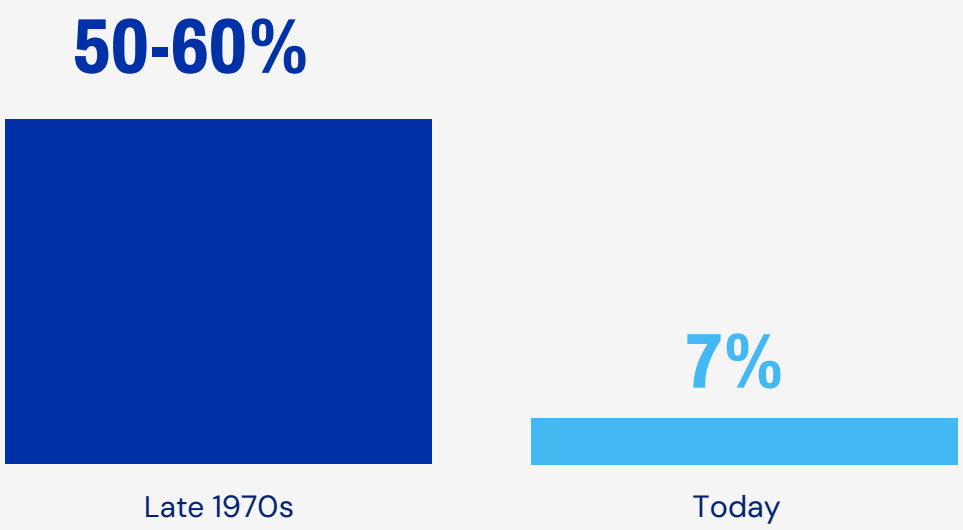
$200 million

Michigan FY 2027 budget — about one-half of one percent

FOR EVERY DOLLAR OF STATE TRANSPORTATION FUNDING, WATER INFRASTRUCTURE GETS ABOUT FOUR CENTS.

HOW WE GOT HERE

FEDERAL SUPPORT BUILT THE SYSTEM, THEN RECEDED



Federal capital funding covered an estimated 50 to 60 percent of national water infrastructure spending in the late 1970s. It covers roughly 7 percent today.

Michigan's last significant state investment was a voter-approved bond in 2002 that provided $1 billion over 20 years. More than two decades later, the state of our infrastructure has worsened, and the funding gap has widened.

Share of national water infrastructure capital spending covered by federal funds. Source: U.S. Water Alliance 2025.

HOW WE GOT HERE

FIVE COMPOUNDING FORCES

A CENTURY-OLD BUILDOUT REACHING END OF LIFE

Pipes laid in the 1920s and the post WW2 boom were built to last 75 to 100 years. Age of pipe isn't always dictating failure.

FEDERAL SUPPORT ROSE, THEN FELL

Clean Water Act grants gave way to four decades of funding decline. States and communities absorbed it through rates rather than replacement dollars.

A FRAGMENTED, DATA-POOR SYSTEM

About 1,400 community water systems, each with its own rates, budget and planning capacity.

RATES COVER TODAY, NOT REPLACEMENT

Most rates are set to cover treatment, staffing, chemicals and routine repair. Replacement is treated as a future problem to be solved when it arrives.

RAISING RATES IS POLITICALLY HARD

Numerous factors that elected politicians need to balance- affordability, competing budget priorities, other infrastructure needs, and political will do what is unpopular.

NONE OF THESE FORCES OPERATES IN ISOLATION. EACH ONE COMPOUNDS THE OTHERS, YEAR AFTER YEAR.

WHAT WE HEARD IN MICHIGAN

THE SAME PRESSURES IN EVERY REGION

- Escalating costs for materials, construction and labor — iron and steel pipe is up 101 percent over 10 years
- Procurement and timeline delays on projects that are already funded
- Unfunded regulatory mandates, chiefly lead service line replacement and PFAS
- Capital plans driven by the road schedule above the pipe, not the condition of the pipe
- State revolving fund financing challenges, with cost and administrative hurdles perceived to erase the benefit

$3 billion

Funding gap identified by the Michigan utilities we spoke with alone (not including GLWA)

9%+

Annual rate increases were common among them; increases above 6 percent were the norm

WHAT WE HEARD NATIONALLY

MICHIGAN IS NOT ALONE, AND NO PEER HAS SOLVED IT WITH RATES

Fourteen large utilities across the country, from Denver and Chicago to DC Water and Milwaukee, described the same headwinds. Their best strategies manage the pressure. They do not close the gap.

LONGER HORIZONS

Philadelphia extended its master plan from 25 years to more than 40 to cushion rate shock. Similar to GLWA, most peers now plan on 20- to 30-year horizons.

STEADY, PREDICTABLE RATES

Boston, Minneapolis and Chicago hold to annual increases under 5 percent, set years at a time. Where rates were frozen instead, the correction was severe: San Antonio faces a potential 30 percent over four years increase.

REVENUE BEYOND THE BILL

Milwaukee and greater Chicago fund large shares of their systems through property tax levies, which lowers what end users pay on the water bill. Michigan utilities have no comparable tool.

THE TRUE COST OF UNDERINVESTING

A REPAIR BILL IS NEVER THE WHOLE BILL

ORION TOWNSHIP, MAY 10, 2026

A 42-inch main broke on Mother's Day, cutting service to Orion Township and Village and parts of Auburn Hills, Oakland Township and Rochester Hills.

- The Governor declared a state of emergency and activated the state Emergency Operations Center.
- Stellantis closed its Auburn Hills headquarters. Lake Orion Schools closed.
- Nursing home patients were moved out of the community. Bottled water distribution sites were set up.
- One Lake Orion restaurant lost an estimated $10,000 to $12,000 on the busiest day of its year.

$1 million

Cost to GLWA immediately following the break

66%

Research indicates that the community bears two-thirds of the overall costs of an emergency break. This includes closed businesses, repairs to home, and other costs associated with the break.

WHY LOCAL RATES CANNOT DO IT

RATES ARE ALREADY RISING, AND STILL NOT ENOUGH

24%

Rise in combined Michigan water and sewer rates over five years — increases that are already happening and still do not close the gap.

6.6%

Share of Michiganders whose water service already exceeds the United Nations affordability threshold of 5 percent of household income.

<1%

Share of Michigan water mains replaced each year, though most of that infrastructure is already more than 50 years old.

RELYING SOLELY ON LOCAL WATER RATES TO FIX DECADES OF UNDERINVESTMENT IS A MATHEMATICAL IMPOSSIBILITY

A CALL TO ACTION

WHAT THE STATE COULD PUT TO WORK

FUNDING SOURCE	FREQUENCY	POTENTIAL REVENUE
State general obligation bond	One-time, issued in tranches	Billions of dollars
Half-cent increase in the sales and use tax	Annually	About $1 billion
Sales tax base expansion to untaxed services	Annually	Up to $475 million
Rainy day fund withdrawal	One-time	Up to $700 million
Water extraction charge	Annually	$300 million
Regional property tax — one mill in Wayne, Oakland and Macomb	Annually	$185 million
Tobacco settlement dollars redirected	Annually	Up to $75 million
Expansion of bottle deposit	Annually	$38-150 million

NEXT STEPS

BUILD A PARTNERSHIP TO DEVELOP A STATEWIDE SOLUTION

The research is done and it confirms what we already knew. What the work needs now is a coalition, and GLWA is well positioned to open the discussion and bring together a broad network of interest groups.

INITIAL NEXT STEP COMPLETED - SEPTEMBER 2026

Water Infrastructure Funding Roundtable in Lansing

OCTOBER – DECEMBER

Focused outreach and coalition building

NOVEMBER – DECEMBER 2026

Goal: funding and policy legislation introduced

Reports and Updates at
The Crisis Beneath Us - Great Lakes Water Authority
www.glwater.org/crisis-beneath-us/



Monthly Financial Report Binder

June 2026 (unaudited)

NOTE: Based upon year-end close as of October 10, 2026. Final adjustments may occur prior to release of the final audited financial statements in December 2026.

Presented to the
Great Lakes Water Authority
Audit Committee on October 23, 2026

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Financial Report
Executive Summary Dashboard
for the Month Ended June 30, 2026

Key Financial Metrics

The table below highlights risks related to financial performance: No risk is green, potential risk is yellow, and likely risk is red.

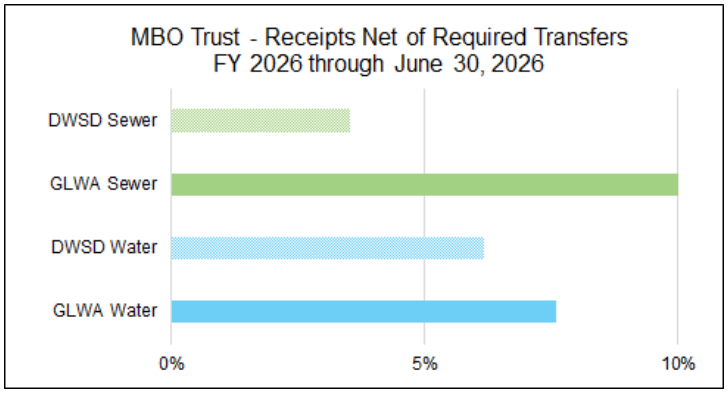
Budget variances are monitored by the Great Lakes Water Authority (GLWA) management. Operating and/or budget priorities are re-evaluated where appropriate. This report includes approved budget amendments for the first quarter approved by the GLWA Board of Directors on January 28, 2026, third quarter amendments approved on April 22, 2026, and fourth quarter amendments approved on May 22, 2026. There were no FY 2026 second quarter budget amendments.

Water system variances for capital spend relate to delays in four projects as reported in a Key Performance Indicator Report (Legistar #2025-413). Sewer system capital spend is substantially above plan because of an increase in State Revolving Fund (SRF) loans awarded for projects that were nearing the construction phase. In September 2025, the notification was received for five projects with a total of $232.7 million in funding which advanced the pace of those projects.

As of June 30, 2026					
Metric	FY 2026 Budget	FY 2026 Amended Budget	FY 2026 Actual	Variance from Budget	Report Page Reference
Wholesale Water Revenue ($M)	$365.6	$365.6	$378.4	3%	5
Wholesale Water Billed Usage (mcf)	13,143,000	13,143,000	13,379,000	2%	52
Wholesale Sewer Revenue ($M)	$300.3	$300.3	$300.1	0%	6
Wholesale Water Investment Earnings ($M)	$12.8	$16.1	$16.4	2%	5
Wholesale Sewer Investment Earnings ($M)	$14.6	$20.1	$19.9	-1%	6
Wholesale Water Operations & Maintenance ($M)	$182.5	$192.8	$191.0	-1%	5
Wholesale Sewer Operations & Maintenance ($M)	$236.1	$238.4	$235.1	-1%	6
Water Prorated Capital Spend w/SRA* ($M)	$183.1	$161.1	$137.0	-15%	32
Sewer Prorated Capital Spend w/SRA* ($M)	$193.0	$173.9	$204.0	17%	33

*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 56)



Net cash flow receipts remain positive for GLWA and DWSD 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 $8.4 million net positive receipts and DWSD sewer reports $11.4 million net positive receipts over disbursements through June 2026.

Budget to Actual Analysis (page 4)

- The total revenue requirements are on target through June 2026.
- The total overall Operations & Maintenance expenses are 98.8% of budget through June 2026 which is slightly below the pro-rata benchmark of 100.0% but within a reasonable range.

Basic Financial Statements (page 13)

- The basic financial statements are prepared on a full accrual basis and reflect preliminary, unaudited results.
- Operating income through June 2026 is $127.6 million for the Water fund (30.8% of total revenues) and $155.5 million for the Sewage Disposal fund (29.3% of total revenues).
- Water net position increased by $58.1 million, and sewage disposal net position increased by $116.3 million for the year to date through June 2026.

Capital Improvement Plan Financial Summary (page 31)

- Water system costs incurred to date are below the 88% Capital Spend Ratio adjustment.
- Sewer system costs incurred to date are above the 90% Capital Spend Ratio adjustment.

Master Bond Ordinance Transfers (page 34)

- For June 2026, transfers of $14.8 million and $21.6 million were completed for the GLWA Water and Sewer funds, respectively.
- Also, for June 2026, transfers of $6.0 million and $7.3 million were completed for the DWSD Water and Sewer funds, respectively.

Cash Balances & Investment Income (page 41)

- Total cash & investments are $909.0 million for Water and $761.0 million in the Sewer fund.
- Total, combined, cumulative, FY 2026 investment income through June 2026 is $51.0 million.

DWSD Retail Revenues, Receivables & Collections (page 45)

- Water usage through June 30, 2026, is 102.13% and revenues are 101.56% of budget.
- Sewer usage through June 30, 2026, is 99.01% and revenues are 97.80% of budget.
- Combined accounts receivable balances for the Water and Sewer funds report an increase of $41.3 million over the prior year.
- Past due balances over 180 days make up 77.6% of the total accounts receivable balance. The current bad debt allowance covers 100.8% of past dues over 60 days.

GLWA Wholesale Billing, Receivables & Collections (page 51)

- GLWA accounts receivable past due balance net of Highland Park is 2.45% of the total accounts receivable balance.
- Discussions between GLWA and Highland Park regarding the sewer balance are underway. The past due amount is escrowed in accordance with contract terms pending resolution of the underlying dispute.
- Average wholesale water collections of $31.3 million for the period of July 2025 through June 2026 are trending $3.0 million above the prior year.
- Average wholesale sewer collections of $24.8 million for the period of July 2025 through June 2026 are trending $2.1 million above the prior year.

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

Revenue Requirements Budget

GLWA
Great Lakes Water Authority

The Monthly Budget to Actual Analysis report includes the following three sections.

1. Revenue Requirements Budget Basis Analysis
2. Operations & Maintenance Budget – Major Budget Categories
3. Alignment of Operations & Maintenance Budget Priorities – Expense Variance Analysis

Revenue Requirements Budget Basis Analysis

GLWA's annual revenue requirements represent the basis for calculating Member Partner charges and aligns with the Master Bond Ordinance flow of funds requirements. The budget basis is not the same as the full accrual basis used for financial reporting although the revenues and operations and maintenance expenses are largely reported on an accrual basis. The primary difference between the revenue requirements budget basis to the financial reporting basis is the treatment of debt service, legacy pension obligations, and lease related activities. The Revenue Requirements Basis is foundational to GLWA's daily operations, financial plan, and of most interest to many stakeholder groups.

Table 1A – Water Revenue Requirements Budget and ***Table 1B – Sewer Revenue Requirements Budget*** presents a year-over-year budget to actual performance report. The revenue requirements budget is accounted for in the operations and maintenance fund for each system. The tables in this analysis reflect actual amounts spent. If this analysis was on a master bond ordinance (MBO) basis, like that used for calculating debt service coverage, O&M "expense" would equal the pro-rata budget because 1/12 of the O&M budget is transferred monthly outside the MBO trust to an O&M bank account. This report is for June 2026 therefore the pro-rata benchmark is 100.0% (12 of 12 months of the fiscal year). The budget includes the first quarter, third quarter, and fourth quarter budget amendments. There was no budget amendment for the second quarter of FY 2026.

Wholesale charges presented in Table 1A differ from those presented in *Table 2 – Statement of Revenues, Expenses and Changes in Net Position* found in the *Basic Financial Statement* section of this report. Water Revenues presented in Table 1A for revenue requirement purposes are reduced by the monthly credit issued to the City of Flint for a license to raw water rights under the Flint Raw Water Contract as documented in Appendix A-2 of the Flint Water Agreement. Through June 30, 2026, these credits total $5.5 million for FY 2026.

Table 1A – *Water System* Revenue Requirements Budget ($000)

Water System	FY 2025 Amended Budget	FY 2025 Activity Thru 6/30/2025	FY 2025 Percent of Amended Budget	FY 2026 Board Adopted Budget	FY 2026 Amended Budget	FY 2026 Activity Thru 6/30/2026	FY 2026 Percent of Amended Budget
Revenues							
Wholesale Charges	$ 347,758	$ 343,199	98.7%	$ 365,646	$ 365,646	$ 378,418	103.5%
Charges to Local System	27,095	27,095	100.0%	30,029	30,029	30,029	100.0%
Investment Earnings	15,818	16,456	104.0%	12,784	16,057	16,429	102.3%
Other Revenue	400	504	125.9%	303	630	646	102.5%
Total Revenues	$ 391,071	387,254	99.0%	$ 408,761	412,362	425,521	103.2%
Revenue Requirements							
Operations & Maintenance Expense	$ 182,227	$ 175,406	96.3%	$ 182,456	$ 192,768	$ 191,034	99.1%
Debt Service	161,945	162,020	100.0%	179,082	177,732	176,022	99.0%
General Retirement System Pension	1,653	1,653	100.0%	2,731	2,731	2,731	100.0%
Water Residential Assistance Program Contribution	1,877	1,877	100.0%	1,970	1,970	1,970	100.0%
Extraordinary Repair & Replacement Deposit	2,650	2,144	80.9%	320	-	-	0.0%
Regional System Lease	22,500	22,500	100.0%	22,500	22,500	22,500	100.0%
Working Capital Requirement	4,956	-	0.0%	600	-	-	0.0%
Improvement & Extension Fund Transfer Pending	13,263	8,316	62.7%	19,102	14,661	14,661	100.0%
Total Revenue Requirements	$ 391,071	373,915	95.6%	$ 408,761	412,362	408,918	99.2%
Net Difference		$ 13,339				$ 16,603	
Recap of Net Difference							
Revenue Variance		$ (3,817)				$ 13,159	
Revenue Requirement Variance		17,156				3,444	
Net Difference		$ 13,339				$ 16,603	

Table 1B – Sewer System Revenue Requirements Budget ($000)

Sewer System	FY 2025 Amended Budget	FY 2025 Activity Thru 6/30/2025	FY 2025 Percent of Amended Budget	FY 2026 Board Adopted Budget	FY 2026 Amended Budget	FY 2026 Activity Thru 6/30/2026	FY 2026 Percent of Amended Budget
Revenues							
Wholesale Charges	$ 287,387	$ 287,691	100.1%	$ 300,317	$ 300,317	$ 300,095	99.9%
Charges to Local System	205,925	205,925	100.0%	215,324	215,324	215,324	100.0%
Industrial Waste Control Charges	8,719	8,849	101.5%	9,150	9,150	9,259	101.2%
Pollutant Surcharges	5,434	4,584	84.4%	5,113	5,113	5,557	108.7%
Investment Earnings	20,605	21,643	105.0%	14,615	20,135	19,889	98.8%
Other Revenue	700	685	97.9%	443	443	472	106.6%
Total Revenues	$ 528,770	529,378	100.1%	$ 544,962	550,482	550,596	100.0%
Revenue Requirements							
Operations & Maintenance Expense	$ 235,192	$ 229,754	97.7%	$ 236,099	$ 238,430	$ 235,097	98.6%
Debt Service	217,449	217,296	99.9%	220,885	216,027	215,658	99.8%
General Retirement System Pension	3,719	3,719	100.0%	5,633	5,633	5,633	100.0%
Water Residential Assistance Program Contribution	2,542	2,542	100.0%	2,639	2,639	2,639	100.0%
Extraordinary Repair & Replacement Deposit	276	345	125.0%	-	-	-	0.0%
Regional System Lease	27,500	27,500	100.0%	27,500	27,500	27,500	100.0%
Working Capital Requirement	-	-	0.0%	-	-	-	0.0%
Improvement & Extension Fund Transfer Pending	42,094	42,094	100.0%	52,208	60,254	60,254	100.0%
Total Revenue Requirements	$ 528,770	523,249	99.0%	$ 544,962	550,482	546,779	99.3%
Net Difference		$ 6,129				$ 3,817	
Recap of Net Difference							
Revenue Variance		$ 607				$ 114	
Revenue Requirement Variance		5,522				3,703	
Net Difference		$ 6,129				$ 3,817	

Items highlighted in gold on Tables 1A (Water) and 1B (Sewer) are discussed below.

Revenues

1. ***Total Revenues***: For the *water* system, total revenues for FY 2026 are above the pro-rata benchmark; the *water* system is 103.2%. For the *sewer* system, total revenues for FY 2026 are in-line with the pro-rata benchmark at 100.0%. Detailed schedules related to revenues are provided in the *Wholesale Billings, Collections, and Receivables* section of this financial report binder.

2. ***Investment Earnings:*** For the *water* system, investment earnings are slightly above the pro-rata benchmark for FY 2026 at 102.3%. The *sewer* system is slightly below the pro-rata benchmark for FY 2026 at 98.8%. FY 2026 investment earnings are slightly lower than FY 2025 earnings due to the Federal Reserve monetary policy moving to a more neutral level. This was more noticeable in the sewer system than the water system. GLWA continues to refine cash flows and work with its investment advisor to identify strategies to maximize investment income while meeting the objectives of safety and liquidity.

3. ***Other Revenues:*** These are one-time and unusual items that do not fit an established revenue category. Both the *water* and *sewer* systems' actual amount will vary from budget due to the nature of the items recorded in this category.

Revenue Requirements - The revenue requirements for *both* systems are funded on a 1/12th basis each month in accordance with the Master Bond Ordinance (MBO). An exception is the Extraordinary Repair & Replacement Fund deposit which is calculated based on minimum and maximum balance requirements set forth in the MBO and adjusted as needed to maintain compliance.

4. ***Operations & Maintenance Expense:*** Actual expenses for the *water* system are below the pro-rata benchmark for FY 2026 at 99.1%, and the *sewer* system O&M is below the pro-rata benchmark for FY 2026 at 98.6%.
5. ***Debt Service:*** For FY 2026, the *water* system is slightly below the pro-rata benchmark at 99.0% and *sewer* system is slightly below the pro-rata benchmark at 99.8%. The activity represents the debt funding requirements for all bonds. The State Revolving Fund loans that are still being drawn down may cause temporary variances until the budget is realigned with the revised payment schedules.
6. ***Working Capital Requirement / Net Difference:*** The overall variance (net difference) reported represents the difference between revenues and revenue requirements. To the extent that there is a positive budget variance, staff perform a post-year end closing analysis. Based on this analysis and depending on working capital requirements, some or all of this variance may be transferred to the Improvement & Extension funds in the subsequent year.
7. ***Improvement & Extension (I&E) Fund Transfer Pending:*** The contribution to the I&E Fund is for improvements, enlargements, extensions, or betterment of the *water* and *sewer* systems.
8. ***Total Revenue Requirements:*** Total revenue requirements for the water system are slightly below the pro-rata benchmark at 99.2%. Total revenue requirements for the sewer system are slightly below the pro-rata benchmark at 99.3%.

Operations & Maintenance Budget – Major Budget Categories

The benchmark ratio as of June 30, 2026, is 100.0% (twelve months), with the total O&M budget under the benchmark at 98.8%. When comparing FY 2026 to FY 2025 in ***Table 2 – Operations & Maintenance Budget – Major Budget Categories***, the overall spending in FY 2026 is above FY 2025 for twelve months of operations, but still near the benchmark ratio.

In addition to the four major budget categories, an internal charge cost center for employee benefits is shown on the table below. If the number is positive, it indicates that the internal cost allocation rate charges to other cost centers is not sufficient. A negative number indicates a positive variance in the internal cost center. A moderate positive variance is preferred as it provides a hedge for mid-year benefit program cost adjustments (premiums adjust on February 1 each year) as well as managing risk as the program is partially self-insured.

***Table 2 – Operations & Maintenance Budget – Major Budget Categories* – ($000)**

Service Area	FY 2025 Amended Budget	FY 2025 Activity Thru 6/30/2025	FY 2025 Percent of Amended Budget	FY 2026 Board Adopted Budget	FY 2026 Amended Budget	FY 2026 Activity Thru 6/30/2026	FY 2026 Percent of Amended Budget
A Water System Operations	$ 94,398	$ 93,195	98.7%	$ 101,501	$ 108,691	$ 107,537	98.9%
B Wastewater System Operations	145,040	149,113	102.8%	156,573	156,573	157,902	100.8%
C Centralized Services	135,244	122,869	90.9%	117,388	120,304	116,504	96.8%
D Administrative & Other Services	42,737	39,983	93.6%	43,094	45,631	44,189	96.8%
Employee Benefits	-	-	0.0%	-	-	-	0.0%
Total O&M Budget	$ 417,419	$ 405,160	97.1%	$ 418,555	$ 431,198	$ 426,131	98.8%

Totals may be off due to rounding

Blue font for the FY 2026 Amended Budget for the C Centralized and D Administrative & Other Services line items identifies updated numbers from the May Budget to Actual Analysis report and the FY 2026 Fourth Quarter Budget Amendment Report for coding corrections.

Alignment of Operations & Maintenance Budget Priorities – Expense Variance Analysis

The purpose of ***Table 3 – Operations & Maintenance Expense Variance Analysis*** is to evaluate whether the actual spend rate within an expense category is in alignment with the budget. Given the effort to develop an accurate budget, a variance is a red flag of a *potential* budget amendment or misalignment of priorities. This table includes both the water and sewage disposal funds.

Table 3 –Operations & Maintenance Expense Variance Analysis – ($000)

Expense Categories	FY 2025			FY 2026			
	Amended Budget	Actual Thru 6/30/2025	Percent of Amended Budget	Amended Budget	Actual Thru 6/30/2026	Percent of Amended Budget	Variance (Over) Under Amended Budget
	A	B	= B / A	C	D	= D /C	= C - D
Personnel Costs							
Salaries & Wages	$ 85,807	$ 84,979	99.0%	$ 94,195	$ 94,585	100.4%	$ (389)
Workforce Development	2,363	2,811	119.0%	2,142	2,140	99.9%	3
Overtime	9,605	10,125	105.4%	10,432	10,588	101.5%	(155)
Employee Benefits	32,244	30,773	95.4%	36,781	34,773	94.5%	2,008
Transition Services	8,516	8,195	96.2%	8,263	8,373	101.3%	(110)
Employee Benefits Fund	-	-	0.0%	-	-	0.0%	-
Total Personnel Costs	*138,535*	*136,883*	98.8%	*151,814*	*150,458*	99.1%	*1,355*
Utilities							
Electric	48,121	46,578	96.8%	49,096	47,586	96.9%	1,510
Gas	7,000	7,661	109.4%	8,443	9,659	114.4%	(1,217)
Sewage Service	2,980	2,400	80.5%	2,455	2,600	105.9%	(145)
Water Service	11,602	10,420	89.8%	12,561	11,748	93.5%	813
Total Utilities	*69,703*	*67,059*	96.2%	*72,555*	*71,593*	98.7%	*962*
Chemicals	38,235	34,385	89.9%	33,636	31,334	93.2%	2,301
Supplies & Other	45,294	45,727	101.0%	47,117	48,354	102.6%	(1,237)
Contractual Services	134,053	128,153	95.6%	131,329	130,523	99.4%	806
Capital Program Allocation	(4,582)	(2,901)	63.3%	(3,431)	(3,392)	98.9%	(39)
Shared Services	(2,280)	(2,583)	113.3%	(2,264)	(2,519)	111.3%	255
Intergovernmental Agreement	(1,540)	(1,565)	101.6%	-	(221)	-100.0%	221
Unallocated Reserve	-	-	0.0%	443	-	0.0%	443
Total Expenses	$ 417,419	$ 405,160	97.1%	$ 431,198	$ 426,131	98.8%	$ 5,067

Totals may be off due to rounding

Blue font for the FY 2026 Amended Budget for Supplies & Other and Contractual Services line items identifies updated numbers from the May Budget to Actual Analysis report and the FY 2026 Fourth Quarter Budget Amendment Report for coding corrections.

Total Expenses: In total, the overall O&M expenses are 98.8%, which is below the pro-rata benchmark of 100.0%. The Table 3 expense category commentary is provided below.

Personnel Costs: The year-to-date total personnel costs through June 2026 are at 99.1%, which is slightly below the pro-rata benchmark of 100.0%. Unallocated reserves include budgeted funds for annual wage adjustments that take effect in July each year that are unknown at the time the budget is adopted. These were allocated to personnel costs with the first quarter budget amendment. The third quarter amendment includes an adjustment for the increase in healthcare claims net of anticipated rebates. The fourth quarter budget amendment included an adjustment for salary and wages due to promotions, progressions, market adjustments and filling of vacant positions sooner than the original budget projected.

Utilities: The overall category is below the pro-rata benchmark; coming in at 98.7% through June 2026. Variances within this category, when they occur, are not unexpected as usage varies throughout the year.

- **Electric** is below the pro-rata benchmark, coming in at 96.9%. When compared to the prior fiscal year there is a $1.0 million increase. This is primarily due to the Power Supply Cost Recovery (PSCR) charge being increased to the maximum allowed beginning March 1, 2026, which resulted in a 650.8% increase in the PSCR charge. This change, which is based on kilowatt hours used (kWh) had a significant impact on electric cost in April, May & June which increased 30.0% when compared to the monthly average for the prior nine months electric costs. This will also impact FY 2027, with the first three months of GLWA's fiscal year (July, August, and September) typically being peak months for the usage of electricity. June, the last month of GLWA's fiscal year, is typically a peak month as well.
- **Gas** is 114.4% of the amended budget. GLWA works with the State of Michigan to secure favorable rates of natural gas for the majority of the anticipated annual usage. As reported by the U.S. Energy Administration the Henry Hub natural gas spot price 12-month average has increased, on average, 22.1% as of June 2026, over the preceding 12-month period. Variances are primarily related to these fluctuating costs.
- **Sewage service** is higher than the benchmark, coming in at 105.9%. This is largely due to the Southwest water plant which is over budget. Sewer is not based on water usage at this plant. It has a separate sewer meter; therefore costs are based on a measured discharge. During sludge removal the liquid portion is drained back to the sewer system.
- **Water service** is lower than the benchmark, coming in at 93.5%. The majority of this variance is in wastewater operations, as the water resource recovery facility continues to manage their water use.

Chemicals: This category is lower than the benchmark; coming in at 93.2%. Usage volumes for chemicals related to lead and copper rule compliance (that is, orthophosphate and ferric chloride) were lower than original estimates. Additionally, the moderate drought in Southeast Michigan resulted in a decrease in chemicals used to handle wet weather events (sodium hypochlorite).

Supplies & Other: This category is above the pro-rata benchmark; coming in at 102.6%. The are many different items in this expense category, some of which, such as certain maintenance activities, are subject to one-time expenses that do not occur evenly throughout the year. Variances are not unexpected.

Contractual Services: This category is slightly below the pro-rata benchmark; coming in at 99.4%. Variances in this category, when they occur, are not unexpected as the usage of contracts varies throughout the year (projects scheduled to begin during the latter half of the year as well as contracts that are on an as needed basis). Budget amendments are processed for those projects in which the actual start dates have been delayed.

Capital Program Allocation: This category is at the benchmark; coming in at 98.9%. The amount in the Capital Program Allocation account is shown as negative as this is a "contra" account which represents an offset to the Personnel Costs category.

Shared Services: This category is higher than benchmark; coming in at 111.3%. The shared services reimbursement comprises both labor and expenses, such as annual fees for software licensing. Staff from both GLWA and DWSD have been working together to evaluate and refine the budget for the shared services agreements. Based on these evaluations, adjustments have been made to both the billings and accounting accruals to reflect the forecasted activity more accurately for FY 2026. In addition, it is important to note that some of the shared services agreements are not billed at a monthly rate of 1/12 of the annual budgeted amount and activity includes true-up billings from prior years. The amount in this account is shown as negative as this is a "contra" account which represents an offset to both the Personnel Costs and the Contractual Services categories.

Intergovernmental Agreements: This category usually is not budgeted for in advance. As activity is incurred, budget amendments will be made to match the activity. There was no activity through May when the last budget amendment was processed. The amount in this account is shown as negative as this is a "contra" account which represents an offset to the Contractual Services category.

GAAP-Basis Financial Statements

(Unaudited)



The Basic Financial Statements report includes the following four tables.

1. Statement of Net Position - All Funds Combined
2. Statement of Revenues, Expenses and Changes in Net Position – All Funds Combined
3. Supplemental Schedule of Operations & Maintenance Expenses – All Funds Combined
4. Supplemental Schedule of Nonoperating Expenses – All Funds Combined

At a macro level GLWA has two primary funds for financial reporting purposes: *Water Fund* and *Sewage Disposal Fund*. These funds represent the combined total of four sub-funds for each system that are used internally to properly account for sources and uses of funds. Those sub-funds for each system are: *Operations & Maintenance Fund*, *Improvement & Extension Fund*, *Construction Fund, and Capital Asset Fund*.

The June 2025 comparative amounts shown in the tables below are presented based on final audited figures.

Statement of Net Position – All Funds Combined – Draft

Explanatory notes follow the Statement of Net Position shown in Table 1 below.

Table 1 – Statement of Net Position - All Funds Combined - Draft
As of June 30, 2026
($000)

	Water	Sewage Disposal	Total Business-type Activities	Comparative June 30, 2025
Assets				
Cash - unrestricted (a)	152,181	212,372	364,553	435,531
Cash - restricted (a)	432,248	282,948	715,196	631,066
Investments - unrestricted (a)	162,092	192,638	354,730	219,969
Investments - restricted (a)	141,956	88,639	230,595	259,388
Accounts Receivable	97,791	115,084	212,875	163,009
Due from (to) Other Funds (b)	3,088	(3,088)	0	0
Other Assets (c)	579,627	340,649	920,277	977,212
Capital Assets, net of Depreciation	1,479,171	1,748,587	3,227,758	3,048,416
Land	295,351	127,983	423,334	420,440
Construction Work in Process (e)	331,267	659,541	990,808	1,039,383
Total assets	3,674,771	3,765,355	7,440,127	7,194,414
Deferred Outflows (f)	37,232	71,050	108,282	71,631
Liabilities			0	0
Liabilities - Liabilities-ST	259,295	341,059	600,354	538,933
Other Liabilities (h)	2,383	6,078	8,461	7,500
Cash Held FBO DWSD (d)	28,528	45,212	73,739	57,578
Liabilities - Long-Term (i)	3,319,259	3,211,199	6,530,458	6,546,932
Total liabilities	3,609,465	3,603,548	7,213,013	7,150,943
Deferred Inflows (f)	120,721	104,570	225,291	179,444
Total net position (j)	(18,182)	128,287	110,105	(64,342)

Totals may be off due to rounding

The Statement of Net Position reflects a maturing organization with an ongoing trend related to Net Position. See note j for further explanation.

Footnotes to Statement of Net Position

a. *Cash and Investments* are reported at book value. Investments at June 30, 2025 are reported at market value. The June 30, 2026 values differ from the Cash and Investment section of this Financial Report Binder due to timing of certain items recognized on a cash versus accrual basis.
b. *Due from Other Funds* and *Due to Other Funds* are shown at gross for sub-fund activity.
c. *Other Assets* primarily consist of the contractual obligation receivable from DWSD related to reimbursement of bonded indebtedness for local system improvements.
d. *Cash Held FBO (for benefit of) DWSD* represents the net difference between DWSD retail cash received from customers and net financial commitments as outlined in the Master Bond Ordinance.
e. *Construction Work in Process* represents the beginning balance of CWIP plus any construction spending during the fiscal year. The balance will fluctuate based on the level of spend less any capitalizations or write-offs.
f. *Deferred Inflow* and *Deferred Outflow* relate mainly to financing activity and GLWA's share of the legacy General Retirement System (GRS) pension obligation.
g. *Liabilities - Short-term* include accounts payable, retainage payable, GASB 87, GASB 96 and certain accrued liabilities. Some items, such as compensated absences and worker's compensation, are reviewed periodically but only adjusted in the interim if there is a material change.
h. *Other Liabilities* account for the cash receipts set aside for the Budget Stabilization Fund and the Water Residential Assistance Program.
i. *Liabilities – Long-term* include bonds payable, lease payable, GASB 87, GASB 96 and legacy General Retirement System pension liabilities.
j. *Net Position* is defined by accounting standards as the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. A net deficit occurs when the liabilities and deferred inflows exceed assets and deferred outflows. The Sewage Disposal fund had a positive net position as of June 30, 2025. The Water fund has a net deficit which is getting smaller each year. The net position deficit was largely driven by the deficit in the net investment in capital assets due to the valuation of the assets as of the operational effective date on January 1, 2016 resulting in high depreciation expense.

Statement of Revenues, Expenses and Changes in Net Position – All Funds Combined – Draft

This statement, shown in Table 2, is presented in summary format. The accrual basis of revenues and operations and maintenance expense vary from the revenue requirement basis presented in the *Budget to Actual Analysis* and the *Wholesale Billings, Receivables & Collections* sections of the June 2026 Financial Report Binder. Prior year ending balances are provided in the June 30, 2025 column as a reference for comparative purposes. Explanatory notes follow this statement.

Water revenues presented below in Table 2 differ from those presented in *Table 1A – Water Revenue Requirement Budget* found in the *Budget to Actual Analysis* section of this report because water revenues presented in Table 1A for revenue requirement purposes are reduced by the monthly payment to the City of Flint for a license to raw water rights.

Table 2 – Statement of Revenues, Expenses and Changes in Net Position – All Funds Combined – Draft
For the Twelve Months ended June 30, 2026
($000)

	Water	Percent of Revenue	Sewage Disposal	Percent of Revenue	Total Business-Type Activities	Comparative June 30, 2025
Revenue						
Wholesale customer charges	383,879	92.6%	300,095	56.5%	683,974	636,667
Local system charges	30,029	7.2%	215,324	40.6%	245,353	233,020
Industrial waste charges	0	0.0%	9,259	1.7%	9,259	8,849
Pollutant surcharges	0	0.0%	5,557	1.0%	5,557	4,584
Other revenues	632	0.2%	469	0.1%	1,101	948
Total Revenues	**414,540**	**100.0%**	**530,704**	**100.0%**	**945,244**	**884,068**
Operating expenses						
Operations and Maintenance	189,892	45.8%	233,455	44.0%	423,346	402,118
Depreciation	91,927	22.2%	139,706	26.3%	231,634	242,487
Amortization of intangible assets	5,160	1.2%	2,033	0.4%	7,192	6,774
Total operating expenses	**286,979**	**69.2%**	**375,193**	**70.7%**	**662,172**	**651,379**
Operating Income	127,561	30.8%	155,510	29.3%	283,072	232,689
Noncapital Subsidies						
Water Residential Assistance Program	(1,912)	-0.5%	(2,561)	-0.6%	(4,474)	(3,828)
Legacy pension expense	5,266	1.3%	9,425	2.3%	14,691	(3,026)
GRS Pension - Administrative Fee	(155)	0.0%	(277)	-0.1%	(431)	-
Total Noncapital Subsidies	**3,199**	**0.01**	**6,587**	**0.02**	**9,786**	**(6,855)**
Operating Income and Noncapital Subsidies	130,760	0.32	162,097	0.31	292,858	225,834
Total Nonoperating revenue (expense)	(72,619)	-17.5%	(45,791)	-8.6%	(118,410)	(106,607)
Increase/(Decrease) in Net Position	**58,141**	**14.0%**	**116,306**	**21.9%**	**174,447**	**126,082**
Net Position (deficit), beginning of year	(76,324)		11,981		(64,342)	(190,425)
Net position (deficit), end of year	(18,182)		128,287		110,105	(64,342)

Totals may be off due to rounding

Water Fund

- ✓ The increase in Water Fund Net Position is $58.1million.
- ✓ Wholesale water customer charges of $383.9 million account for 92.6% of Water System revenues.
- ✓ Operating expenses of $287.0 million represent 69.2% of total operating revenue. Depreciation is the largest operating expense at $91.9 million or 32.0% of operating expense.
- ✓ Amortization of intangible assets represents activity for raw water rights and subscription-based information technology arrangements (SBITA).
- ✓ Operating income after operating expenses (including depreciation) equals $127.6 million or 30.8% of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of $97.9 million (this equates to the bonded debt interest expense less the offset from DWSD contractual obligation income).

- ✓ Legacy pension expense reflects a credit for FY 2026 due to the recognition of increased investment earnings on the part of GLWA and DWSD within the City of Detroit General Retirement System (GRS) for the period ending June 30, 2025.

Sewage Disposal Fund

- ✓ The increase in the Sewage Disposal Fund Net Position is $116.3 million.
- ✓ Wholesale customer charges of $300.1 million account for 56.5% of Sewer System revenues. Wholesale customer charges are billed one-twelfth each month based on an agreed-upon historical average "share" of each customer's historical flows which are formally revisited on a periodic basis. The result is no revenue shortfall or overestimation.
- ✓ Local system (DWSD) charges of $215.3 million account for 40.6% of total operating revenues. These are also billed at one-twelfth of the annual revenue requirement.
- ✓ Operating expenses of $375.2 million represent 70.7% of total operating revenue. Depreciation is the largest operating expense at $139.7 million or 37.2% of total operating expense.
- ✓ Amortization of intangible assets represents activity for a warehouse lease and subscription-based information technology arrangements (SBITA).
- ✓ Operating income after operating expenses (including depreciation) equals $155.5 million or 29.3% of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of $99.8 million (this equates to the bonded debt interest expense less the offset from DWSD contractual obligation income).
- ✓ Legacy pension expense reflects a credit for FY 2026 due to the recognition of increased investment earnings on the part of GLWA and DWSD within the City of Detroit General Retirement System (GRS) for the period ending June 30, 2025.

Supplemental Schedule of Operations & Maintenance Expenses – All Funds Combined – Draft

This Supplemental Schedule of Operations & Maintenance Expenses (O&M) schedule is shown below in Table 3. This accrual basis of operations and maintenance expense may vary from the revenue requirement basis presented in the *Budget to Actual Analysis* section of the June 2026 Financial Report Binder. Explanatory notes follow this schedule.

Table 3 – Supplemental Schedule of Operations & Maintenance Expenses – All Funds Combined – Draft
For the Twelve Months ended June 30, 2026
($000)

	Water	Percent of Total	Sewage Disposal	Percent of Total	Total Business-Type Activities	Percent of Total
Operating Expenses						
Personnel						
Salaries & Wages	36,003	19.0%	69,095	29.6%	105,098	24.8%
Overtime	7,108	3.7%	3,480	1.5%	10,588	2.5%
Employee Benefits	24,630	13.0%	10,143	4.3%	34,773	8.2%
Total Personnel	67,740	35.7%	82,718	35.4%	150,458	35.5%
Utilities						
Electric	30,879	16.3%	16,707	7.2%	47,586	11.2%
Gas	1,747	0.9%	7,912	3.4%	9,659	2.3%
Sewage	893	0.5%	1,707	0.7%	2,600	0.6%
Water	3	0.0%	11,745	5.0%	11,748	2.8%
Total Utilities	33,521	17.7%	38,072	16.3%	71,593	16.9%
Chemicals	13,496	7.1%	17,839	7.6%	31,334	7.4%
Supplies and other	15,290	8.1%	31,032	13.3%	46,322	10.9%
Contractual services	63,712	33.6%	66,169	28.3%	129,880	30.7%
Capital Adjustment	0	0.0%	0	0.0%	0	0.0%
Capital Program allocation	(2,144)	-1.1%	(1,248)	-0.5%	(3,392)	-0.8%
Intergovernmental Agreement	(74)	0.0%	(258)	-0.1%	(331)	-0.1%
Shared Services allocation	(1,650)	-0.9%	(868)	-0.4%	(2,519)	-0.6%
Operations and Maintenance Expenses	**189,892**	**100.0%**	**233,455**	**100.0%**	**423,346**	**100.0%**

Totals may be off due to rounding

- ✓ Core expenses for water and sewage disposal systems are utilities (16.9% of total O&M expenses) and chemicals (7.4% of total O&M expenses).
- ✓ Personnel costs (35.5% of total O&M expenses) include all salaries, wages, and benefits for employees as well as staff augmentation contracts that fill a vacant position (contractual transition services).
- ✓ Contractual services (30.7%) includes:
  - Water System costs of sludge removal and disposal services at the Northeast, Southwest and Springwells Water Treatment Plants (approximately $15.0 million);
  - Sewage Disposal System costs for the operation and maintenace of the biosolids dryer facility (approximately $18.3 million); and
  - Centralized and administrative contractual costs allocated to both systems for information technology, building maintenace, field, planning and other services.
- ✓ The Capital Program Allocation, Intergovernmental Agreement and Shared Services Allocation are shown as negative amounts because they are ‘contra’ expense accounts representing offets to associated costs in other Operations and Maintenance expense categories.

Supplemental Schedule of Nonoperating Expenses – All Funds Combined – Draft

The Supplemental Schedule of Nonoperating Expenses – All Funds Combined is shown in Table 4. Explanatory notes follow this schedule.

Table 4 – Supplemental Schedule of Nonoperating Expenses – All Funds Combined – Draft
For the Twelve Months ended June 30, 2026
($000)

	Water	Sewage Disposal	Total Business-type Activities	Comparative June 30, 2025
Nonoperating Revenue/(Expense)				
Investment Income and Expenses				
Interest income contractual obligation	22,051	14,402	36,454	38,291
Investment earnings	24,853	22,779	47,631	47,263
Net (incr) decr in fair value of invstmt	(536)	(591)	(1,128)	1,532
Total Investment Income and Expenses	46,368	36,590	82,957	87,086
Revenue and expenses related to financing				
Interest Expense				
Bonded debt	(119,995)	(114,155)	(234,150)	(230,256)
Lease obligation	(16,034)	(19,598)	(35,632)	(36,218)
Other obligations	(2,995)	(1,514)	(4,509)	(5,033)
Amortization, issuance costs, debt	21,014	9,215	30,229	25,936
Total Revenue and expenses related to financ	(118,011)	(126,051)	(244,062)	(245,571)
Capital Subsidies				
Capital Contribution	298	16,023	16,322	40,693
Resources from Disposal of Capital Assets	(1,288)	13	(1,275)	(172)
Total Capital Subsidies	(990)	16,036	15,046	40,521
Other Nonoperating Revenue (Expense)	14	27,635	27,648	18,212
Total Other Nonoperating Revenue/(Expense)	**(72,619)**	**(45,791)**	**(118,410)**	**(99,752)**

Totals may be off due to rounding

- ✓ Interest income on contractual obligation relates to the portion of the total GLWA debt obligation attributable to DWSD. This interest income offsets the total debt interest expense paid by GLWA on behalf of both entities monthly.
- ✓ Investment earnings in this report are reflected at book value. Any differences between the Basic Financial report and Cash and Investment section of this Financial Report binder are due to accrued interest.
- ✓ Net (increase) decrease in fair value of investments consists of market value of investments and realized gain/loss on sale of investments. FY 2025 market value adjustments for Water and Sewer total $49 thousand and $78 thousand, respectively. FY 2026 market value adjustments for Water and Sewer total $585 thousand and $678 thousand, respectively. Any difference is due to realized gain or loss on investments.

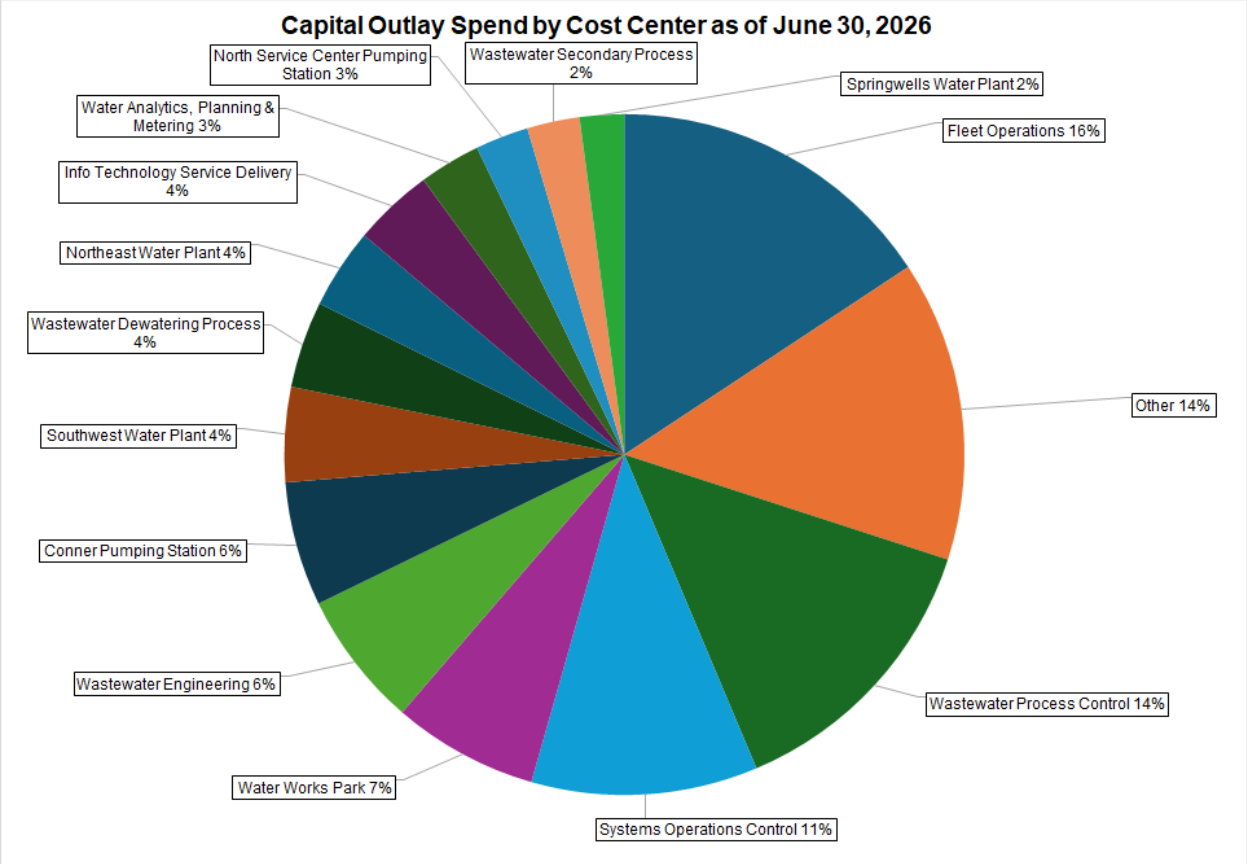
- ✓ Interest expense, the largest category of nonoperating expenses, is made up of three components:
  - Bonded debt;
  - Lease obligation for the regional assets from the City of Detroit; and
  - Other obligations such as an obligation payable to the City of Detroit for an allocation BC Notes related to assumed DWSD liabilities; acquisition of raw water rights related to the KWA Pipeline.
- ✓ FY 2025 other non-operating revenue includes $18.4 million in debt forgiveness on Clean Water State Revolving Fund loans (CWSRF) for the Sewage Disposal system. FY 2026 other non-operating revenue includes $26.9 million in debt forgiveness on CWSRF for the Sewage Disposal system.
- ✓ The FY 2026 and FY 2025 amortization, issuance costs, debt, is related to the amortization of bond premiums and defeasance of debt.
- ✓ The FY 2025 capital contribution in Nonoperating (revenue) expense represents ARPA ($2.8 million) grant revenue for the Water system and ($15.2 million) grant revenue and ($22.1 million) contribution from the Oakland Macomb Interceptor Drainage District (OMIDD) for the Sewage Disposal system. The FY 2026 capital contribution in Nonoperating (revenue) expense represents ARPA ($298 thousand) grant revenue for the Water system and ($8.6 million) grant revenue for the Sewage Disposal system.

Financial Activity Charts

Chart 1 – Capital Outlay – Water and Sewer System Combined

Capital Outlay represents purchases of equipment, software, and small facility improvement projects. It *excludes* any capital investment which is included in the monthly construction work-in-progress report related to the Capital Improvement Program. Some items span several months so the entire cost may not have been incurred yet. In addition, items are capitalized only if they meet GLWA's capitalization policy.

Through June 30, 2026, total capital outlay spend is $19.7 million. Following this chart is a sample list of projects and purchases from the total spend of $19.7 million.



Note: *Due to rounding totals may not equal 100%.*

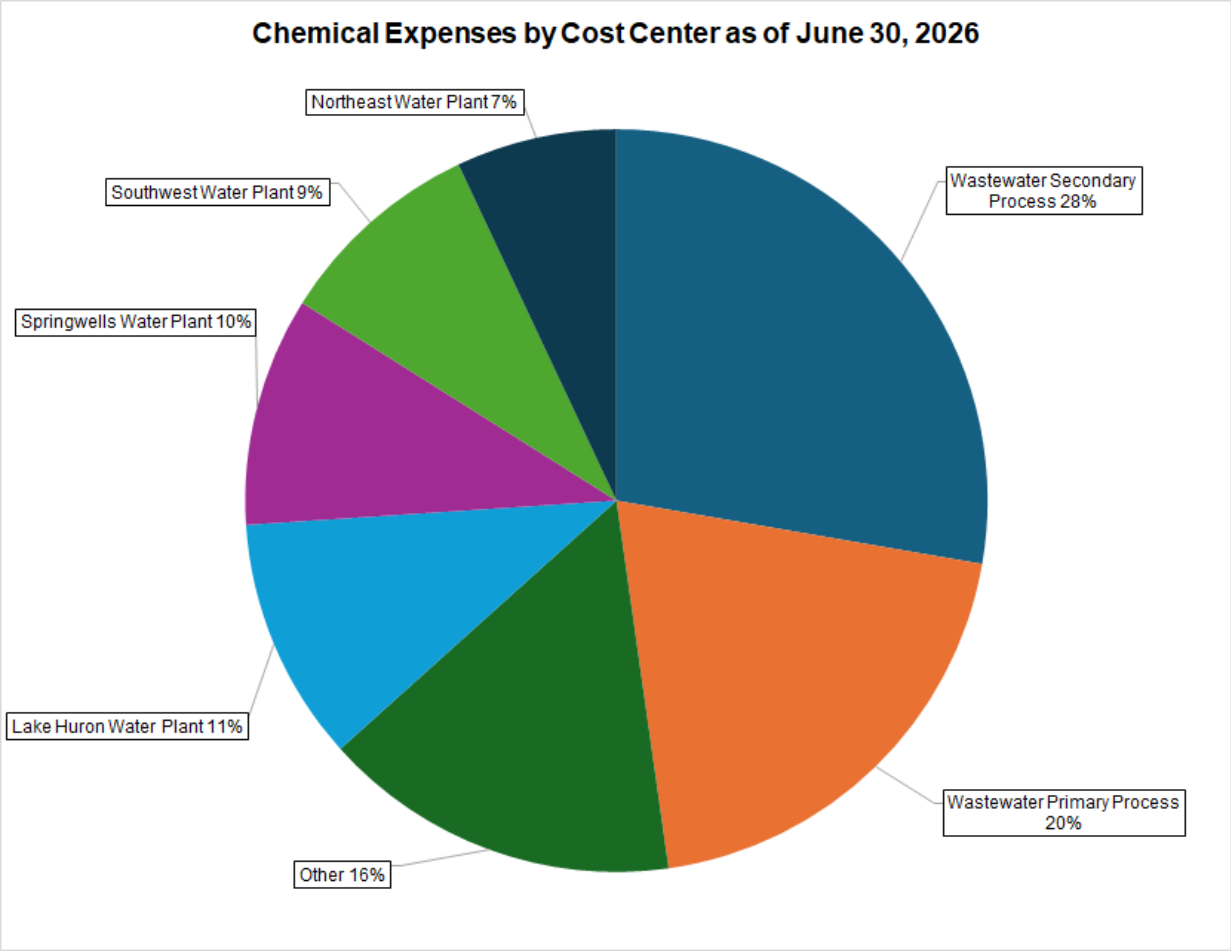
Water Operations: Steam generator replacement ($529k); low lift elevator ($449k); Springwells low lift modernization ($327k); Water Works Park HVAC boiler ($301k); North Service Center variable frequency drive ($270k); North Service Center fire alarm protection ($228k); gearbox ($187k); plasma mass spectrometer ($149k); flygt pump ($130k) and Adams Road Pumping Station fire protection system ($123k).

Wastewater Operations: Ovation upgrade and cabinet replacement ($4.8m); WRRF incinerator freight elevator ($979k); Conner Creek elevator maintenance ($523k); WRRF fire detection system ($494k); WRRF process camera ($445k); Conner Pumping Station priming level switch addition ($410k); ferric chloride buffering pilot ($374k); Hubble Southfield CSO proximity switches ($269k); sludge feed pump ($231k); Conner Creek fire alarm system integration ($229k); D conveyor ($194k); C conveyor ($194k); automatic self-clean strainer ($131k) and Connor Creek rotork gate actuator ($99k).

Centralized & Administrative Facilities: Trucks and vehicles ($2.9m); computer hardware and software ($1.2m); sewer meter support ($325k) and Polaris UTV ($112k).

Chart 2 – Chemical Expenses – Water and Sewer System Combined

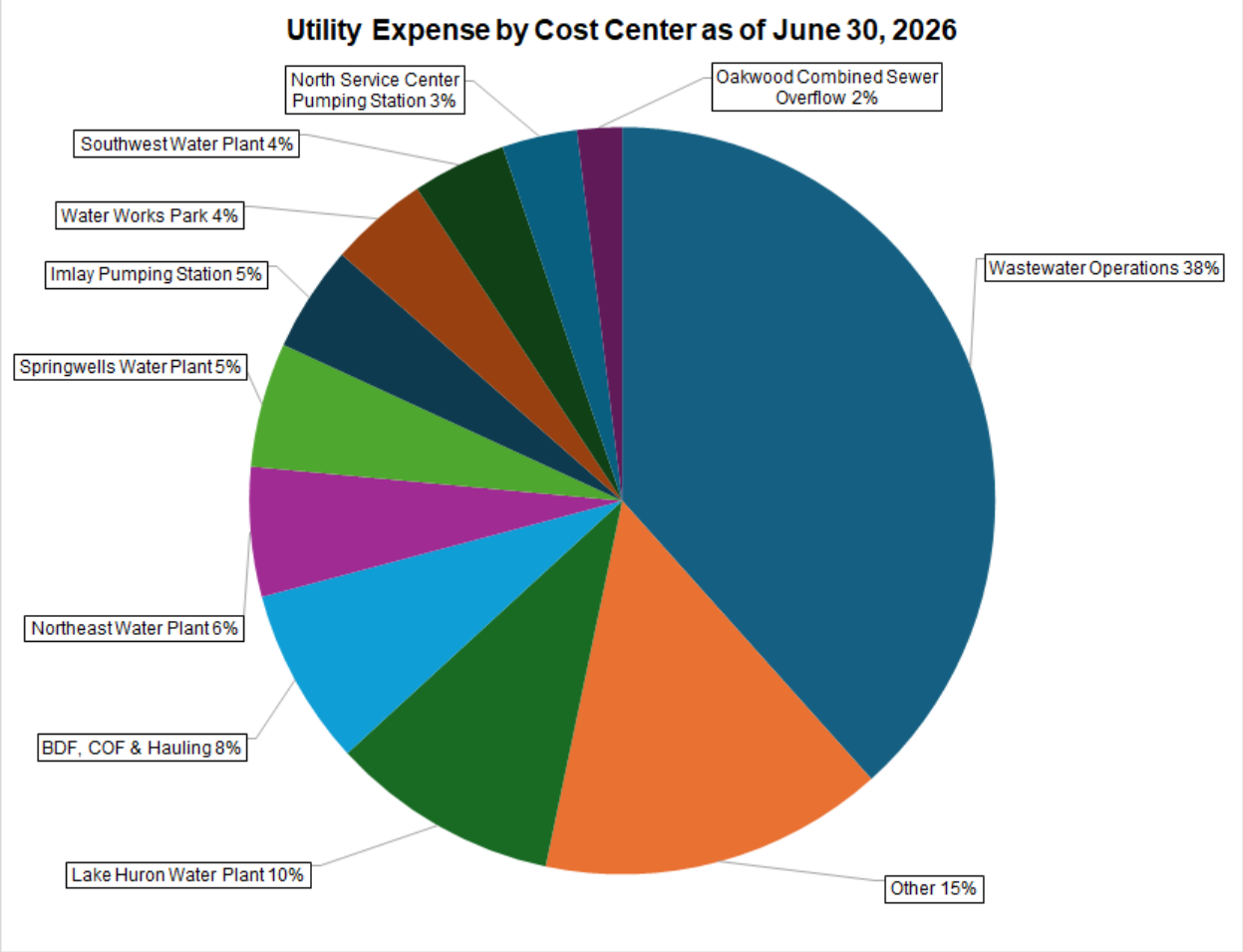
Chemical expenses are $31.3 million through June 30, 2026. The allocation is shown in the chart below and remains consistent with prior periods.



Note: *Due to rounding totals may not equal 100%.*

Chart 3 – Utility Expenses – Water and Sewer System Combined

Utility expenses are $71.6 million through June 30, 2026. The allocation is shown in the chart below and consistent with prior periods.



Note: *Due to rounding totals may not equal 100%.*

The monthly Budget to Financial Statements Crosswalk includes the following.

1. Crosswalk Budget Basis to Financial Reporting Basis
2. Explanatory Notes for Crosswalk

Purpose for Crosswalk: The Great Lakes Water Authority establishes a "Revenue Requirements" budget for the purposes of establishing charges for services. The financial report is prepared in accordance with Generally Accepted Accounting Policies for enterprise funds of a local government. Because the budget and the financial statements are prepared using different basis of accounting, the crosswalk reconciles the "Net Difference" to the "Increase/(Decrease) in Net Position" in Table 2 of the Basic Financial Statements in the monthly Financial Report.

The Authority has a Water Master Bond Ordinance and a Sewer Master Bond Ordinance (MBO). The Ordinances provide additional security for payment of the bonds. All revenues of the system are deposited into Revenue Receipts Funds which are held in trust by a trustee. The cash is moved to multiple bank accounts monthly based on 1/12th of the budget as defined in the MBO ("the flow of funds") for all revenue requirements except for the Debt Service monthly transfer. The Debt Service monthly requirement is computed by the trustee, U.S. Bank. The cash transfer for debt is net of investment earnings that remain in the debt service accounts to be used for debt service.

The budget is prepared on a modified cash basis. The revenue requirements are determined based upon the cash needed to meet the financial commitments as required by the Master Bond Ordinance.

- Operation & Maintenance (O&M) expenses are reported on an accrual basis
- B&C notes obligation is reported on a cash basis
- Debt Service Allocation is reported on a cash set aside basis to provide the cash for the debt payments on the due dates
- Lease payments are reported on a cash basis
- Water Residential Assistance Program are based on a percentage of budgeted revenue
- Regional System Improvement & Extension Fund Allocation are reported on a cash basis

Budget: In Table 1A and Table 1B of the Budget to Actual Analysis the 'Revenues' section is the accrual basis revenues that are available to meet the 'Revenue Requirements'. The 'Revenue Requirements' section budget column indicates the annual cash transfers to be made.

Financial Reporting: The Authority's financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Authority maintains its records on the accrual basis of accounting to conform to GAAP. Revenues from operations, investments and other sources are recorded when earned. Expenses (including depreciation) are recorded when incurred.

Table 1 – Crosswalk Budget Basis to Financial Reporting Basis provides a reconciliation of the "Net Difference" in Table 1A and Table 1B in the Budget to Actual Analysis report to the "Increase/(Decrease) in Net Position" in Table 2 of the Basic Financial Statements in this monthly Financial Report. Explanatory notes follow the Crosswalk shown in Table 1 below.

Table 1 – Crosswalk Budget Basis to Financial Reporting Basis ($000)
For the Twelve Months Ended June 30, 2026

	Water	Sewer	Total
Net Revenue Requirement Budget Variance (a)	$ 16,603	$ 3,817	$ 20,420
Budgetary categories adjustments to financial reporting basis			
Pension delayed accounting election adjustments			
Current year pension requirement recorded as deferral (c)			-
Legacy pension recovery (expense)	5,266	9,425	14,691
Debt service (f)	78,078	115,905	193,983
Accelerated pension B&C notes obligation portion (g)	2,123	4,266	6,389
Regional System lease (h)	6,466	7,902	14,368
GASB 87 & GASB 96 adjustments (h)	1,080	1,518	2,598
WRAP (i)	58	78	136
Extraordinary Repair & Replacement Fund transfers (j)	-	-	-
Improvement & Extension Fund transfers (j)	14,661	60,254	74,914
Nonbudgeted financial reporting categories adjustments			
Depreciation and amortization (k)	(97,087)	(141,739)	(238,826)
Amortization - debt related (k)	21,014	9,215	30,229
Other nonoperating income (k)	(618)	3	(615)
Other nonoperating expense (k)	(155)	(277)	(431)
Gain(loss) on disposal of capital assets (k)	(1,288)	13	(1,275)
Raw water rights obligation (l)	3,856	-	3,856
Investment earnings for construction fund (m)	8,375	2,818	11,193
Other		55	55
Interest on DWSD note receivable (n)	-	-	-
Investment earnings unrealized gain/loss (o)	(590)	(601)	(1,191)
Improvement & extension fund operating expenses (p)	-	-	-
Capital Contribution (q)	298	43,655	43,953
Net Position Increase/(Decrease) per Financial Statements (b)	$ 58,141	$ 116,305	$ 174,446

Table 2 - Explanatory Notes for Crosswalk

(a) Source: Budget to Actual Table 1A and Table 1B in Monthly Financial Report

(b) Source: Basic Financial Statements Table 2 in Monthly Financial Report

(c) Current year pension payments are an expense for budget purposes but not for financial reporting purposes.

(d) Prior year pension payments are accounted for in the current year financial statements.

(e) The administrative fee is part of the O&M Legacy Pension shown as an expense for budget purposes.

(f) Debt service (principal and interest payments) are shown as an expense for budget purposes. Most of the adjustment relates to principal payments which are not an expense for financial reporting purposes. A portion of the adjustment relates to interest expense variances on state revolving fund debt due to the timing of payment draws. The cash set aside basis for interest expense generally is the same as the accrual basis for financial reporting.

(g) This adjustment relates to the B&C note obligation payments. The principal and interest cash basis payments are treated as an expense for budget purposes. The principal portion is not an expense for financial reporting purposes. For financial reporting purposes interest is expensed on an accrual basis which is different from the cash basis.

(h) Payments for the warehouse lease and subscription-based information technology arrangements (SBITA) are expensed for budget purposes. For financial reporting purposes, the warehouse lease is recorded under GASB 87 and payments are treated as a reduction in the lease liability and interest expense (which is a nonoperating expense). The SBITA payments are recorded under GASB 96 and are treated as a prepaid subscription asset as the software is currently in the implemented phase.

(i) WRAP is shown as an expense for budget purposes. For financial reporting purposes the expense is not recognized until the funds have been transferred to the WRAP administrator. The adjustment shown is the amount of current year transfers that have not been transferred to the WRAP administrator. Note that there are funds from the prior year that have not been transferred to the WRAP administrator.

(j) The Extraordinary Repair & Replacement Fund and Improvement & Extension Fund transfers are shown as an expense for budget purposes but not for financial reporting purposes.

(k) Certain nonoperating income and expenses are reported in financial statements only.

(l) The water service contract with Flint includes a license for raw water rights which has been recorded as an asset and liability by the Authority. The contract provides for a credit to Flint as Flint satisfies its monthly bond payment obligation to KWA. This KWA credit is treated as a noncash payment of principal and interest on the liability recorded for the raw water rights. For budget, wholesale customer charges are net of the anticipated KWA credits to Flint as that is the cash that will be received and available to meet the budgeted revenue requirements. For financial reporting purposes the Flint wholesale charges are recorded as the total amount billed. When the KWA credit is issued, the receivable from Flint is reduced and the principal and interest payments on the liability for the raw water rights are recorded as a noncash transaction. Most of the adjustments shown relates to the principal reduction made for the credits applied which are not an expense for financial reporting basis.

(m) Investment earnings from the construction fund are not shown as revenue in the budget and are shown as revenue in the financial statements. Construction fund investment earnings are excluded from the definition of revenue for budget purposes as they are used for construction costs and are not used to meet the revenue requirements in the budget.

(n) Unrealized gains and losses are recorded annually as required for financial reporting purposes but do not reflect actual investment earnings and are not included in cash basis reporting.

(o) The Water Improvement and Extension fund and the Sewer Improvement and Extension fund reflect certain expenses relating to repairs paid for through the Water and Sewer Improvement and Extension funds, respectively. These are consolidated expenses for financial reporting purposes but are not reflected in the current Operations and Maintenance budget expenses.

(p) The FY 2026 capital contribution in Nonoperating (revenue) expense represents ARPA ($0.3 million) grant revenue for the Water system and ($43.7 million) for the Sewage Disposal system. This non-operating revenue is reported only in the GAAP-basis financial statements.

Financial Operations KPI

This key performance indicator shown in ***Chart 1 – Bank Reconciliation Completion Status*** below provides a measure of the progress made in the month-end close process which includes bank reconciliations with a completed status at month end. Through June 30, 2026, all bank accounts are reconciled.

Chart 1 – Bank Reconciliation Completion Status

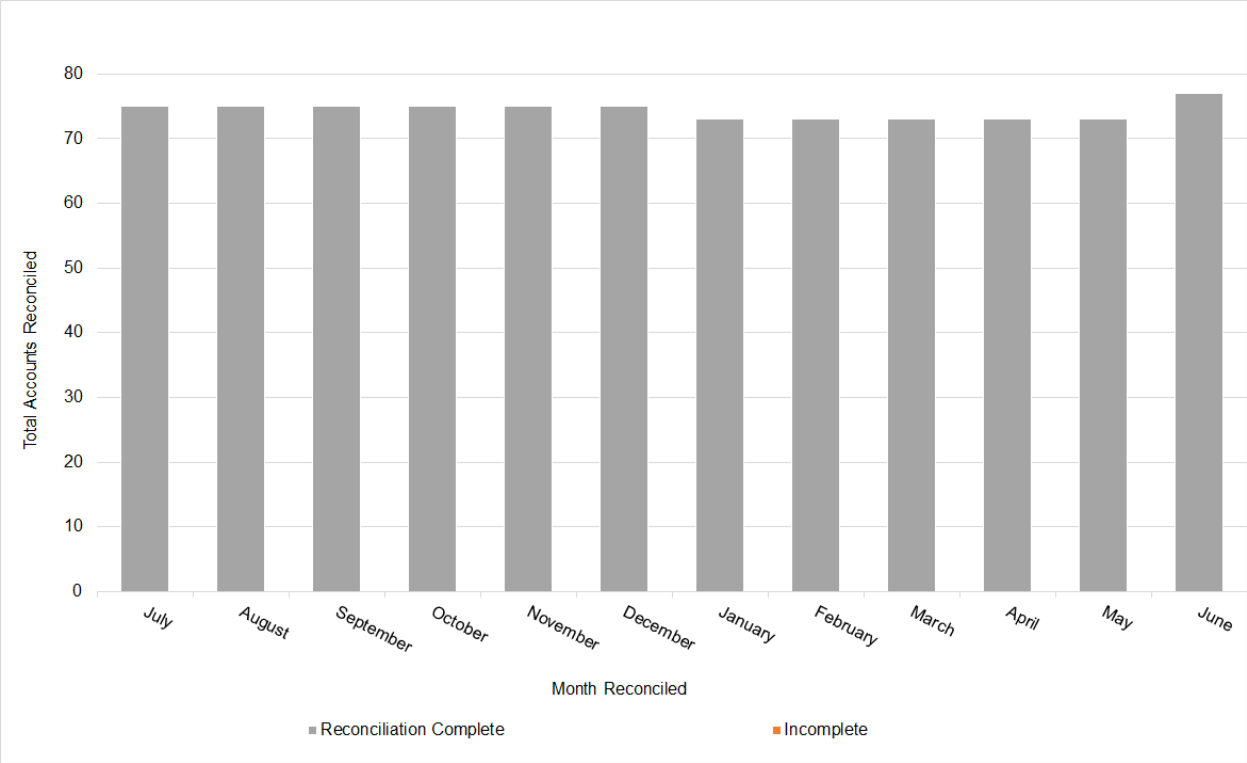


Table 1 – Fiscal Year 2026 GL Cash Account Roll-forward

Total GL Cash accounts as of July 1, 2025	75
New GL Cash accounts since July 1, 2025	4
Inactivated GL Cash accounts since July 1, 2025	(2)
Total GL Cash accounts as of June 30, 2026	77

Supplemental Sections

The Monthly Capital Improvement Plan Financial Summary includes the following.

1. Water System Capital Improvement Plan Spend Incurred to date
2. Sewer System Capital Improvement Plan Spend Incurred to date

Capital Improvement Plan Financial Summary

Great Lakes Water Authority (GLWA) capital improvement projects generally span two or more years due to size and complexity. Therefore, the GLWA Board of Directors (Board) has adopted a five-year capital improvement plan (CIP). The CIP is a five-year, rolling plan which is updated annually and formally adopted by the GLWA Board of Directors. In addition, the Board of Directors adopts a capital spending ratio assumption (SRA) which allows the realities of capital program delivery to align with the financial plan. The SRA is an analytical approach to bridge the total dollar amount of projects in the CIP with what can realistically be spent due to limitations beyond GLWA's control and/or delayed for nonbudgetary reasons. Those limitations, whether financial or non-financial, necessitate the SRA for budgetary purposes, despite the prioritization established.

This report presents quarterly and monthly CIP spending against the prorated CIP in total and the CIP adjusted for the SRA. The prorated CIP is calculated by dividing the total fiscal year 2026 board-approved CIP plan by twelve equal months. It should be noted that for operational purposes, GLWA utilizes Contruent Software for refined monthly projections for cash management and project management.

Capital spend reflects a noticeable variance from budgeted CIP for both the water and sewer funds. For the purposes of this metric, we compare actual spend with the Board-approved budget. For the purposes of managing the financial plan, budget amendments are made to align spending with resources available. The capital spend rate adjustment is 88% of the Board approved CIP planned spend for the water fund and 90% of the Board approved CIP planned spend for the sewer fund.

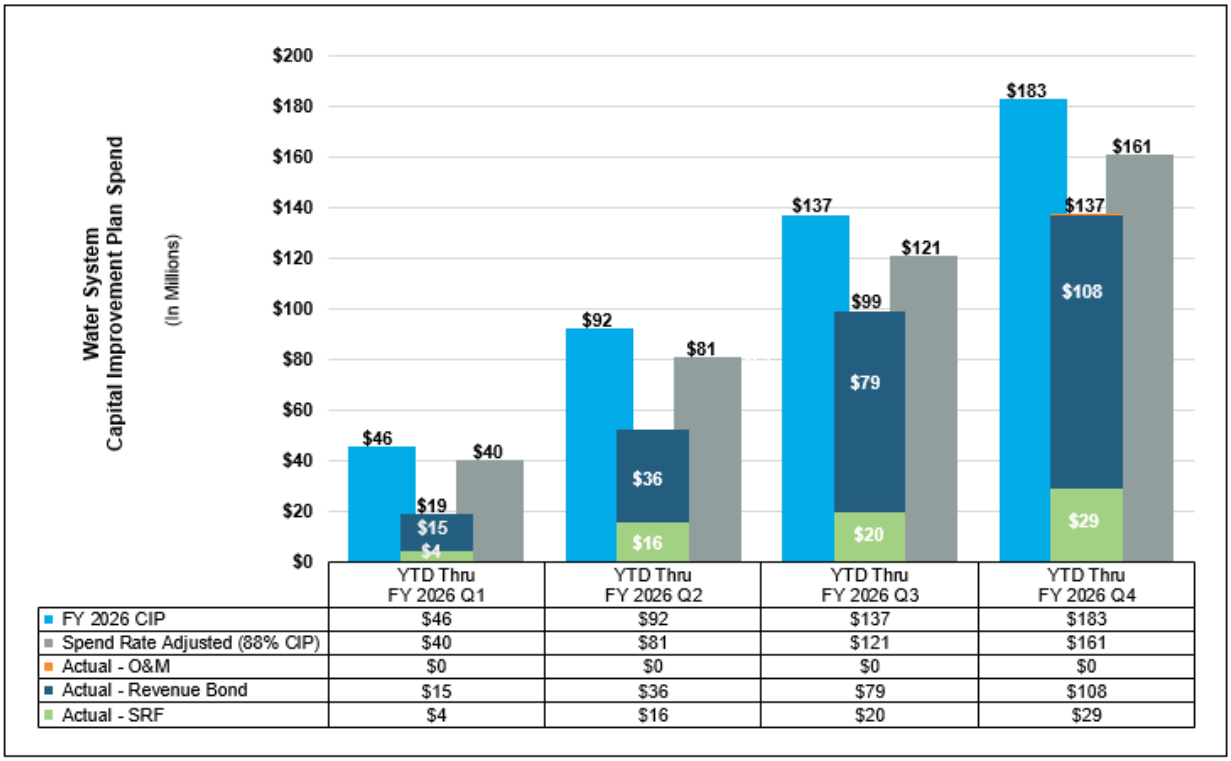
The State Revolving Fund (SRF) activity reported in Charts 1 and 2 is revised as needed to reflect ongoing changes in approved GLWA SRF funding.

Chart 1 – Water System Capital Improvement Plan Spend Incurred to Date

As of June 2026, the water system incurred $137 million of construction costs to date. This spend represents 75% of the original, Board-approved CIP, and 85% of the Board-reviewed spend rate adjustment.

Economic factors affecting the CIP spend are considered by the Board quarterly at which time the Board may amend the planned spend rate adjustment. Several projects were delayed early in the fiscal year which have resulted in actual expenses falling below original budget estimates.

Chart 1 – Water System Capital Improvement Plan Spend Incurred to Date – Spend Rate Adjusted



	YTD Thru FY 2026 Q1	YTD Thru FY 2026 Q2	YTD Thru FY 2026 Q3	YTD Thru FY 2026 Q4
FY 2026 CIP	$46	$92	$137	$183
Spend Rate Adjusted (88% CIP)	$40	$81	$121	$161
Actual - O&M	$0	$0	$0	$0
Actual - Revenue Bond	$15	$36	$79	$108
Actual - SRF	$4	$16	$20	$29

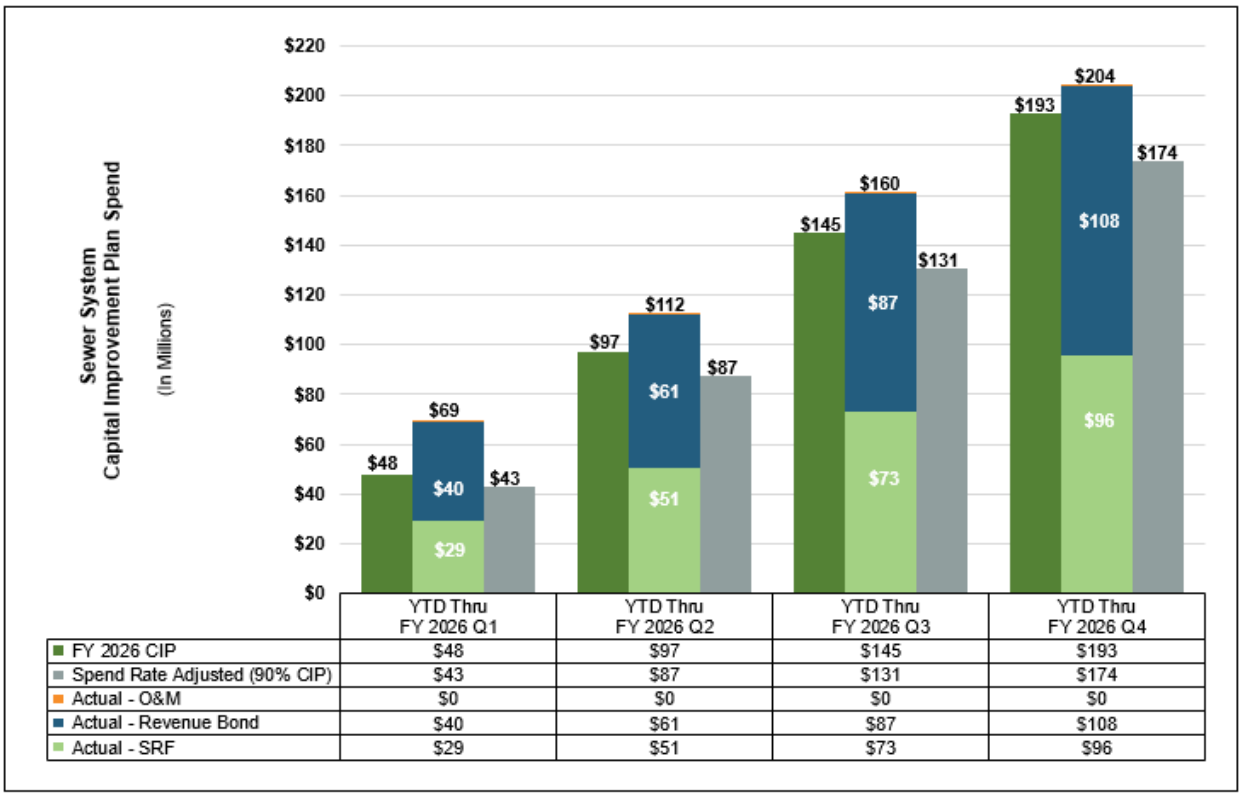
Note: *SRF spend in the chart above reflects total costs associated with active SRF projects and may include some costs not reimbursed through the SRF program.*

Chart 2 – Sewer System Capital Improvement Plan Spend Incurred to Date

As of June 2026, the Sewer system incurred $204 million of construction costs to date. This spend represents 106% of the original, Board-approved CIP, and 117% of the Board-reviewed spend rate adjustment.

Sewer spending is significantly above plan due to a substantial increase in SRF funding for FY 2026, which has enabled the acceleration of several projects originally scheduled for later years in the CIP and ten-year plan.

Chart 2 – Sewer System Capital Improvement Plan Spend Incurred to Date – Spend Rate Adjusted



	YTD Thru FY 2026 Q1	YTD Thru FY 2026 Q2	YTD Thru FY 2026 Q3	YTD Thru FY 2026 Q4
FY 2026 CIP	$48	$97	$145	$193
Spend Rate Adjusted (90% CIP)	$43	$87	$131	$174
Actual - O&M	$0	$0	$0	$0
Actual - Revenue Bond	$40	$61	$87	$108
Actual - SRF	$29	$51	$73	$96

Note: *SRF spend in the chart above reflects total costs associated with active SRF projects and may include some costs not reimbursed through the SRF program.*

This report includes the following.

1. Master Bond Ordinance (MBO) Required Transfers to Accounts Held by GLWA
2. Master Bond Ordinance (MBO) Required Transfers to Accounts Held by DWSD

MBO Transfers to Accounts Held by GLWA

GLWA Transfers: The Treasury team completes required MBO transfers on the first business day of each month. These transfers are completed in accordance with the Great Lakes Water Authority (GLWA) and Detroit Water & Sewerage Department (DWSD) budgets as approved and adopted by the GLWA Board of Directors and DWSD Board of Water Commissioners annually.

Monthly transfers for Operations & Maintenance (O&M), Pension, and Water Residential Assistance Program (WRAP) are one-twelfth of the annual, budgeted amount. Budget stabilization should not require additional funding due to new, baseline funding levels established as part of the June 2018 Memorandum of Understanding but is included to reflect historical activity. If there are transfers to the Extraordinary Repair & Replacement (ER&R) fund they are completed annually based on budget and year-end fund status.

Table 1 – GLWA FY 2026 Water MBO Transfers reflects the required transfers for FY 2026 completed through June 2026. MBO transfers for water totaling $190.3 million have been transferred to GLWA accounts.

Table 2 – GLWA FY 2026 Sewer MBO Transfers reflects the required transfers for FY 2026 completed through June 2026. MBO transfers for sewer totaling $249.6 million have been transferred to GLWA accounts.

Table 3 – GLWA MBO Transfer History reflects historical transfers for FY 2016 through FY 2026 to date.

Table 1 – GLWA FY 2026 Water MBO Transfers

WATER							
	Operations & Maintenance	Pension Sub Account	Pension Obligation	WRAP	Budget Stabilization (For Benefit of DWSD)	Extraordinary Repair & Replacement (ER&R)	Total Water
FY 2026							
July 2025	$ 15,204,667	$ -	$ 388,267	$ 242,950	$ -	$ -	$ 15,835,884
August 2025	$ 15,204,667	$ -	$ 388,267	$ 242,950	$ -	$ -	$ 15,835,884
September 2025	$ 15,204,667	$ -	$ 388,267	$ 242,950	$ -	$ -	$ 15,835,884
October 2025	$ 15,204,667	$ -	$ 388,267	$ 242,950	$ -	$ -	$ 15,835,884
November 2025	$ 15,204,667	$ -	$ 388,267	$ 242,950	$ -	$ -	$ 15,835,884
December 2025	$ 15,204,667	$ -	$ 388,267	$ 242,950	$ -	$ -	$ 15,835,884
January 2026	$ 16,052,481	$ -	$ 388,267	$ 242,951	$ -	$ -	$ 16,683,699
February 2026	$ 15,325,783	$ -	$ 388,267	$ 242,951	$ -	$ -	$ 15,957,001
March 2026	$ 15,325,783	$ -	$ 388,267	$ 242,951	$ -	$ -	$ 15,957,001
April 2026	$ 15,325,783	$ -	$ 388,267	$ 242,951	$ -	$ -	$ 15,957,001
May 2026	$ 15,325,783	$ -	$ 388,267	$ 242,951	$ -	$ -	$ 15,957,001
June 2026	$ 14,184,785	$ -	$ 388,263	$ 242,945	$ -	$ -	$ 14,815,993
Total FY 2026	$182,768,400	$ -	$ 4,659,200	$2,915,400	$ -	$ -	$ 190,343,000

Table 2 – GLWA FY 2026 Sewer MBO Transfers

SEWER							
	Operations & Maintenance	Pension Sub Account	Pension Obligation	WRAP	Budget Stabilization (For Benefit of DWSD)	Extraordinary Repair & Replacement (ER&R)	Total Sewer
FY 2026							
July 2025	$ 19,674,892	$ -	$ 593,350	$ 338,833	$ -	$ -	$ 20,607,075
August 2025	$ 19,674,892	$ -	$ 593,350	$ 338,833	$ -	$ -	$ 20,607,075
September 2025	$ 19,674,892	$ -	$ 593,350	$ 338,833	$ -	$ -	$ 20,607,075
October 2025	$ 19,674,892	$ -	$ 593,350	$ 338,833	$ -	$ -	$ 20,607,075
November 2025	$ 19,674,892	$ -	$ 593,350	$ 338,833	$ -	$ -	$ 20,607,075
December 2025	$ 19,674,892	$ -	$ 593,350	$ 338,833	$ -	$ -	$ 20,607,075
January 2026	$ 20,522,648	$ -	$ 593,350	$ 338,834	$ -	$ -	$ 21,454,832
February 2026	$ 19,796,000	$ -	$ 593,350	$ 338,834	$ -	$ -	$ 20,728,184
March 2026	$ 19,796,000	$ -	$ 593,350	$ 338,834	$ -	$ -	$ 20,728,184
April 2026	$ 19,796,000	$ -	$ 593,350	$ 338,834	$ -	$ -	$ 20,728,184
May 2026	$ 19,796,000	$ -	$ 593,350	$ 338,834	$ -	$ -	$ 20,728,184
June 2026	$ 20,673,800	$ -	$ 593,350	$ 338,832	$ -	$ -	$ 21,605,982
Total FY 2026	$238,429,800	$ -	$ 7,120,200	$4,066,000	$ -	$ -	$ 249,616,000

Table 3 – GLWA MBO Transfer History

WATER

	Operations & Maintenance	Pension Sub Account	Pension Obligation	WRAP	Budget Stabilization (For Benefit of DWSD)	Extraordinary Repair & Replacement (ER&R)	Total Water
Total FY 2016	$ 71,052,000	$ 6,037,100	$ 10,297,200	$ 1,983,300	$ 2,326,900	$ 606,000	$ 92,302,500
Total FY 2017	111,879,600	6,037,200	10,297,200	2,077,200	360,000	-	130,651,200
Total FY 2018	121,562,604	6,048,000	10,695,696	2,159,400	-	-	140,465,700
Total FY 2019	121,562,604	6,048,000	10,695,696	2,061,000	-	-	140,367,300
Total FY 2020	126,840,204	6,048,000	10,695,683	1,980,804	-	-	145,564,691
Total FY 2021	134,127,300	6,048,000	10,695,700	2,324,200	-	-	153,195,200
Total FY 2022	143,933,800	6,048,000	10,695,700	2,376,600	-	-	163,054,100
Total FY 2023	156,747,700	6,048,000	10,695,700	2,611,800	-	2,200,000	178,303,200
Total FY 2024	168,873,100	-	2,568,700	2,710,200	50,000	2,836,000	177,038,000
Total FY 2025	182,227,100	-	2,820,700	2,763,800	(50,000)	2,144,000	189,905,600
Total FY 2026	182,768,400	-	4,659,200	2,915,400	-	-	190,343,000
Life to Date	$ 1,521,574,412	$ 48,362,300	$ 94,817,175	$ 25,963,704	$ 2,686,900	$ 7,786,000	$ 1,701,190,491

SEWER

	Operations & Maintenance	Pension Sub Account	Pension Obligation	WRAP	Budget Stabilization (For Benefit of DWSD)	Extraordinary Repair & Replacement (ER&R)	Total Sewer
Total FY 2016	$ 100,865,600	$ 10,838,400	$ 14,025,800	$ 2,523,400	$ 5,591,700	$ 779,600	$ 134,624,500
Total FY 2017	175,858,800	10,838,400	14,026,800	2,654,400	2,654,400	-	206,032,800
Total FY 2018	191,079,396	10,824,000	14,687,496	2,760,804	-	-	219,351,696
Total FY 2019	191,079,396	10,824,000	14,687,496	2,870,992	-	-	219,461,884
Total FY 2020	181,925,800	10,824,000	14,687,517	2,887,300	-	-	210,324,617
Total FY 2021	182,296,000	10,824,000	14,687,500	3,764,300	-	-	211,571,800
Total FY 2022	191,908,600	10,824,000	14,687,400	3,868,700	-	-	221,288,700
Total FY 2023	204,122,500	10,824,000	14,687,400	3,673,800	-	-	233,307,700
Total FY 2024	224,873,500	-	3,914,500	3,836,402	150,000	-	232,774,402
Total FY 2025	235,191,600	-	4,701,200	3,903,701	(150,000)	345,000	243,991,500
Total FY 2026	238,429,800	-	7,120,200	4,066,000	-	-	249,616,000
Life to Date	$ 2,117,630,992	$ 86,620,800	$ 131,913,309	$ 36,809,799	$ 8,246,100	$ 1,124,600	$ 2,382,345,599

MBO Required and Lease Payment Transfers to DWSD

DWSD Transfers: The GLWA Treasury team completes the required MBO transfers on the first business day of each month. These transfers are completed in accordance with the GLWA and DWSD budgets as approved and adopted by the GLWA Board of Directors and DWSD Board of Water Commissioners annually. Transfers are coordinated with other areas of GLWA Financial Services in advance of the first business day of each month. GLWA Treasury sends confirmation of transfers made to DWSD Treasury.

Monthly transfers for O&M and O&M Pension are one-twelfth of the annual budgeted amount. The annual lease payment, as stated in the Water and Sewer Lease Agreements, is $22,500,000 for Water and $27,500,000 for Sewer. The monthly lease transfer is one-twelfth of the amount as stated in the Lease agreements unless otherwise designated by DWSD. Per Section 3.5 of the Lease, the Lease payment may be used for (a) bond principal and interest for Local System Improvements, (b) bond principal and interest for the City's share of common-to-all System Improvements, and (c) Local System improvements.

Table 4 – DWSD FY 2026 Water MBO Transfers reflects the required transfers for FY 2026 completed through June 2026. MBO transfers for Water totaling $72.2 million have been transferred to accounts held by DWSD.

Table 5 – DWSD FY 2026 Sewer MBO Transfers reflects the required transfers for FY 2026 completed through June 2026. MBO transfers for Sewer totaling $87.6 million have been transferred to accounts held by DWSD.

Table 6 – DWSD Water MBO and Lease Payment Transfer History reflects historical transfers for FY 2016 through FY 2026 to date.

Table 7 – DWSD Sewer MBO and Lease Payment Transfer History reflects historical transfers for FY 2016 through FY 2026 to date.

Table 4 – DWSD FY 2026 Water MBO Transfers

WATER				
	Operations & Maintenance	Pension	Lease Payment (I&E Fund)	Total Water
FY 2026				
July 2025	$ 4,140,333	$ -	$ 1,875,000	$ 6,015,333
August 2025	$ 4,140,333	$ -	$ 1,875,000	$ 6,015,333
September 2025	$ 4,140,333	$ -	$ 1,875,000	$ 6,015,333
October 2025	$ 4,140,333	$ -	$ 1,875,000	$ 6,015,333
November 2025	$ 4,140,333	$ -	$ 1,875,000	$ 6,015,333
December 2025	$ 4,140,333	$ -	$ 1,875,000	$ 6,015,333
January 2026	$ 4,140,334	$ -	$ 1,875,000	$ 6,015,334
February 2026	$ 4,140,334	$ -	$ 1,875,000	$ 6,015,334
March 2026	$ 4,140,334	$ -	$ 1,875,000	$ 6,015,334
April 2026	$ 4,140,334	$ -	$ 1,875,000	$ 6,015,334
May 2026	$ 4,140,334	$ -	$ 1,875,000	$ 6,015,334
June 2026	$ 4,140,334	$ -	$ 1,875,000	$ 6,015,334
Total FY 2026	$ 49,684,002	$ -	$ 22,500,000	$ 72,184,002

Table 5 – DWSD FY 2026 Sewer MBO Transfers

SEWER				
	Operations & Maintenance	Pension	Lease Payment (I&E Fund)	Total Sewer
FY 2026				
July 2025	$ 5,008,692	$ -	$ 2,291,667	$ 7,300,359
August 2025	$ 5,008,692	$ -	$ 2,291,667	$ 7,300,359
September 2025	$ 5,008,692	$ -	$ 2,291,667	$ 7,300,359
October 2025	$ 5,008,692	$ -	$ 2,291,667	$ 7,300,359
November 2025	$ 5,008,692	$ -	$ 2,291,667	$ 7,300,359
December 2025	$ 5,008,692	$ -	$ 2,291,667	$ 7,300,359
January 2026	$ 5,008,691	$ -	$ 2,291,666	$ 7,300,357
February 2026	$ 5,008,691	$ -	$ 2,291,666	$ 7,300,357
March 2026	$ 5,008,691	$ -	$ 2,291,666	$ 7,300,357
April 2026	$ 5,008,691	$ -	$ 2,291,666	$ 7,300,357
May 2026	$ 5,008,691	$ -	$ 2,291,666	$ 7,300,357
June 2026	$ 5,008,691	$ -	$ 2,291,666	$ 7,300,357
Total FY 2026	$ 60,104,298	$ -	$ 27,499,998	$ 87,604,296

Table 6 – DWSD Water MBO and Lease Payment Transfer History

	WATER			
	Operations & Maintenance	Operations & Maintenance Pension	Lease Payment (I&E Fund)	Total Water
FY 2016 *				
MBO/Lease Requirement	$ 26,185,600	$ 4,262,700	$ 22,500,000	$ 52,948,300
Offset to Debt Service	-	-	(2,326,900)	(2,326,900)
Total MBO Transfer	26,185,600	4,262,700	20,173,100	50,621,400
FY 2017				
MBO/Lease Requirement	33,596,400	4,262,400	22,500,000	60,358,800
Offset to Debt Service	-	-	-	-
Total MBO Transfer	33,596,400	4,262,400	22,500,000	60,358,800
FY 2018				
MBO/Lease Requirement	35,059,704	4,272,000	22,500,000	61,831,704
Offset to Debt Service	-	-	(1,875,000)	(1,875,000)
Total MBO Transfer	35,059,704	4,272,000	20,625,000	59,956,704
FY 2019				
MBO/Lease Requirement	35,484,300	4,272,000	22,500,000	62,256,300
Offset to Debt Service	-	-	(3,972,200)	(3,972,200)
Total MBO Transfer	35,484,300	4,272,000	18,527,800	58,284,100
FY 2020				
MBO/Lease Requirement	34,662,400	4,272,000	22,500,000	61,434,400
Offset to Debt Service	-	-	(3,548,000)	(3,548,000)
Total MBO Transfer	34,662,400	4,272,000	18,952,000	57,886,400
FY 2021				
MBO/Lease Requirement	35,833,900	4,272,000	22,500,000	62,605,900
Offset to Debt Service	-	-	(8,278,300)	(8,278,300)
Total MBO Transfer	35,833,900	4,272,000	14,221,700	54,327,600
FY 2022				
MBO/Lease Requirement	29,989,000	4,272,000	22,500,000	56,761,000
Offset to Debt Service	-	-	(8,925,400)	(8,925,400)
Total MBO Transfer	29,989,000	4,272,000	13,574,600	47,835,600
FY 2023				
MBO/Lease Requirement	42,581,600	4,272,000	22,500,000	69,353,600
Offset to Debt Service	-	-	(2,922,100)	(2,922,100)
Total MBO Transfer	42,581,600	4,272,000	19,577,900	66,431,500
FY 2024				
MBO/Lease Requirement	44,776,800	-	22,500,000	67,276,800
Offset to Debt Service	-	-	-	-
Total MBO Transfer	44,776,800	-	22,500,000	67,276,800
FY 2025				
MBO/Lease Requirement	46,468,700	-	22,500,000	68,968,700
Offset to Debt Service	-	-	-	-
Total MBO Transfer	46,468,700	-	22,500,000	68,968,700
FY 2026				
MBO/Lease Requirement	49,684,002	-	22,500,000	72,184,002
Offset to Debt Service	-	-	-	-
Total MBO Transfer	49,684,002	-	22,500,000	72,184,002
Life-to-Date				
MBO/Lease Requirement	414,322,406	34,157,100	247,500,000	695,979,506
Offsets	-	-	(31,847,900)	(31,847,900)
Total Water	**$ 414,322,406**	**$ 34,157,100**	**$ 215,652,100**	**$ 664,131,606**

* Note: FY 2016 lease transfer amounts shown do not incude prepayment on the lease amount for the 6 months period before bifurcation.

Table 7 – DWSD Sewer MBO and Lease Payment Transfer History

SEWER	Operations & Maintenance	Operations & Maintenance Pension	Lease Payment (I&E Fund)	Total Sewer
FY 2016 *				
MBO/Lease Requirement	$ 19,774,300	$ 2,861,800	$ 27,500,000	$ 50,136,100
Offset to Debt Service	-	-	(19,991,500)	(19,991,500)
Total MBO Transfer	19,774,300	2,861,800	7,508,500	30,144,600
FY 2017				
MBO/Lease Requirement	41,535,600	2,862,000	27,500,000	71,897,600
Offset to Debt Service	-	-	-	-
Total MBO Transfer	41,535,600	2,862,000	27,500,000	71,897,600
FY 2018				
MBO/Lease Requirement	60,517,992	2,856,000	27,500,000	90,873,992
Offset to Debt Service	-	-	(9,166,664)	(9,166,664)
Total MBO Transfer	60,517,992	2,856,000	18,333,336	81,707,328
FY 2019				
MBO/Lease Requirement	56,767,920	2,856,000	27,500,000	87,123,920
Offset to Debt Service	-	-	(4,415,000)	(4,415,000)
Total MBO Transfer	56,767,920	2,856,000	23,085,000	82,708,920
FY 2020				
MBO/Lease Requirement	62,343,500	2,856,000	27,500,000	92,699,500
Offset to address shortfall	(7,100,000)	-	-	(7,100,000)
Offset to Debt Service	-	-	(5,032,700)	(5,032,700)
Total MBO Transfer	55,243,500	2,856,000	22,467,300	80,566,800
FY 2021				
MBO/Lease Requirement	69,915,700	2,856,000	27,500,000	100,271,700
Offset to Debt Service	-	-	(3,257,200)	(3,257,200)
Total MBO Transfer	69,915,700	2,856,000	24,242,800	97,014,500
FY 2022				
MBO/Lease Requirement	61,301,000	2,856,000	27,500,000	90,735,453
Offset to Debt Service	-	-	(5,529,297)	(4,607,750)
Total MBO Transfer	61,301,000	2,856,000	21,970,703	86,127,703
FY 2023				
MBO/Lease Requirement	51,396,400	2,856,000	27,500,000	81,752,400
Offset to Debt Service	-	-	(4,388,300)	(4,388,300)
Total MBO Transfer	51,396,400	2,856,000	23,111,700	77,364,100
FY 2024				
MBO/Lease Requirement	55,705,700	-	27,500,004	83,205,704
Offset to Debt Service	-	-	-	-
Total MBO Transfer	55,705,700	-	27,500,004	83,205,704
FY 2025				
MBO/Lease Requirement	57,356,900	-	27,500,000	84,856,900
Offset to Debt Service	-	-	-	-
Total MBO Transfer	57,356,900	-	27,500,000	84,856,900
FY 2026				
MBO/Lease Requirement	60,104,298	-	27,499,998	87,604,296
Offset to Debt Service	-	-	-	-
Total MBO Transfer	60,104,298	-	27,499,998	87,604,296
Life-to-Date				
MBO/Lease Requirement	596,719,310	22,859,800	302,500,002	921,157,565
Offsets	(7,100,000)	-	(51,780,661)	(57,959,114)
Total Sewer	**$ 589,619,310**	**$ 22,859,800**	**$ 250,719,341**	**$ 863,198,451**

* Note: FY 2016 lease transfer amounts shown do not incude prepayment on the lease amount for the 6 months period before bifurcation.

This report includes the following:

1. Monthly Cash Balances Compared to Investment Income
2. Cash Balance Detail

Monthly Cash Balances Compared to Investment Income

GLWA's investment holdings comply with the requirements of Public Act 20 of 1948, as amended and the GLWA Investment Policy. The cash balances shown in this report include bank deposits, money market funds, a local government investment pool, U.S. Treasuries, Federal Agencies, and commercial paper.

Cash and investment balances change each month based on Master Bond Ordinance (MBO) funding requirements, operational needs, capital spending pace, and mandatory debt payments. Investment income fluctuates monthly based on cash and investment balances as well as market conditions and investment strategy. For the month of June 2026, GLWA earned investment income of $4.8 million and cumulative FY 2026 earnings through June 2026 of $51.0 million. Total investment income reported includes earnings from revenue requirement funds as well as construction bond funds.

Chart 1 – Monthly Cash Balances Compared to Investment Income – Through June 2026

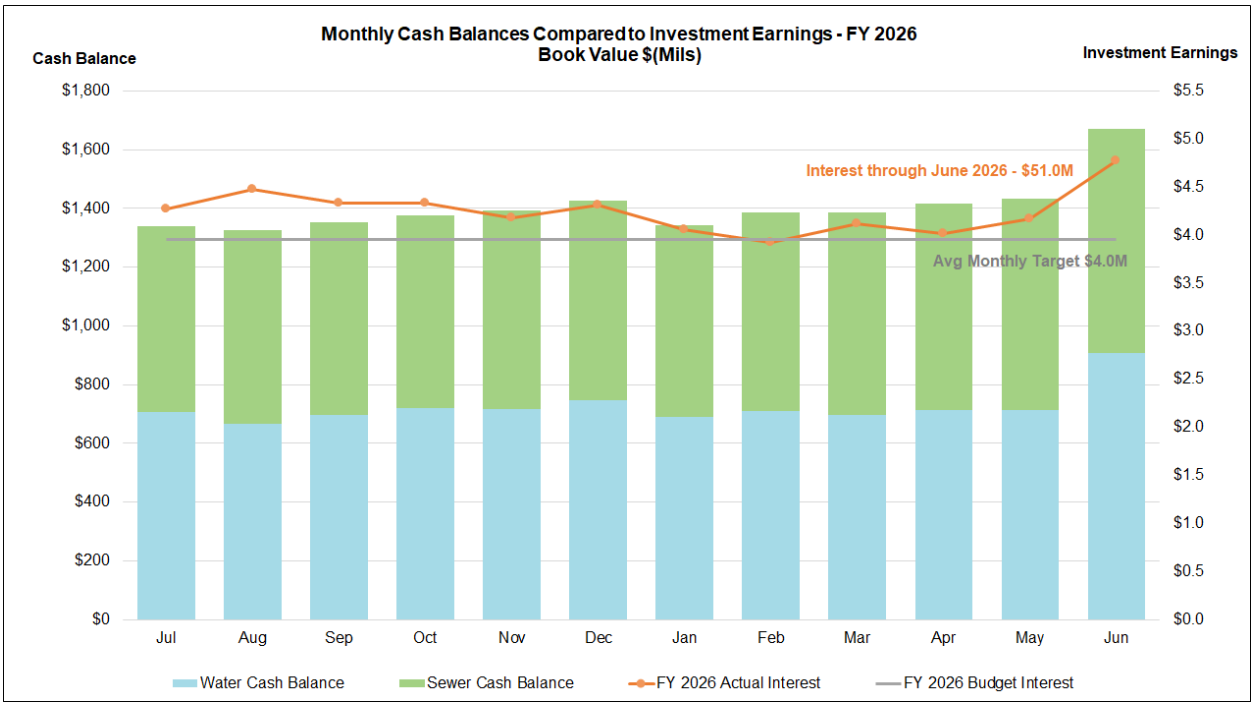


Table 1 – Monthly Balance Detail – Through June 30, 2026

$(Mils)	July	August	September	October	November	December
Water	707	667	697	719	716	748
Sewer	633	659	655	659	676	681
Total	1,340	1,326	1,352	1,377	1,392	1,428
Investment Income	4.3	4.5	4.3	4.3	4.2	4.3

$(Mils)	January	February	March	April	May	June
Water	690	711	696	715	713	909
Sewer	653	676	690	704	721	761
Total	1,344	1,387	1,386	1,418	1,434	1,670
Investment Income	4.1	3.9	4.1	4.0	4.2	4.8

GLWA continues to refine cash flows and work with its investment advisor to identify strategies to maximize future investment income while meeting the objectives of safety and liquidity.

Cash Balance Detail

Funds Held By GLWA: GLWA cash balances are held in accounts as defined by the Master Bond Ordinance. The accounts are funded by monthly transfers, as stipulated in the MBO, on the first business day of each month. The "operations and maintenance" (O&M) fund transfer amounts are based upon the annual O&M budget approved by the GLWA Board of Directors for the regional systems and by the Board of Water Commissioners for the Detroit Water & Sewerage Department (DWSD) local system budgets. The water and sewer funds held by GLWA and their purpose, as defined by the MBO, are listed below.

Funds Held Within Trust:

- Receiving – all retail and wholesale revenues collected which are distributed in subsequent month(s)
- Debt Service – funds set aside for debt service and debt reserve requirements
- Pension Obligation – funds set aside to meet GLWA's annual funding requirements for the legacy General Retirement System Pension Plan
- Water Residential Assistance Program (WRAP) – funds set aside to be used to provide financial assistance to qualified residents throughout the local and regional water system as directed by program guidelines
- Budget Stabilization – funds held by GLWA on behalf of DWSD that can be applied against shortfalls in retail revenues
- Emergency Repair & Replacement (ER&R) – funds set aside to pay the costs for major unanticipated repairs and replacements of the local and regional systems
- Improvement & Extension (I&E) – funds set aside to be used for the improvements, enlargements, and extensions of the regional system

Funds Held Outside Trust:

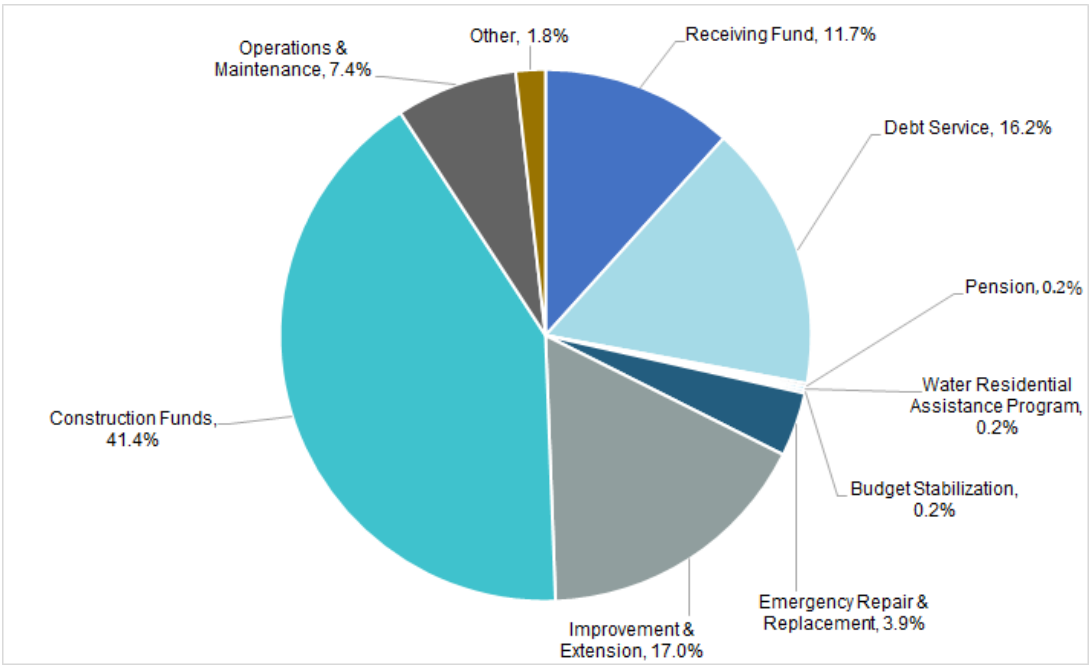
- Bond Proceeds – funds raised from debt issuance used for costs of repairs, construction, and improvements of the regional system
- Operations & Maintenance (O&M) – funds used to meet the operational and maintenance requirements of the regional system
- Other – retainage funds held on behalf of contractors and security deposit funds held on behalf of the City of Flint, and capital contribution funds provided by the Evergreen Farmington Sewer District recognized as related project work is completed

A chart depicting the follow of funds is online at glwater.org as well as the MBO documents.

Chart 2 – Cash Balances - Water Funds as of June 2026 - Shows the allocation of the balance among the different categories defined in the section above. The total cash balance for Water Funds as of June 2026 is $909 million. The allocation of balances among the I&E, bond proceeds, and debt service reserve funds reflects GLWA's commitment to funding capital improvements and meeting debt reserve requirements while simultaneously increasing I&E resources to fund pay-as-you-go capital funding to reduce long-term debt in the future.

GLWA completed a bond transaction of $208 million in June 2026 to support water system improvements. Those proceeds, along with I&E and SRF low-interest loans, will fund the capital program going forward.

Chart 2 – Cash Balances - Water Funds as of June 2026

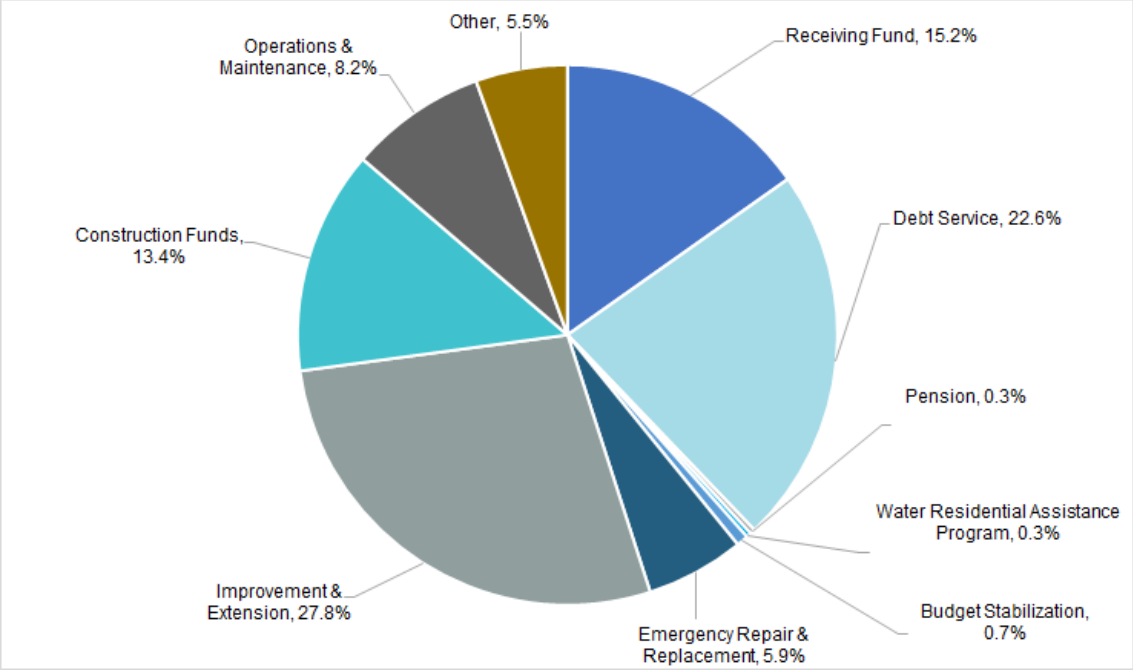


Note: *Due to rounding totals may not equal 100%.*

Chart 3 – Cash Balances - Sewer Funds as of June 2026 - Shows the allocation of the balance among the different funds defined in the section above. The total cash balance for Sewer Funds as of June 2026 is $761 million. Like the Water Funds, the allocation of balances among the I&E, bond proceeds, and debt service reserve funds reflects GLWA's commitment to funding capital improvements and meeting debt reserve requirements while simultaneously increasing I&E resources to fund pay-as-you-go capital funding to reduce long-term debt in the future.

In conjunction with the Water Fund transaction, GLWA completed a bond transaction of $32 million in June 2025 to support sewage disposal system improvements. Those proceeds, along with I&E and SRF low-interest loans, will continue to fund the capital program going forward.

Chart 3 – Cash Balances - Sewer Funds as of June 2026



Note: *Due to rounding totals may not equal 100%.*

Retail Revenues, Receivables, and Collections: Pursuant to the terms of the lease agreement between the City of Detroit and the Great Lakes Water Authority (GLWA), the Detroit Water & Sewerage Department (DWSD) serves as GLWA's agent for billing activities for the City of Detroit retail customer class. All water and sewer service collections from DWSD customers are deposited in a trust account and are administered in accordance with the GLWA Master Bond Ordinance.

The Monthly Retail Revenues, Receivables, & Collections Report includes the following.

1. DWSD Retail Water Revenue Billings and Collections
2. DWSD Retail Sewer Revenue Billings and Collections
3. DWSD Retail Water and Sewer System Accounts Receivable Aging Report

Note: *Wholesale customer revenues are billed by the Great Lakes Water Authority.*

DWSD Retail Water Billings and Collections

Retail Billing Basis: DWSD bills retail customers monthly. Customers are billed throughout the month in cycles based on a meter reading schedule beginning with residential accounts and ending with commercial and industrial customers.

> ***Table 1 - DWSD Retail Billings*** shows the FY 2026 water usage and billed revenue which are provided by DWSD staff. As of June 30, 2026, the DWSD usage was 102.13% of the budget and billed revenue was 101.56% of budget.

DWSD Retail Water Collections: The collections represent payments made by DWSD retail customers. These receipts are deposited directly into a lockbox with a trustee for administration of the flow of funds defined by GLWA's Master Bond Ordinance.

> ***Table 2 - Retail Water Collections*** shows collections by month for the past 12 months compared to collections for the prior year as well as the calculated difference between the periods.

Table 1 – DWSD Retail Water Billing

RETAIL WATER CUSTOMERS								
	FY 2026 - Original Budget		FY 2026 - Actual		FY 2026 - Variance		FY 2025 - Actuals	
Month (1)	Volume *Mcf*	Revenue *$*	Volume *Mcf*	Revenue (2) *$*	Volume *Mcf*	Revenue *$*	Volume Mcf	Revenue *$*
July	244,000	12,892,300	236,214	12,041,875	(7,786)	(850,425)	226,703	11,590,136
August	263,000	13,853,800	272,574	14,148,381	9,574	294,581	240,621	12,171,324
September	251,000	13,253,400	237,179	12,513,086	(13,821)	(740,314)	238,868	12,205,143
October	216,000	11,549,800	226,626	12,063,899	10,626	514,099	216,527	11,222,004
November	212,000	11,324,500	221,379	11,775,893	9,379	451,393	212,832	11,115,046
December	203,000	10,882,100	203,161	10,958,929	161	76,829	212,252	11,100,382
January	198,000	10,646,500	223,074	11,821,439	25,074	1,174,939	190,716	10,661,000
February	212,000	11,339,300	221,065	11,770,966	9,065	431,666	222,769	11,469,800
March	207,000	11,091,000	220,445	11,735,551	13,445	644,551	229,724	11,649,351
April	208,000	11,145,700	206,866	11,115,979	(1,134)	(29,721)	222,774	11,403,695
May	198,000	10,642,800	209,965	11,391,462	11,965	748,662	209,658	10,767,180
June	216,000	11,518,900	205,442	10,992,016	(10,558)	(526,884)	219,077	11,249,137
Total	2,628,000	140,140,100	2,683,991	142,329,477	55,991	2,189,377	2,642,521	136,604,198
Subtotals YTD	*2,628,000*	*140,140,100*	*2,683,991*	*142,329,477*	*55,991*	*2,189,377*		
Achievement of Budget			*102.13%*	*101.56%*				

(1) Figures are stated as "Service Months"; that is, July figures represent bills issued in August, etc.
(2) Retail revenues include miscellaneous revenues and penalties

Table 2 – DWSD Retail Water Collections

Water				
Month	**Current Year**	**Prior Year**	**Variance**	**Ratio**
July	16,948,502	12,645,121	4,303,381	34.03%
August	10,140,353	10,203,737	(63,384)	-0.62%
September	11,666,527	10,837,378	829,148	7.65%
October	12,781,574	12,110,080	671,494	5.54%
November	9,532,650	8,572,356	960,295	11.20%
December	11,046,334	10,277,979	768,355	7.48%
January	10,418,033	10,935,031	(516,998)	-4.73%
February	11,170,799	9,632,511	1,538,288	15.97%
March	10,393,304	9,132,694	1,260,610	13.80%
April	10,206,517	11,714,224	(1,507,707)	-12.87%
May	11,033,776	11,107,278	(73,502)	-0.66%
June	10,743,044	10,096,555	646,489	6.40%
Rolling, 12-Month Total	136,081,412	127,264,944		
Rolling, 12-Month Average	11,340,118	10,605,412		

DWSD Retail Sewer Billings and Collections

Retail billing basis: DWSD bills retail customers monthly. Customers are billed throughout the month in cycles based on a meter reading schedule beginning with residential accounts and ending with commercial and industrial customers.

Table 3 - DWSD Retail Sewer Billings shows the FY 2026 sewer billed revenue which is provided by DWSD staff. As of June 30, 2026, the DWSD usage was at 99.01% of the budget and billed revenue was at 97.80% of budget.

DWSD Retail Sewer Collections: The collections represent payments made by DWSD retail customers. These receipts are deposited directly into a lockbox with a trustee for administration of the flow of funds defined by GLWA's Master Bond Ordinance.

Table 4 – DWSD Retail Sewer Collections shows collections by month for the past 12 months compared to collections for the prior year as well as the calculated difference between the periods.

Table 3 - DWSD Retail Sewer Billings

RETAIL SEWER CUSTOMERS								
	FY 2026 - Original Budget		FY 2026 - Actual		FY 2026 - Variance		FY 2025 - Actuals	
Month (1)	Volume *Mcf*	Revenue *$*	Volume (2) *Mcf*	Revenue (3) *$*	Volume *Mcf*	Revenue *$*	Volume Mcf	Revenue *$*
July	204,000	30,924,900	192,183	28,662,775	(11,817)	(2,262,125)	173,084	26,350,527
August	198,000	30,551,600	203,783	31,930,819	5,783	1,379,219	195,207	28,301,325
September	213,000	31,445,600	193,046	29,790,797	(19,954)	(1,654,803)	198,474	28,536,169
October	182,000	29,612,100	181,876	28,479,034	(124)	(1,133,066)	181,932	28,141,699
November	180,000	29,458,600	177,741	28,733,319	(2,259)	(725,281)	171,499	28,166,266
December	176,000	29,233,100	162,984	27,880,945	(13,016)	(1,352,155)	192,915	28,831,326
January	156,000	28,015,300	176,949	28,716,193	20,949	700,893	140,835	26,273,695
February	181,000	29,507,800	177,466	28,747,508	(3,534)	(760,292)	182,920	28,075,547
March	174,000	29,074,500	178,557	28,815,945	4,557	(258,555)	184,249	28,353,310
April	173,000	29,059,800	171,406	28,329,009	(1,594)	(730,791)	176,337	27,741,237
May	172,000	28,967,700	176,941	28,844,379	4,941	(123,321)	178,327	27,806,874
June	179,500	29,415,100	173,829	28,522,275	(5,671)	(892,825)	181,839	28,059,145
Total	2,188,500	355,266,100	2,166,760	347,452,998	(21,740)	(7,813,102)	2,157,619	334,637,121
Subtotals YTD	*2,188,500*	*355,266,100*	*2,166,760*	*347,452,998*	*(21,740)*	*(7,813,102)*		
Achievement of Budget/Goal			*99.01%*	*97.80%*				

(1) Figures are stated as "Service Months"; that is, July figures represent bills issued in August, etc.
(2) Reflects billed volume based on actual usage except for residential customers where the billed volume differs from actual usage due to residential sewer volume caps implemented in FY 2023.
(3) Retail revenues include miscellaneous revenues and penalties

Table 4 – DWSD Retail Sewer Collections

Sewer				
Month	**Current Year**	**Prior Year**	**Variance**	**Ratio**
July	35,487,541	36,297,569	(810,027)	-2.23%
August	27,119,685	22,591,511	4,528,174	20.04%
September	28,474,877	22,367,425	6,107,452	27.31%
October	28,509,554	25,231,098	3,278,456	12.99%
November	22,598,245	23,609,169	(1,010,924)	-4.28%
December	25,994,879	23,914,649	2,080,230	8.70%
January	24,570,153	26,416,591	(1,846,438)	-6.99%
February	25,891,944	24,116,823	1,775,121	7.36%
March	27,561,130	23,871,284	3,689,846	15.46%
April	24,766,958	25,340,397	(573,439)	-2.26%
May	25,107,504	22,575,530	2,531,975	11.22%
June	27,431,889	23,278,350	4,153,539	17.84%
Rolling 12-Month Total	323,514,359	299,610,394		
Rolling, 12-Month Average	26,959,530	24,967,533		

DWSD Retail Water and Sewer Accounts Receivable Aging Report

The DWSD detailed accounts receivable aging are categorized by customer category.

Table 5 is a summary of the monthly sales, total receivables, bad debt allowance and net water and sewer receivables as of June 30, 2026, with comparative totals from June 30, 2025, June 30, 2024, and June 30, 2023. This table does not include past due accounts that have been transferred to the City of Detroit for collection as tax liens.

The table provides a comparison of days in accounts receivable calculated as net receivables divided by daily sales and confirms that over time, days in AR is held in check overall due to a consistent practice of adjusting the allowance for doubtful accounts monthly. To the extent this allowance is adjusted, and bad debt expense is recognized in the DWSD budget, it does not impact GLWA.

Table 6 is a summary of the total, current and non-current Water and Sewer receivables by category as of June 30, 2026, with comparative totals June 30, 2025. This table does not include past due accounts that have been transferred to the City of Detroit for collection as tax liens.

The Total Balance and Total Bad Debt Allowance as of June 30, 2026, are reflective of the values in both the Table 5 Summary and Table 6 breakdown.

Table 5 – DWSD Retail Accounts Receivable Aging Report – Summary

Summary					
		Receivables			
Period Ending	Monthly Sales	Total	Allowance	Net	Days in AR (1)
June 30, 2023	39,443,000	327,023,000	(272,012,000)	55,011,000	42
June 30, 2024 (2)	39,029,000	324,867,000	(249,922,000)	74,944,000	58
June 30, 2025 (3)	40,227,000	381,752,000	(310,878,000)	70,873,000	53
June 30, 2026 (4)	40,402,000	423,043,000	(376,522,000)	46,521,000	35

Totals may be off due to rounding

(1) Days in AR is calculated as net receivables divided by daily sales (monthly sales/30 days).

(2) The June 30, 2024 monthly sales amount was updated in April 2025 reporting to include an increase of approximately $675,000 that was made subsequent to the original reporting.

(3) The June 30, 2025 year-end allowance amount was updated in July 2025 reporting to include an increase of approximately $153,000 that was made subsequent to the original reporting.

(4) The annual AR Tax Roll Transfer totaling $16,150,000 was made in December 2025.

Table 6 – DWSD Retail Accounts Receivable Aging Report – Water & Sewer Combined

	Avg. Balance	Current	> 30 Days	> 60 Days	> 180 Days	A/R Balance
Residential	1,014.95	13,799,000	8,916,000	27,757,000	197,625,000	248,097,000
		5.6%	*3.6%*	*11.2%*	*79.7%*	*100.0%*
Commercial	1,260.04	6,591,000	2,497,000	7,048,000	20,137,000	36,273,000
		18.2%	*6.9%*	*19.4%*	*55.5%*	*100.0%*
Industrial	3,152.17	5,751,000	1,171,000	3,272,000	9,190,000	19,383,000
		29.7%	*6.0%*	*16.9%*	*47.4%*	*100.0%*
Tax Exempt	494.83	4,009,000	1,035,000	2,842,000	16,613,000	24,498,000
		16.4%	*4.2%*	*11.6%*	*67.8%*	*100.0%*
Government	2,834.59	3,752,000	1,756,000	2,897,000	14,297,000	22,702,000
		16.5%	*7.7%*	*12.8%*	*63.0%*	*100.0%*
Drainage	-	-	-	-	-	-
Subtotal - Active Accounts	**1,041.73**	**33,901,000**	**15,375,000**	**43,815,000**	**257,862,000**	**350,953,000**
		9.7%	*4.4%*	*12.5%*	*73.5%*	*100.0%*
Inactive Accounts	176.29	95,000	206,000	1,380,000	70,410,000	72,090,000
		0.1%	*0.3%*	*1.9%*	*97.7%*	*100.0%*
Total	**567.22**	**33,995,000**	**15,581,000**	**45,195,000**	**328,272,000**	**423,043,000**
% of Total A/R		*8.0%*	*3.7%*	*10.7%*	*77.6%*	*100.0%*
Water Fund	127.40	9,553,000	3,844,000	11,656,000	69,964,000	95,017,000
Sewer Fund	439.82	24,442,000	11,737,000	33,540,000	258,308,000	328,026,000
Total June 30, 2026 (a)	567.22	33,995,000	15,581,000	45,195,000	328,272,000	**423,043,000**
Water Fund- Allowance						(77,206,000)
Sewer Fund- Allowance						(299,316,000)
Total- Bad Debt Allowance						**(376,522,000)**
Comparative - June 2025 (b)	705.16	34,011,000	16,818,000	48,356,000	282,566,000	381,752,000
Difference (a) - (b)		(16,000)	(1,238,000)	(3,160,000)	45,706,000	41,292,000

The Monthly Wholesale Billings, Receivables, and Collections Report include the following.

1. Wholesale Water Billings and Collections
2. Wholesale Sewer Billings and Collections
3. Wholesale Water & Sewer Accounts Receivable Aging Summary

Wholesale Water Billings and Collections

Wholesale Water Contracts: The Great Lakes Water Authority (GLWA) provides wholesale water service to 87 member-partners through a variety of service arrangements.

Service Arrangement Type	
Model Contract	86
No Contract	1
Total	87

Note: *Not included in this count are services provided to the Detroit Water & Sewerage Department (DWSD) via a Water and Sewer Services Agreement (WSSA). See the "Retail Revenues, Receivables, and Collections Report" section of this monthly report.*

Imlay Township does not have a water contract. The connection exists solely for emergency use related to a past fire and remains in place as a safety precaution.

Wholesale Water Billing Basis: Beginning with FY 2016, wholesale water charges were restructured to create a more stable revenue stream by using a historical rolling average to project customer volumes which accounts for 40% of the monthly charges and 60% of the annual customer revenue requirement as a monthly fixed charge.

> ***Table 1 - Wholesale Water Billings*** shows the FY 2026 water billed usage and revenues. As of June 30, 2026, the billed usage was at 101.80% of the original plan and billed revenue at 100.93% of the original plan. Billings and usage from the City of Flint *are* included as they were assumed in the FY 2026 Budget.

Wholesale Water Collections: The collections represent payments made by wholesale customers. These receipts are deposited directly into a lockbox with a trustee for administration of the flow of funds defined by GLWA's Master Bond Ordinance.

> ***Table 2 - Wholesale Water Collections*** shows collections by month for the past 12 months compared to collections for the prior year as well as the calculated difference between the periods. Current year collections are trending above the prior year for the twelve-month period ending June 30, 2026.

Table 1 – FY 2026 Wholesale Water Billings Report

WHOLESALE WATER CHARGES								
	FY 2026 Charges (2)		FY 2026 - Actual		FY 2026 - Variance		FY 2025 - Actuals	
Month (1)	Volume Mcf	Revenue $	Volume Mcf	Revenue (3) $	Volume Mcf	Revenue $	Volume Mcf	Revenue $
July	1,459,700	35,523,100	1,443,326	35,332,100	(16,374)	(191,000)	1,347,527	32,449,201
August	1,327,600	33,953,000	1,389,530	34,819,742	61,930	866,742	1,297,169	31,977,986
September	1,270,300	33,143,000	1,322,813	33,872,313	52,513	729,313	1,315,030	32,104,405
October	1,040,600	30,218,400	1,098,074	31,097,156	57,474	878,756	1,051,234	28,946,404
November	887,200	28,529,400	886,345	28,592,350	(855)	62,950	872,926	26,975,632
December	962,000	29,287,500	978,599	29,497,185	16,599	209,685	866,671	27,877,869
January	977,400	29,446,100	981,881	29,568,986	4,481	122,886	989,175	28,114,300
February	873,200	28,325,000	920,661	28,874,247	47,461	549,247	888,053	27,055,774
March	946,800	29,098,400	976,718	29,476,822	29,918	378,422	966,088	27,862,863
April	905,200	28,703,100	930,635	29,004,248	25,435	301,148	928,903	27,482,932
May	1,099,400	31,132,100	1,088,848	31,023,398	(10,552)	(108,702)	1,049,087	28,969,431
June	1,393,800	34,734,300	1,361,867	34,386,024	(31,933)	(348,276)	1,325,550	32,157,894
Total	13,143,200	372,093,400	13,379,297	375,544,571	236,097	3,451,171	12,897,411	351,974,691
Subtotals YTD	13,143,200	372,093,400	13,379,297	375,544,571	236,097	3,451,171		
Achievement of Original Plan			101.80%	100.93%				

(1) Figures are stated as "Service Months;" that is, July figures represent bills issued in August, etc.
(2) Charges are based on the approved FY 2026 water supply system charge schedule.
(3) Water Revenues differ from Table 1A within the budget to actual analysis section because amounts are reduced by the monthly payment to the City of Flint for a license to raw water rights under the Flint Raw Water Contract in Table 1A.

Table 2 - Wholesale Water Collections

Water				
Month	**Current Year**	**Prior Year**	**Variance**	**Ratio**
July	30,792,996	30,278,936	514,060	1.70%
August	23,138,830	25,054,796	(1,915,966)	-7.65%
September	40,509,372	31,569,804	8,939,568	28.32%
October	33,195,865	29,858,946	3,336,919	11.18%
November	34,874,119	29,728,772	5,145,347	17.31%
December	34,704,987	33,080,276	1,624,711	4.91%
January	25,508,162	28,917,330	(3,409,168)	-11.79%
February	28,036,322	25,874,160	2,162,162	8.36%
March	30,058,097	26,649,141	3,408,956	12.79%
April	27,843,783	25,622,706	2,221,077	8.67%
May	26,618,291	26,976,277	(357,986)	-1.33%
June	39,988,365	25,164,355	14,824,010	58.91%
Rolling 12-Month Total	375,269,189	338,775,499		
Rolling, 12-Month Average	31,272,432	28,231,292		

Wholesale Sewer Billings and Collections

Wholesale Sewer Contracts: GLWA provides wholesale sewer service to 18 member-partners via multiple service arrangements.

Service Arrangement Type	
Model Contract	14
Emergency	0
Older Contracts	4
Total	18

Note: *Not included in this count are services provided to the Detroit Water & Sewerage Department via a Water and Sewer Services Agreement (WSSA). See the "Retail Revenues, Receivables, and Collections Report" section of the monthly report.*

Wholesale Sewer Billing Basis: Beginning in FY 2015, the "sewer rate simplification" initiative was applied which provides for a stable revenue stream and predictability for our member partners. Wholesale sewer customers are billed a fixed monthly fee based upon the annual revenue requirement.

Table 3 - Wholesale Sewer Billings shows the FY 2026 sewer billed revenue. As of June 30, 2026, the billed revenue reflects 100.00% of the original plan.

Wholesale Sewer Collections: The collections represent payments made by wholesale customers. These receipts are deposited directly into a lockbox with a trustee for administration of the flow of funds defined by GLWA's Master Bond Ordinance.

Table 4 - Wholesale Sewer Collections shows collections by month for the past 12 months compared to collections for the prior year as well as the calculated difference between the periods.

The shift in wholesale sewer collection patterns is largely attributable to the timing of payments received. There are several large accounts whose payments swing between the end of the current month and the beginning of the next month. Current year collections are trending above the twelve-month period ending June 30, 2026.

Table 3 – FY 2026 Wholesale Sewer Billings Report

WHOLESALE SEWER CHARGES								
	FY 2026 Charges		FY 2026 – Actual		FY 2026 - Variance		FY 2025 - Actuals	
Month (1)	Volume (2)	Revenue	Volume (2)	Revenue	Volume (2)	Revenue	Volume	Revenue
	Mcf	$	Mcf	$	Mcf	$	Mcf	$
July	N/A	24,932,600	N/A	24,932,600	N/A	-	N/A	23,883,900
August	N/A	24,932,600	N/A	24,932,600	N/A	-	N/A	23,883,900
September	N/A	24,932,600	N/A	24,932,600	N/A	-	N/A	23,883,900
October	N/A	24,932,600	N/A	24,932,600	N/A	-	N/A	23,883,900
November	N/A	24,932,600	N/A	24,932,600	N/A	-	N/A	23,883,900
December	N/A	24,932,600	N/A	24,932,600	N/A	-	N/A	23,883,900
January	N/A	24,932,600	N/A	24,932,600	N/A	-	N/A	23,883,900
February	N/A	24,932,600	N/A	24,932,600	N/A	-	N/A	23,883,900
March	N/A	24,932,600	N/A	24,932,600	N/A	-	N/A	23,883,900
April	N/A	24,932,600	N/A	24,932,600	N/A	-	N/A	23,883,900
May	N/A	24,932,600	N/A	24,932,600	N/A	-	N/A	23,883,900
June	N/A	24,932,600	N/A	24,932,600	N/A	-	N/A	23,883,900
Total		299,191,200		299,191,200		-		286,606,800
Subtotals YTD		299,191,200		299,191,200		-		
Achievement of Original Plan				100.00%				

(1) Figures are stated as "Service Months," that is, July figures represent bills issued in August, etc.
(2) Not tracked as part of the wholesale sewer charges.

Table 4 - Wholesale Sewer Collections

Sewer				
Month	**Current Year**	**Prior Year**	**Variance**	**Ratio**
July	19,273,207	18,438,961	834,246	4.52%
August	28,754,028	13,987,797	14,766,231	105.57%
September	28,754,500	25,450,281	3,304,219	12.98%
October	28,120,360	13,037,715	15,082,645	115.68%
November	18,532,800	33,933,304	(15,400,504)	-45.38%
December	24,881,961	23,958,644	923,317	3.85%
January	24,892,429	23,850,161	1,042,268	4.37%
February	31,514,572	23,509,614	8,004,958	34.05%
March	18,243,900	24,230,161	(5,986,261)	-24.71%
April	26,575,849	24,138,802	2,437,047	10.10%
May	20,902,723	23,965,586	(3,062,863)	-12.78%
June	27,296,846	24,053,386	3,243,460	13.48%
Rolling, 12-Month Total	297,743,175	272,554,412		
Rolling, 12-Month Average	24,811,931	22,712,868		

Wholesale Water & Sewer Accounts Receivable Aging Summary

GLWA operational invoices reflect 45-day payment terms. This allows Member Partners the ability to collect payment for services rendered under typical 30-day payment terms with an additional 15-day window to make payment to GLWA for wholesale services provided during that service period.

Table 5 - Wholesale Accounts Receivable Aging Summary is a summary of the total, current and non-current receivables by category as of June 30, 2026.

Table 6 - Wholesale Accounts Receivable Aging Summary, Net Highland Park Sewer is the same summary *without* the past due balances for Highland Park Sewer. Discussions between GLWA and Highland Park regarding the sewer balance are underway. The past due amount is escrowed in accordance with standard contract terms pending resolution of the underlying dispute.

Five water accounts comprise the total water past due balance of $1,143,863. These amounts were paid in full as of July. One sewer account comprises the total past due balance of $106,600 which GLWA continues to work to address. The IWC past due balance reflects three accounts totaling $7,752 of which $6,458 was paid in July and the remaining balance of $1,294 is still outstanding which GLWA continues to work to address. The Pollutant Surcharge past due balance consists of smaller account holders that GLWA staff continue to communicate with.

Table 5 - Wholesale Accounts Receivable Aging Summary

	Total	Current	1-45 Days	46-74 Days	75-104 Days	>105 Days
Water	38,752,010	37,608,147	612,254	531,609	-	-
Sewer	15,364,491	14,664,215	700,276	-	-	-
IWC	620,487	612,734	7,752	-	-	-
Pollutant	896,842	821,138	31,607	14,237	15,752	14,107
Total	55,633,829	53,706,235	1,351,890	545,845	15,752	14,107
	100.00%	96.54%	2.43%	0.98%	0.03%	0.03%

Table 6 - Wholesale Accounts Receivable Aging Summary, Net of Highland Park Sewer

	Total	Current	1-45 Days	46-74 Days	75-104 Days	>105 Days
Water	38,752,010	37,608,147	612,254	531,609	-	-
Sewer	14,337,815	14,231,215	106,600	-	-	-
IWC	620,487	612,734	7,752	-	-	-
Pollutant	896,842	821,138	31,607	14,237	15,752	14,107
Total	54,607,154	53,273,235	758,214	545,845	15,752	14,107
	100.00%	97.56%	1.39%	1.00%	0.03%	0.03%

Note: *percentages vary from 100% due to rounding.*

The Monthly Trust Receipts & Disbursements Report includes the following.

1. GLWA Trust Receipts & Disbursements – Net Cash Flows and Receipts
2. DWSD Trust Receipts & Disbursements – Net Cash Flows and Receipts
3. Combined System Trust Receipts & Disbursements – Net Cash Flows

GLWA Trust Receipts & Disbursements

Net Cash Flows and Receipts Basis: The trusts established pursuant to the Master Bond Ordinance (MBO) outline a flow of funds that governs the priority of the application of cash receipts from both the regional wholesale (i.e., Great Lakes Water Authority or GLWA) and local retail (i.e., Detroit Water & Sewerage Department or DWSD) activities which are further separated by the water system and the sewage disposal system.

This report provides an ongoing status of the net cash flows of both organizations (GLWA and DWSD) to fund their allocated share of Master Bond Ordinance requirements in accordance with the leases for the regional systems.

Table 1 – GLWA Net Cash Flows from Trust Receipts & Disbursements provides a summary of cash receipt collections and required MBO transfers by fiscal year. Fiscal year 2026 reflects twelve months of activity to date.

Water fund receipts exceeded required disbursements by 8% through June 30, 2026 compared to the four-year historical average ratio of required receipts exceeding disbursements by 6% since July 1, 2021.

Sewer fund receipts exceeded required disbursements by 11% through June 30, 2026 compared to the four-year historical average ratio of required receipts exceeding disbursements by 7% since July 1, 2021.

Chart 1 – GLWA 12-Month Net Receipts – Water outlines monthly cash receipt trends across two points of reference for the regional water system—current year and prior years. The black line at zero highlights the minimum goal for net receipts.

Chart 2 – GLWA 12-Month Net Receipts – Sewer outlines monthly cash receipt trends across two points of reference for the regional sewer system—current year and prior years. The black line at zero highlights the minimum goal for net receipts.

Table 1 – GLWA Net Cash Flows from Trust Receipts & Disbursements

		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 Through June 30
	Water					
1	Receipts	338,117,694	363,335,474	374,252,221	379,199,823	416,565,795
2	MOU Adjustments	-	-	-	-	-
3	Adjusted Receipts	338,117,694	363,335,474	374,252,221	379,199,823	416,565,795
4	Disbursements	(316,495,360)	(349,186,375)	(353,639,121)	(367,467,244)	(384,900,675)
5	Receipts Net of Required Transfers	21,622,334	14,149,099	20,613,100	11,732,579	31,665,120
6	I&E Transfer	(26,622,862)	(9,898,100)	(28,618,500)	(8,289,600)	(17,241,601)
7	Net Receipts	(5,000,528)	4,250,999	(8,005,400)	3,442,979	14,423,519
8	*Ratio of Receipts to Required Disbursements (Line 3/Line 4)*	*107%*	*104%*	*106%*	*103%*	*108%*
	Sewer					
9	Receipts	471,979,297	498,888,416	506,731,576	508,344,972	541,380,085
10	MOU Adjustments	-	-	-	-	-
11	Adjusted Receipts	471,979,297	498,888,416	506,731,576	508,344,972	541,380,085
12	Disbursements	(450,701,751)	(473,516,238)	(477,450,794)	(481,372,746)	(487,228,266)
13	Receipts Net of Required Transfers	21,277,546	25,372,178	29,280,782	26,972,226	54,151,819
14	I&E Transfer	(37,651,788)	(26,766,200)	(12,468,000)	(11,455,000)	(75,538,274)
15	DWSD Shortfall Advance	-	-	-	-	-
16	Shortfall Repayment (principal)	8,296,578	-	-	-	-
17	Net Receipts	(8,077,664)	(1,394,022)	16,812,782	15,517,226	(21,386,455)
18	*Ratio of Receipts to Required Disbursements (Line 11/Line*	*105%*	*105%*	*106%*	*106%*	*111%*
	Combined					
19	Receipts	810,096,991	862,223,890	880,983,797	887,544,795	957,945,881
20	MOU Adjustments	-	-	-	-	-
21	Adjusted Receipts	810,096,991	862,223,890	880,983,797	887,544,795	957,945,881
22	Disbursements	(767,197,111)	(822,702,613)	(831,089,915)	(848,839,991)	(872,128,941)
23	Receipts Net of Required Transfers	42,899,880	39,521,277	49,893,882	38,704,805	85,816,940
24	I&E Transfer	(64,274,650)	(36,664,300)	(41,086,500)	(19,744,600)	(92,779,875)
25	Shortfall Advance	-	-	-	-	-
26	Shortfall Repayment	8,296,578	-	-	-	-
27	Net Receipts	(13,078,192)	2,856,977	8,807,382	18,960,205	(6,962,935)
28	*Ratio of Receipts to Required Disbursements (Line 21/Line 22)*	*106%*	*105%*	*106%*	*105%*	*110%*

Chart 1 – GLWA 12-Month Net Receipts – Water

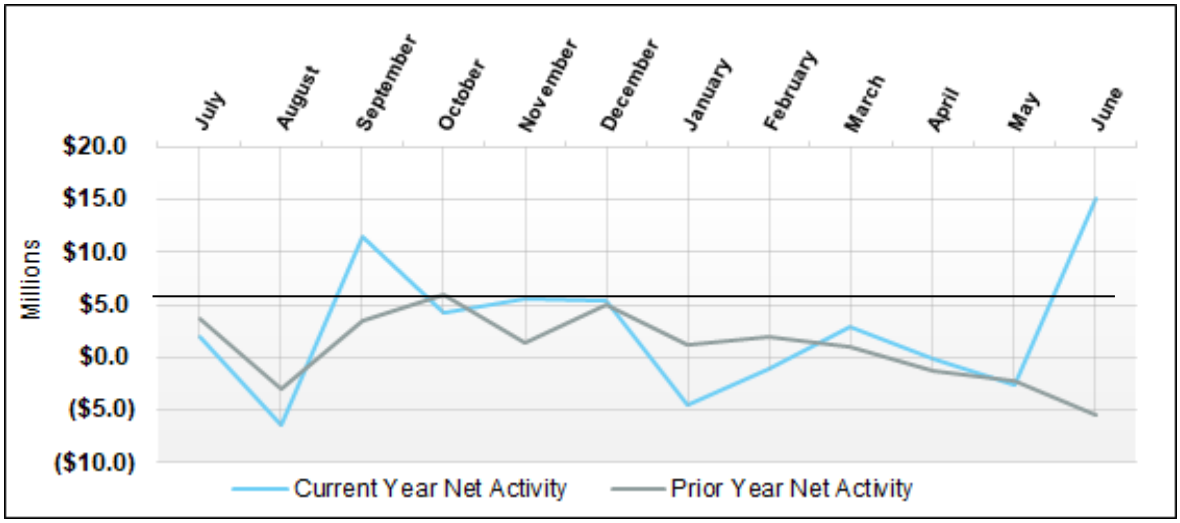
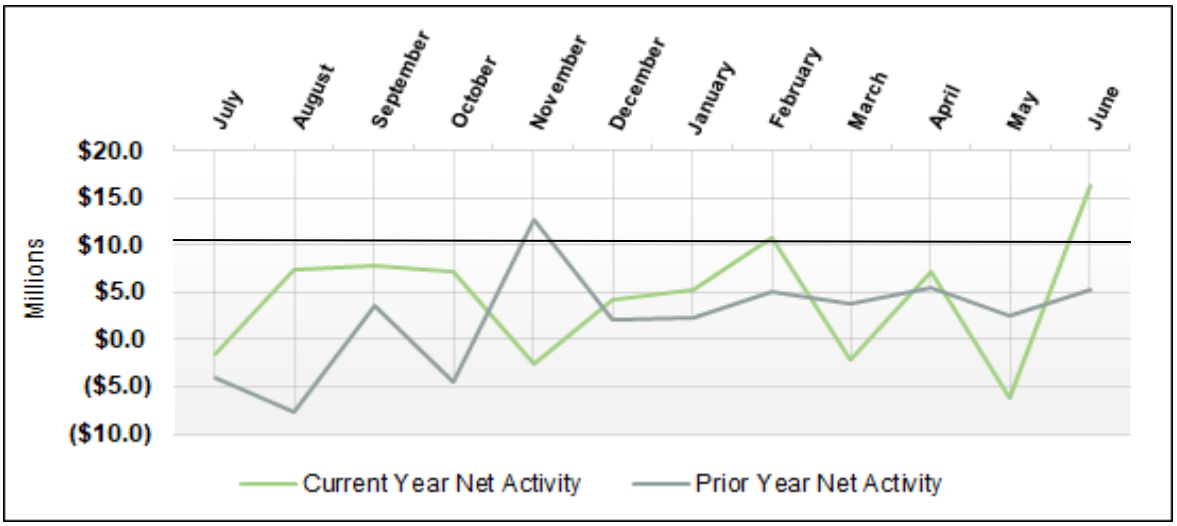


Chart 2 – GLWA 12-Month Net Receipts – Sewer



DWSD Trust Receipts & Disbursements

Net Cash Flows and Receipts Basis: The trusts established pursuant to the Master Bond Ordinance (MBO) outline a flow of funds that governs the priority of the application of cash receipts from both the regional wholesale (i.e. Great Lakes Water Authority or GLWA) and local retail (i.e. Detroit Water & Sewerage Department or DWSD) activities which are further separated by the water system and the sewage disposal system.

This report provides an ongoing status of the net cash flows of both organizations (GLWA and DWSD) to fund their allocated share of Master Bond Ordinance requirements in accordance with the leases for the regional systems.

Table 2 – DWSD Net Cash Flows from Trust Receipts & Disbursements provides a summary of cash receipt collections and required MBO transfers by fiscal year. Fiscal year 2026 reflects twelve months of activity to date.

Water fund receipts exceeded required disbursements by 7% through June 30, 2026 compared to the four-year historical average ratio of required receipts exceeding disbursements by 6% since July 1, 2021.

Sewer fund receipts exceeded required disbursements by 4% through June 30, 2026 compared to the four-year historical average of required receipts exceeding disbursements by 3% since July 1, 2021.

Table 2 – DWSD Net Cash Flows from Trust Receipts & Disbursements

		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 Through June 30
	Water					
1	Receipts	101,964,963	123,766,624	123,818,287	127,313,152	136,105,730
2	MOU Adjustments	-	-	-	-	-
3	Adjusted Receipts	101,964,963	123,766,624	123,818,287	127,313,152	136,105,730
4	Disbursements	(94,495,601)	(117,666,100)	(117,290,591)	(119,923,334)	(127,714,900)
5	Receipts Net of Required Transfers	7,469,362	6,100,524	6,527,696	7,389,818	8,390,830
6	I&E Transfer	-	-	-	(8,000,000)	(3,900,900)
7	Net Receipts	7,469,362	6,100,524	6,527,696	(610,182)	4,489,930
8	*Ratio of Receipts to Required Disbursements (Line 3/Line 4)*	*108%*	*105%*	*106%*	*106%*	*107%*
	Sewer					
9	Receipts	291,280,896	298,897,942	296,088,194	299,683,584	323,597,726
10	MOU Adjustments	-	-	-	-	-
11	Adjusted Receipts	291,280,896	298,897,942	296,088,194	299,683,584	323,597,726
12	Disbursements	(285,256,000)	(283,095,100)	(288,119,517)	(299,393,959)	(312,158,875)
13	Receipts Net of Required Transfers	6,024,896	15,802,842	7,968,677	289,624	11,438,851
14	I&E Transfer	-	-	-	-	-
15	Shortfall Advance from GLWA	-	-	-	-	-
16	Net Receipts	6,024,896	15,802,842	7,968,677	289,624	11,438,851
17	*Ratio of Receipts to Required Disbursements (Line 11/Line 12)*	*102%*	*106%*	*103%*	*100%*	*104%*
	Combined					
18	Receipts	393,245,859	422,664,566	419,906,481	426,996,735	459,703,457
19	MOU Adjustments	-	-	-	-	-
20	Adjusted Receipts	393,245,859	422,664,566	419,906,481	426,996,735	459,703,457
21	Disbursements	(379,751,601)	(400,761,200)	(405,410,108)	(419,317,293)	(439,873,775)
22	Receipts Net of Required Transfers	13,494,258	21,903,366	14,496,373	7,679,442	19,829,682
23	I&E Transfer	-	-	-	(8,000,000)	(3,900,900)
24	Shortfall Advance from GLWA	-	-	-	-	-
25	Net Receipts	13,494,258	21,903,366	14,496,373	(320,558)	15,928,782
26	*Ratio of Receipts to Required Disbursements (Line 20/Line 21)*	*104%*	*105%*	*104%*	*102%*	*105%*

All amounts are unaudited unless otherwise noted.

Chart 3 – DWSD 12-Month Net Receipts – Water outlines monthly activity trends across two points of reference for the local water system—current year and prior year. The black line at zero highlights the breakeven goal for net receipts.

Chart 4 – DWSD 12-Month Net Receipts – Sewer outlines monthly activity trends across two points of reference for the local sewer system—current year and prior year. The black line at zero highlights the breakeven goal for net receipts

Chart 3 – DWSD 12-Month Net Receipts – Water

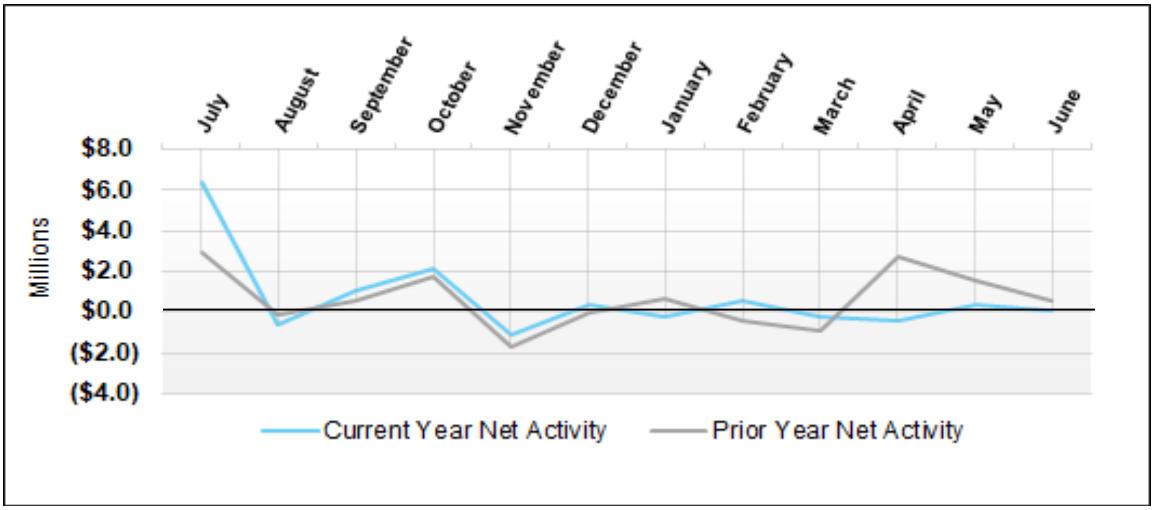
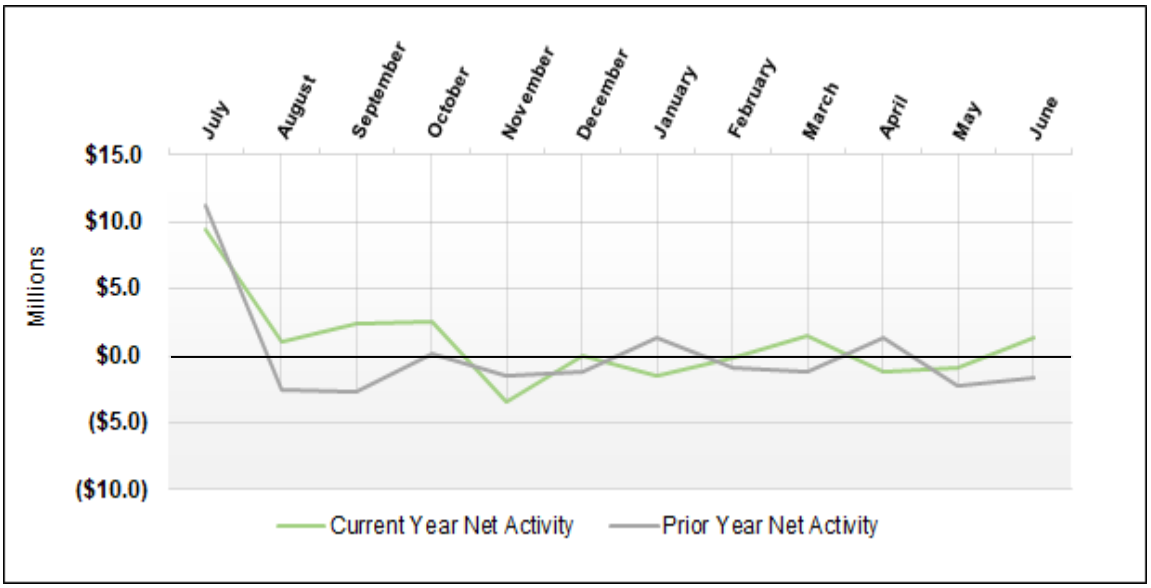


Chart 4 – DWSD 12-Month Net Receipts – Sewer



Combined System Trust Receipts & Disbursements

Net Cash Flows and Receipts Basis: The trusts established pursuant to the Master Bond Ordinance (MBO) outline a flow of funds that governs the priority of the application of cash receipts from both the regional wholesale (i.e., Great Lakes Water Authority or GLWA) and local retail (i.e. Detroit Water & Sewerage Department or DWSD) activities which are further separated by the water system and the sewage disposal system.

Table 3 – Combined Net Cash Flows from Trust Receipts & Disbursements provides a summary of cash receipt collections and required MBO transfers by fiscal year. Fiscal year 2026 reflects twelve months of activity to date.

Water fund net receipts exceeded required disbursements by 8% through June 30, 2026 compared to the four-year historical average ratio of required receipts exceeding disbursements by 6% since July 1, 2021.

Sewer fund receipts exceeded required disbursements by 8% through June 30, 2026 compared to the four-year historical average ratio of required receipts exceeding disbursements by 5% since July 1, 2021.

Table 3 – Combined Net Cash Flows from Trust Receipts & Disbursements

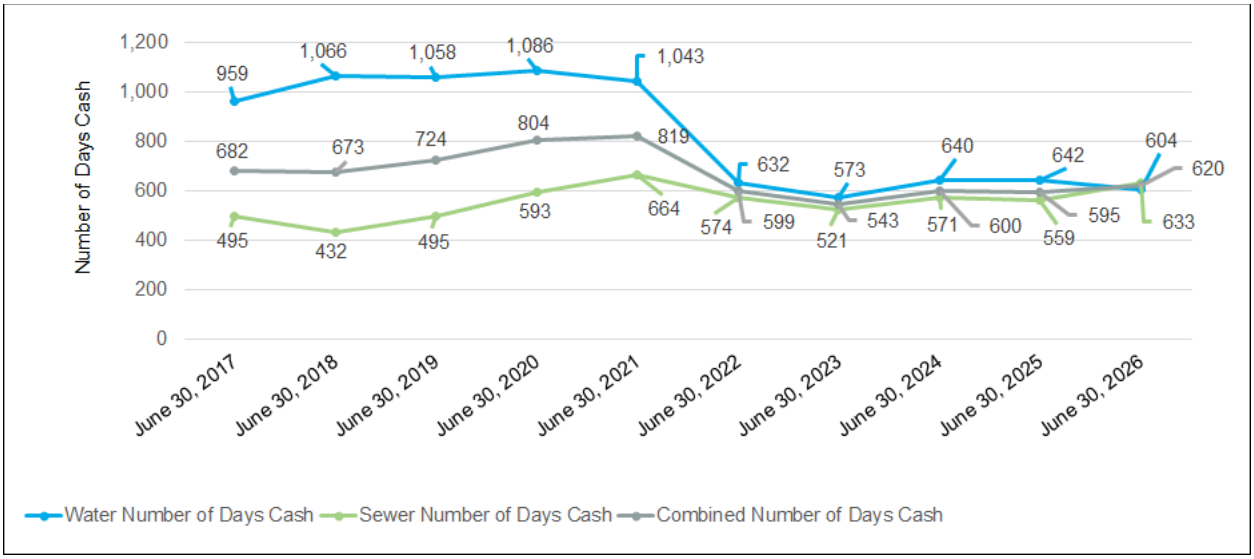
		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 Through June 30
	Water					
1	Receipts	440,082,657	487,102,098	498,070,508	508,868,741	552,671,526
2	MOU Adjustments	-	-	-	-	-
3	Adjusted Receipts	440,082,657	487,102,098	498,070,508	508,868,741	552,671,526
4	Disbursements	(410,990,961)	(466,852,475)	(470,929,712)	(487,390,578)	(512,615,575)
5	Receipts Net of Required Transfers	29,091,696	20,249,623	27,140,796	21,478,162	40,055,951
6	I&E Transfer	(26,622,862)	(9,898,100)	(28,618,500)	(16,289,600)	(21,142,4501)
7	Net Receipts	2,468,834	10,351,523	(1,477,704)	5,188,562	18,913,450
8	Ratio of Receipts to Required Disbursements (Line 3/Line 4)	107%	104%	106%	104%	108%
	Sewer					
9	Receipts	763,260,193	797,785,358	802,819,770	808,374,074	864,977,812
10	MOU Adjustments	-	-	-	-	-
11	Adjusted Receipts	763,260,193	797,785,358	802,819,770	808,374,074	864,977,812
12	Disbursements	(735,957,751)	(756,611,338)	(765,570,311)	(780,766,706)	(799,387,141)
13	Receipts Net of Required Transfers	27,302,442	41,174,020	37,249,459	27,607,369	65,590,671
14	I&E Transfer	(37,651,788)	(26,766,200)	(12,468,000)	(11,455,000)	(75,538,274)
15	Shortfall Advance	-	-	-	-	-
16	Shortfall Repayment (principal)	8,296,578	-	-	-	-
17	Net Receipts	(2,052,768)	14,407,820	24,781,459	16,152,369	(9,947,603)
18	Ratio of Receipts to Required Disbursements (Line 11/Line 12)	104%	105%	105%	103%	108%
	Combined					
19	Receipts	1,203,342,850	1,284,887,456	1,300,890,278	1,317,242,815	1,417,649,337
20	MOU Adjustments	-	-	-	-	-
21	Adjusted Receipts	1,203,342,850	1,284,887,456	1,300,890,278	1,317,242,815	1,417,649,337
22	Disbursements	(1,146,948,712)	(1,223,463,813)	(1,236,500,023)	(1,268,157,284)	(1,312,002,716)
23	Receipts Net of Required Transfers	56,394,138	61,423,643	64,390,255	49,085,531	105,646,621
24	I&E Transfer	(64,274,650)	(36,664,300)	(41,086,500)	(27,744,600)	(96,680,775)
25	Shortfall advance	-	-	-	-	-
26	Shortfall Repayment	8,296,578	-	-	-	-
27	Net Receipts	416,066	24,759,343	23,303,755	21,340,931	8,965,846
28	Ratio of Receipts to Required Disbursements (Line 21/Line 22)	105%	105%	105%	104%	108%

Financial Operations KPI - Liquidity

This key performance indicator shown in ***Chart 1 – Historical Schedule of Days Cash on Hand – Liquidity – Regional System*** and ***Table 1 – Schedule of Days Cash on Hand – Liquidity – Regional System*** below provides a measure of a utility's ability to meet expenses, cope with emergencies and navigate business interruptions. Liquidity is one of several key metrics monitored by bond rating agencies reflecting an organization's financial strength. The Authority's current goal is to maintain cash on hand above 500 days moving up to 600 days. Having a strong days cash has been instrumental in reaching our current bond credit rating.

Both GLWA Water and Sewer funds continue to exceed this target with Water at 604 and Sewer at 633 days cash on hand as of June 30, 2026. These balances remain strong for the regional system but did decrease in FY 2022 as I&E funds were used as planned to fund capital improvement projects. The June 2025 and 2026 revenue bond transactions replenished the construction bond funds reducing the emphasis on I&E funding. The FY 2026 projection is calculated based on values from the GLWA FY 2026 – 2030 Budget & Five-Year Plan.

Chart 1 – Historical Schedule of Days Cash on Hand – Liquidity – Regional System



Note: *The GLWA Annual Comprehensive Financial Reports are the source of all historic data referenced. Refer to these reports for detailed calculations by fiscal year.*

Table 1 – Schedule of Days Cash on Hand – Liquidity – Regional System

	June 30, 2025	June 30, 2026
Water Fund		
Cash and Investments - Unrestricted	306,425,000	314,273,000
Operating Expense		
Operating Expense (a)	274,020,000	286,979,000
Less: Depreciation (a)	(94,928,000)	(91,927,000)
Less: Amortization of Intangible Asset (a)	(4,951,000)	(5,160,000)
Net Operating Expense	174,142,000	189,892,000
Operating Expense per Day	477,000	520,000
Days Cash		
Number of Days Cash	642	604
Sewage Disposal Fund		
Cash and Investments - Unrestricted	349,076,000	405,010,000
Operating Expense		
Operating Expense (a)	377,359,000	375,170,000
Less: Depreciation (a)	(147,559,000)	(139,706,000)
Less: Amortization of Intangible Asset (a)	(1,824,000)	(2,033,000)
Net Operating Expense	227,976,000	233,431,000
Operating Expense per Day	625,000	640,000
Days Cash		
Number of Days Cash	559	633
Combined		
Cash and Investments - Unrestricted	655,501,000	719,283,000
Operating Expense		
Operating Expense (a)	651,379,000	662,148,000
Less: Depreciation (a)	(242,487,000)	(231,634,000)
Less: Amortization of Intangible Asset (a)	(6,774,000)	(7,192,000)
Net Operating Expense	402,118,000	423,323,000
Operating Expense per Day	1,102,000	1,160,000
Days Cash		
Number of Days Cash	595	620

Totals may be off due to rounding

(a) Current year expenses are expressed as a proration of the annual budget for the purposes of this metric.

GLWA Great Lakes Water Authority

Financial Services
Audit Committee Communication

Date: October 23, 2026

To: Great Lakes Water Authority Audit Committee

From: Alicia Schwartz, Grants Manager

Re: Grants, Gifts, and Other Resources Report Through August 31, 2026

Highlights: The Grants, Gifts, and Other Resources Report highlights changes from the prior report in yellow. Of note this month are the following project updates:

- ✓ **2023-013 Federal Emergency Management Agency (FEMA), June 25-26 (2021) Flood, DR-4607 Project 714729 Outfalls (CIP Project 260201) –** received final reimbursement of $248K. This grant is now closed and will be removed from the next report.
- ✓ **2023-014 Federal Emergency Management Agency (FEMA), June 25-26 (2021) Flood, DR-4607 Project 664811 Conner Creek Sewer System (CIP Project 260204) –** received final reimbursement of $1.9M. This grant is now closed and will be removed from the next report.
- ✓ **2023-015 Federal Emergency Management Agency (FEMA), June 25-26 (2021) Flood, DR-4607 Project 670521 CAT-Z – Allocation of Management Costs–** received final reimbursement of $91K. This grant is now closed and will be removed from the next report.
- ✓ **2025-008 Federal Emergency Management Agency (FEMA), COVID-19 DR-4494 Project 953011 -CAT-Z – Allocation of Management Costs –** received notification that FEMA had approved closure and reimbursement of $100K is ready for processing.
- ✓ **2027-001 14 Mile Road Emergency Repair –** the State of Michigan has awarded GLWA $1.9M in emergency grant funding to support repairs to 14 Mile Road.

Background: The Great Lakes Water Authority (GLWA) delegated authority to the Chief Executive Officer to oversee and report on activities identified in the GLWA Articles of

Incorporation related to solicitation and receipt of grants, gifts, and other resources [1] as stated in Article 4 – Powers, Section B (4):

> (4) Solicit, receive, and accept gifts, grants, labor, loans, contributions of money, property, or other things of value, and other aid or payment from any federal, state, local, or intergovernmental government agency or from any other person or entity, public or private, upon terms and conditions acceptable to the Authority, or participate in any other way in a federal, state, local, or intergovernmental government program [2].

GLWA's Grants, Gifts, and Other Resources Delegation Policy is online at Grants, Gifts, and Other Resources Delegation Policy - GLWA (glwater.org).

Analysis: The tables in each section of this report present GLWA grant activity by each phase. As a grant moves through each phase, it is shown in the corresponding table.

Table 1- Pre-Award phase includes the process of applying for a grant and the period prior to the signing of the grant agreement between the awarding agency and GLWA.

Table 2 – Post-Award phase reflects the period after the agreement is executed with the awarding agency. In this phase, GLWA becomes responsible for meeting the administrative, financial, and programmatic reporting requirements of the award.

Table 3 – Close-Out phase is the final stage of grant activity and includes final reporting requirements, auditing, and closeout. There are final financial and programmatic reports that must be submitted to formally close out the grant as defined in each grant agreement.

Table 4 - Programs not awarded or programs that GLWA will not continue to pursue.

Proposed Action: Receive and file this report.

---

[1] Other resources as referenced above refer to labor, contributions of money, property, or other things of value from any other person or entity, public or private with the exception for loans, subject to provisions of the GLWA Board Debt Management Policy, and Intergovernmental agreements and other activities that are addressed in the GLWA Board Procurement Policy.

[2] Participation in any other way in a federal, state local, or intergovernmental government program includes participation in research projects at universities.

Table 1 – Pre-Award Phase Programs reflects open submissions for FY 2024, FY 2025, FY 2026, and FY 2027. The programs listed under this section do not have a grant agreement between the awarding agency and GLWA at this time, but an application has been submitted, or the funds have been identified in legislation (i.e. earmarks).

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2024-009	3/9/2024	FY 2024 Environmental Protection Agency Community Grant – Pump Station #2 Rack & Grit (CIP Project 211007)	Federal Grant (Reimbursement Basis)	$959,752	Federal Audit Requirements	Earmark (20% Cost Share). Application submitted on August 27, 2026
2026-001	2/2/2026	FY2026 EPA Community Grant - 7 Mile Sewer Rehabilitation (CIP Project 260206)	Federal Grant (Reimbursement Basis)	$1,092,000	Federal Audit Requirements	Earmark (20% Cost Share). Contract bidding process begins in July.
2026-002	2/2/2026	FY2026 EPA Community Grant – TBD	Federal Grant (Reimbursement Basis)	$1,092,000	Federal Audit Requirements	Earmark (20% Cost Share). Initial project selected determined to be not eligible, working to identify eligible projects.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2026-003	2/2/2026	FY2026 EPA Community Grant - Freud & Conner Creek Pump Station Improvements (CIP Project 232005)	Federal Grant (Reimbursement Basis)	$1,092,000	Federal Audit Requirements	Earmark (20% Cost Share). Application in process.
2026-004	2/2/2026	FY2206 EPA Community Grant - Northwest Interceptor to Oakwood CSO (CIP Project 222001)	Federal Grant (Reimbursement Basis)	$1,092,000	Federal Audit Requirements	Earmark (20% Cost Share). Application in process.
2026-005	2/2/2026	FY2026 EPA Community Grant - Downriver Loop Water Main Construction (CIP Project 122016)	Federal Grant (Reimbursement Basis)	$1,092,000	Federal Audit Requirements	Earmark (20% Cost Share). Working to identify appropriate project.
2026-006	2/2/2026	FY2026 EPA Community Grant - 54-Inch Water Main Renewal	Federal Grant (Reimbursement Basis)	$1,000,000	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-008	3/31/2026	FY2027 EPA Community Grant - 120-Inch Pipeline Renewals (CIP Project 170606)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-009	3/31/2026	FY2027 EPA Community Grant - 42-Inch Water Main Replacement and Pipeline Renewal (CIP Project 170608)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2026-010	3/31/2026	FY2027 EPA Community Grant - 7 Mile Sewer System Rehabilitation (CIP Project 122017)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-011	3/31/2026	FY2027 EPA Community Grant - Central Post Beard Transmission Main Renewal Project (CIP Project 122024)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-012	3/31/2026	FY2027 EPA Community Grant - Dearborn Transmission Main Condition Assessment & Renewals (CIP Project TBD)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-013	3/31/2026	FY2027 EPA Community Grant - Freud & Conners Creek Pump Station Rehabilitation (CIP Project 232002/232005)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-014	3/31/2026	FY2027 EPA Community Grant - Lake Huron Flocculation and Rapid Mix Rehabilitation (CIP Project 111012)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2026-015	3/31/2026	FY2027 EPA Community Grant - Long Term CSO Control Plan Phase 1 In-System Storage Devices (IDS) Project (CIP Project 270003)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-016	3/31/2026	FY2027 EPA Community Grant - Oakwood District Intercommunity Relief Sewer Modification (CIP Project 222001)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-017	3/31/2026	FY2027 EPA Community Grant - WRRF Utility Power Replacement for Electrical Feeds A and B (CIP Project 216013)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2027-001	TBD	14 Mile Road Emergency Repair	State of Michigan Emergency Grant Money (Reimbursement Basis)	$1,900,000	State Audit Requirements	Expenses identified for reimbursement, waiting for grant documentation from State of Michigan.

Table 2 - Post-Award Phase Programs reflect all open, awarded grants from FY 2023 through FY 2026.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2023-003	6/03/2025	FY2023 Environmental Protection Agency Community Grant – PFAS Compounds remediations project	Federal Grant (Reimbursement Basis)	$3,452,972	Federal Audit Requirements	No Cost Time Extension approved by EPA with new end date of grant as May 31, 2028.
2023-019	3/3/2021	American Rescue Plan – State Revolving Fund (ARPA) Funded Project 7532-02 96 Inch Water Transmission Main Relocation Phase 2 EGLE (CIP Project 122004)	Federal pass-through State (Reimbursement Basis)	$8,960,791	Federal Audit Requirements	Total reimbursement request received to date $9.0M. SRF related grant, closeout to be completed with related SRF loan closeout.
2023-023	8/30/2023	I-94 Modernization Project (CIP Project 270001)	MDOT Federal pass-through State (Reimbursement Basis)	$34,400,000	State Audit Requirements	Project in progress. First reimbursement to be sent after first milestone met. State versus Federal Audit requirements have been determined applicable.
2024-005	12/15/2023	Fiscal Year 2023 Building Resilient Infrastructure and Communities (BRIC) Project Scoping/Feasibility Study (design and engineering only – no construction)	Federal pass-through State (Reimbursement Basis)	$642,000	Federal Audit Requirements	$642,000 Grant awarded January 2025 – project removed from Federal hold April 2026.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2024-011	7/10/2024	Southeast Michigan Flood Study	Federal (Cost Share)	$0	Federal Audit Requirements	Cost Share Agreement – GLWA share $2.5M. $1.4M of cost share work performed to date.
2024-014	6/7/2023	Focus Hope – Michigan Industry Cluster Approach (MICA 4.0)	Nonprofit (Reimbursement Basis)	$43,000	None	$17,000 received to date.
2025-001	2/25/2026	State and Local Cybersecurity Grant Program (SLCGP) - Cybersecurity Assessments	Federal Grant (Reimbursement Basis)	$80,000	Federal Audit Requirements	Received notification of award 2/25/2026. Project timeline to be determined by IT project team.
2025-004	5/1/2025	Scale-up of Hydrothermal Liquefaction with Supercritical Water Oxidation in an Integrated Biorefinery	Federal Grant (Cost Share)	$0	Federal Audit Requirements	Cost Share Agreement – GLWA share $30,000. $11,467 of cost share work performed to date. Received notification of study extension through May 31, 2027.
2025-005	9/6/2024	American Rescue Plan – State Revolving Funded Project 5840-01 Northwest Interceptor to Oakwood CSO Sewer (CIP Project 222001)	Federal pass-through State (Reimbursement Basis)	$20,000,000	Federal Audit Requirements	Total reimbursement received $20M. All grant related funds received, closeout to be completed with related SRF loan closeout.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2025-006	5/8/2025	Detroit Employment Solutions Corp (DESC) Apprentice Grant	Nonprofit (Reimbursement Basis)	Reimbursement of $5,000 per apprentice	None	First renewal signed October 2025, provides $5,000 per apprentice. Total received to date $105,000.
2025-007	8/22/2024	State Revolving Fund Clean Water Initiative/Strategic Water Quality Initiative 5980-01 West Chicago South Stormwater Improvements (DWSD Grant)	State or Federal pass-through (Reimbursement Basis)	$14,011,908	Federal Audit Requirements	Received reimbursement of $2.6M and completed transfer to DWSD. Total reimbursement received to date $10.1M.
2025-008	6/3/2025	Federal Emergency Management Agency (FEMA) COVID-19 DR-4494 Project 953011 - CAT-Z – Allocation of Management Costs	Federal pass-through State (Reimbursement Basis)	$100,398	Federal Audit Requirements	Reimbursement request of $100,398 submitted June 2025. GLWA received notification FEMA had approved close-out and will process payment soon.
2025-009	8/27/2025	State Revolving Fund Drinking Water Initiative - Water Main Replacement & Lead Service Line Replacement (WS742) 7888-01 (DWSD Grant)	State or Federal pass-through (Reimbursement Basis)	$2,949,704	State Audit Requirements	Received notification of award August 27, 2025.
2026-007	3/21/2026	EGLE Microplastics Grant Agreement	State or Federal pass-through (Reimbursement Basis)	$160,000	State Audit Requirements	Received notification of award March 23, 2026

Table 3 – ***Close-Out Phase Programs*** have been completed. GLWA reimbursement has been received in full, and the programs are in the process of being closed out, including any closeout reporting requirements.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2023-005	3/28/2023	Department of Energy – Hydrothermal Liquefaction Project	Federal Grant (Reimbursement Basis)	$1,000,000	Federal Audit Requirements	Final reimbursement request submitted and received in July, total reimbursement of $1M. Close-out documentation in process.
2023-013	8/06/2023	Federal Emergency Management Agency (FEMA), June 25-26 (2021) Flood, DR-4607 Project 714729 Outfalls (CIP Project 260201)	Federal pass-through State (Reimbursement Basis)	$247,650	Federal Audit Requirements	Received reimbursement of full amount in August. Close-out documentation in process.
2023-014	8/28/2023	Federal Emergency Management Agency (FEMA), June 25-26 (2021) Flood, DR-4607 Project 664811 Conner Creek Sewer System (CIP Project 260204)	Federal pass-through State (Reimbursement Basis)	$1,910,621	Federal Audit Requirements	Received reimbursement of full amount in August. Close-out documentation in process.
2023-015	10/3/2024	Federal Emergency Management Agency (FEMA), June 25-26 (2021) Flood, DR-4607 Project 670521 CAT-Z – Allocation of Management Costs	Federal pass-through State (Reimbursement Basis)	$90,541	Federal Audit Requirements	Received reimbursement of full amount in August. Close-out documentation in process.

Table 4 –Programs not awarded or programs that GLWA will not continue to pursue. There is no Table 4 presented this month because there was no activity in the month of August.

GLWA Great Lakes Water Authority

Financial Services
Audit Committee Communication

Date: October 23, 2026

To: Great Lakes Water Authority Audit Committee

From: Alicia Schwartz, Grants Manager

Re: Grants, Gifts, and Other Resources Report Through September 30, 2026

Highlights: The Grants, Gifts, and Other Resources Report highlights changes from the prior report in yellow. Of note this month are the following project updates:

- ✓ **2023-003 FY2023 Environmental Protection Agency Community Grant – PFAS Compounds remediations project –** received reimbursement of $82,332 on September 17, 2026.
- ✓ **2024-009 FY 2024 Environmental Protection Agency Community Grant – Pump Station #2 Rack & Grit (CIP Project 211007) -** received notification of award September 23, 2026 and submitted reimbursement request for $959,752 September 25, 2026.
- ✓ **2024-005 Fiscal Year 2023 Building Resilient Infrastructure and Communities (BRIC) Project Scoping/Feasibility Study (design and engineering only – no construction) –** period of performance for the grant has been extended through September 22, 2028.
- ✓ **2025-008 Federal Emergency Management Agency (FEMA), COVID-19 DR-4494 Project 953011-CAT-Z – Allocation of Management Costs –** received final reimbursement of $100,398 September 28, 2026. This grant is now closed and will be removed from the next report.
- ✓ **2027-001 14 Mile Road Emergency Repair –** submitted reimbursement request for $1.9M on September 11, 2026.

Background: The Great Lakes Water Authority (GLWA) delegated authority to the Chief Executive Officer to oversee and report on activities identified in the GLWA Articles of

Incorporation related to solicitation and receipt of grants, gifts, and other resources [1] as stated in Article 4 – Powers, Section B (4):

> (4) Solicit, receive, and accept gifts, grants, labor, loans, contributions of money, property, or other things of value, and other aid or payment from any federal, state, local, or intergovernmental government agency or from any other person or entity, public or private, upon terms and conditions acceptable to the Authority, or participate in any other way in a federal, state, local, or intergovernmental government program [2].

GLWA's Grants, Gifts, and Other Resources Delegation Policy is online at Grants, Gifts, and Other Resources Delegation Policy - GLWA (glwater.org).

Analysis: The tables in each section of this report present GLWA grant activity by each phase. As a grant moves through each phase, it is shown in the corresponding table.

Table 1- Pre-Award phase includes the process of applying for a grant and the period prior to the signing of the grant agreement between the awarding agency and GLWA.

Table 2 – Post-Award phase reflects the period after the agreement is executed with the awarding agency. In this phase, GLWA becomes responsible for meeting the administrative, financial, and programmatic reporting requirements of the award.

Table 3 – Close-Out phase is the final stage of grant activity and includes final reporting requirements, auditing, and closeout. There are final financial and programmatic reports that must be submitted to formally close out the grant as defined in each grant agreement.

Table 4 - Programs not awarded or programs that GLWA will not continue to pursue.

Proposed Action: Receive and file this report.

---

[1] Other resources as referenced above refer to labor, contributions of money, property, or other things of value from any other person or entity, public or private with the exception for loans, subject to provisions of the GLWA Board Debt Management Policy, and Intergovernmental agreements and other activities that are addressed in the GLWA Board Procurement Policy.

[2] Participation in any other way in a federal, state local, or intergovernmental government program includes participation in research projects at universities.

Table 1 – Pre-Award Phase Programs reflects open submissions for FY 2025, FY 2026, and FY 2027. The programs listed under this section do not have a grant agreement between the awarding agency and GLWA at this time, but an application has been submitted, or the funds have been identified in legislation (i.e. earmarks).

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2026-001	2/2/2026	FY2026 EPA Community Grant - 7 Mile Sewer Rehabilitation (CIP Project 260206)	Federal Grant (Reimbursement Basis)	$1,092,000	Federal Audit Requirements	Earmark (20% Cost Share). Contract bidding process begins in July.
2026-002	2/2/2026	FY2026 EPA Community Grant – TBD	Federal Grant (Reimbursement Basis)	$1,092,000	Federal Audit Requirements	Earmark (20% Cost Share). Initial project selected determined to be not eligible, working to identify eligible projects.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2026-003	2/2/2026	FY2026 EPA Community Grant - Freud & Conner Creek Pump Station Improvements (CIP Project 232005)	Federal Grant (Reimbursement Basis)	$1,092,000	Federal Audit Requirements	Earmark (20% Cost Share). Application in process.
2026-004	2/2/2026	FY2206 EPA Community Grant - Northwest Interceptor to Oakwood CSO (CIP Project 222001)	Federal Grant (Reimbursement Basis)	$1,092,000	Federal Audit Requirements	Earmark (20% Cost Share). Application in process.
2026-005	2/2/2026	FY2026 EPA Community Grant - Downriver Loop Water Main Construction (CIP Project 122016)	Federal Grant (Reimbursement Basis)	$1,092,000	Federal Audit Requirements	Earmark (20% Cost Share). Working to identify appropriate project.
2026-006	2/2/2026	FY2026 EPA Community Grant - 54-Inch Water Main Renewal	Federal Grant (Reimbursement Basis)	$1,000,000	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-008	3/31/2026	FY2027 EPA Community Grant - 120-Inch Pipeline Renewals (CIP Project 170606)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-009	3/31/2026	FY2027 EPA Community Grant - 42-Inch Water Main Replacement and Pipeline Renewal (CIP Project 170608)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2026-010	3/31/2026	FY2027 EPA Community Grant - 7 Mile Sewer System Rehabilitation (CIP Project 122017)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-011	3/31/2026	FY2027 EPA Community Grant - Central Post Beard Transmission Main Renewal Project (CIP Project 122024)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-012	3/31/2026	FY2027 EPA Community Grant - Dearborn Transmission Main Condition Assessment & Renewals (CIP Project TBD)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-013	3/31/2026	FY2027 EPA Community Grant - Freud & Conners Creek Pump Station Rehabilitation (CIP Project 232002/232005)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-014	3/31/2026	FY2027 EPA Community Grant - Lake Huron Flocculation and Rapid Mix Rehabilitation (CIP Project 111012)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2026-015	3/31/2026	FY2027 EPA Community Grant - Long Term CSO Control Plan Phase 1 In-System Storage Devices (IDS) Project (CIP Project 270003)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-016	3/31/2026	FY2027 EPA Community Grant - Oakwood District Intercommunity Relief Sewer Modification (CIP Project 222001)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.
2026-017	3/31/2026	FY2027 EPA Community Grant - WRRF Utility Power Replacement for Electrical Feeds A and B (CIP Project 216013)	Federal Grant (Reimbursement Basis)	TBD	Federal Audit Requirements	Earmark (20% Cost Share). Gathering project information.

Table 2 - Post-Award Phase Programs reflect all open, awarded grants from FY 2023 through FY 2027.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2023-003	6/03/2025	FY2023 Environmental Protection Agency Community Grant – PFAS Compounds remediations project	Federal Grant (Reimbursement Basis)	$3,452,972	Federal Audit Requirements	Submitted and received first reimbursement of $82,332 on September 17, 2026.
2023-019	3/3/2021	American Rescue Plan – State Revolving Fund (ARPA) Funded Project 7532-02 96 Inch Water Transmission Main Relocation Phase 2 EGLE (CIP Project 122004)	Federal pass-through State (Reimbursement Basis)	$8,960,791	Federal Audit Requirements	Total reimbursement request received to date $9.0M. SRF related grant, closeout to be completed with related SRF loan closeout.
2023-023	8/30/2023	I-94 Modernization Project (CIP Project 270001)	MDOT Federal pass-through State (Reimbursement Basis)	$34,400,000	State Audit Requirements	Project in progress. First reimbursement to be sent after first milestone met.
2024-005	12/15/2023	Fiscal Year 2023 Building Resilient Infrastructure and Communities (BRIC) Project Scoping/Feasibility Study (design and engineering only – no construction)	Federal pass-through State (Reimbursement Basis)	$642,000	Federal Audit Requirements	Period of performance extended to September 22, 2028.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2024-009	3/9/2024	FY 2024 Environmental Protection Agency Community Grant – Pump Station #2 Rack & Grit (CIP Project 211007)	Federal Grant (Reimbursement Basis)	$959,752	Federal Audit Requirements	Received notification of award September 23, 2026. Submitted reimbursement request for full amount September 25,2026.
2024-011	7/10/2024	Southeast Michigan Flood Study	Federal (Cost Share)	$0	Federal Audit Requirements	Cost Share Agreement – GLWA share $2.5M. $1.5M of cost share work performed to date.
2024-014	6/7/2023	Focus Hope – Michigan Industry Cluster Approach (MICA 4.0)	Nonprofit (Reimbursement Basis)	$43,000	None	$17,000 received to date.
2025-001	2/25/2026	State and Local Cybersecurity Grant Program (SLCGP) - Cybersecurity Assessments	Federal Grant (Reimbursement Basis)	$80,000	Federal Audit Requirements	Received notification of award 2/25/2026. Project timeline to be determined by IT project team.
2025-004	5/1/2025	Scale-up of Hydrothermal Liquefaction with Supercritical Water Oxidation in an Integrated Biorefinery	Federal Grant (Cost Share)	$0	Federal Audit Requirements	Cost Share Agreement – GLWA share $30,000. $11,467 of cost share work performed to date. Received notification of study extension through May 31, 2027.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2025-005	9/6/2024	American Rescue Plan – State Revolving Funded Project 5840-01 Northwest Interceptor to Oakwood CSO Sewer (CIP Project 222001)	Federal pass-through State (Reimbursement Basis)	$20,000,000	Federal Audit Requirements	Total reimbursement received $20M. All grant related funds received, closeout to be completed with related SRF loan closeout.
2025-006	5/8/2025	Detroit Employment Solutions Corp (DESC) Apprentice Grant	Nonprofit (Reimbursement Basis)	Reimbursement of $5,000 per apprentice	None	First renewal signed October 2025, provides $5,000 per apprentice. Received $5,000 payment in September. Total received to date $110,000.
2025-007	8/22/2024	State Revolving Fund Clean Water Initiative/Strategic Water Quality Initiative 5980-01 West Chicago South Stormwater Improvements (DWSD Grant)	State or Federal pass-through (Reimbursement Basis)	$14,011,908	Federal Audit Requirements	Received reimbursement of $2.6M and completed transfer to DWSD. Total reimbursement received to date $10.1M.
2025-009	8/27/2025	State Revolving Fund Drinking Water Initiative - Water Main Replacement & Lead Service Line Replacement (WS742) 7888-01 (DWSD Grant)	State or Federal pass-through (Reimbursement Basis)	$2,949,704	State Audit Requirements	Received notification of award August 27, 2025.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2026-007	3/21/2026	EGLE Microplastics Grant Agreement	State or Federal pass-through (Reimbursement Basis)	$160,000	State Audit Requirements	Received notification of award March 23, 2026
2027-001	9/4/2026	14 Mile Road Emergency Repair	State of Michigan Emergency Grant Money (Reimbursement Basis)	$1,900,000	State Audit Requirements	Received agreement from EGLE September 4, 2026, submitted reimbursement request for $1.9M on September 11, 2026.

Table 3 – ***Close-Out Phase Programs*** have been completed. GLWA reimbursement has been received in full, and the programs are in the process of being closed out, including any closeout reporting requirements.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2023-005	3/28/2023	Department of Energy – Hydrothermal Liquefaction Project	Federal Grant (Reimbursement Basis)	$1,000,000	Federal Audit Requirements	Final reimbursement request submitted and received in July, total reimbursement of $1M. Close-out documentation in process.
2025-008	6/3/2025	Federal Emergency Management Agency (FEMA) COVID-19 DR-4494 Project 953011 - CAT-Z – Allocation of Management Costs	Federal pass-through State (Reimbursement Basis)	$100,398	Federal Audit Requirements	Received final payment of $100,398 on September 28, 2006. Close-out in process.

Table 4 –Programs not awarded or programs that GLWA will not continue to pursue. There is no Table 4 presented this month because there was no activity in the month of September.

GLWA Great Lakes Water Authority

Financial Services
Audit Committee Communication

Date: October 23, 2026

To: Great Lakes Water Authority Audit Committee

From: Scott Garrigan, Financial Services Director

Re: Water Funding Task Force Update as of October 21, 2026

Background: The Water Funding Task Force (WFTF) was formed in January 2026 with the goal of addressing long-term water infrastructure needs facing our state to adequately mitigate economic, environmental, and social risks without adversely impacting affordability. The deliverables are research and analysis that supports companion funding and policy recommendations.

The task force is composed of various GLWA staff, service sector experts, and consultants. GLWA commissioned a report to be prepared by Public Sector Consultants (PSC).

Analysis: Current activities include the following.

Report: "The Crisis Beneath Us" was presented to the GLWA Board of Directors on September 23, 2026. All materials are now at a dedicated webpage: https://www.glwater.org/crisis-beneath-us/

Coalition Building: Accompanying the publication of "The Crisis Beneath Us", Public Sector Consultants (PSC) hosted an Infrastructure Roundtable on September 25th, 2026, in Lansing, Michigan. This event brought together GLWA leadership and representatives from organizations across Michigan who also are engaged in addressing the state's infrastructure needs. The list of interested participants continues to grow. A follow-up event is in the planning phases.

New Report Released this Week: Subsequent to the release of GLWA's report, PSC and the University of Michigan Water Center, with support from the Charles Stewart Mott Foundation, released a report titled "Michigan's Water Infrastructure Funding Gap: A Statewide Needs Assessment" on October 21, 2026. This report identified Michigan's 20-year water infrastructure needs to be at least $56.7 billion: $39.6 billion in one-time capital investment plus $857 million in ongoing annual needs. A copy of the report is attached.

While differences exist between that report and GLWA's estimate utilized in "*The Crisis Beneath Us*" of $85 billion in needs over 20 years, both reports underscore the magnitude of the statewide funding gap and the fact that it cannot be addressed through rates and charges alone. It should

be noted that the $85 billion cited in the GLWA report is based on research from the U.S. Water Alliance, "Tapping Potential: The Economic Benefits of Investing in Water Infrastructure" (see attached excerpt). The higher figure in that report likely reflects projected construction cost escalation accounting for much of the variance between the two estimates.

Below is a summary table highlighting the different approaches to arriving at Michigan's water infrastructure needs.

Reported 20-Year Needs (all dollars reported in $ Billions)		
Category	**The Crisis Beneath Us ***	**University of Michigan Water Center ^**
Drinking Water and Lead Service Lines	$39.73	$18.22
Clean Water and Stormwater	$44.19	$15.10
PFAS Removal	$0.76	
Well and Septic Testing/Replacement		$6.42
Wetlands and Dams		$3.48
Bill Assistance		$13.52
Total 20 Year Need	**$84.68**	**$56.74**
* Needs are presented in real 2025 dollars using the Engineering News-Record Construction Cost Index (ENR CCI). ^ Needs are based on source materials and cost estimates made within the study. For Drinking Water, Clean Water, and Stormwater, the source materials are EPA needs surveys without additional inflation factors applied.		

Proposed Action: Receive and file this report.

PUBLIC SECTOR CONSULTANTS

WATER CENTER
UNIVERSITY OF MICHIGAN



A STATEWIDE NEEDS ASSESSMENT

Michigan's Water Infrastructure Funding Gap

PREPARED BY

Public Sector Consultants and
University of Michigan Water Center

WITH SUPPORT FROM

Charles Stewart Mott Foundation

PREPARED BY

PUBLIC SECTOR CONSULTANTS

WATER CENTER
UNIVERSITY OF MICHIGAN

WITH SUPPORT FROM

CHARLES STEWART MOTT FOUNDATION

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FOREWORD

Every Michigander knows we face daunting infrastructure challenges affecting all aspects of our daily lives: aging roads, bridges and dams; an energy grid strained by increasing demand and a changing climate; and drinking water, wastewater and stormwater systems that are in serious need of repair and modernization.

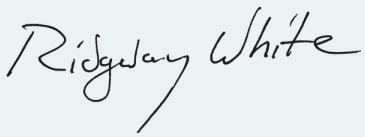
From the Charles Stewart Mott Foundation's vantage point in our hometown of Flint, we would argue that nothing is more fundamental to human health and well-being than clean, safe, affordable water. We've seen firsthand the devastating consequences of government funding decisions that did not put the health and well-being of citizens first.

That's why we were pleased to support a request from Michigan Sen. Sarah Anthony, chair of the Senate Appropriations Committee, to provide the Committee and any relevant workgroups with nonpartisan education, analysis and recommendations on the state and condition of Michigan's water infrastructure and related funding needs. The request provides an excellent example of how the public and philanthropic sectors can work together to serve citizens. It was a logical request to make of the Mott Foundation, as our One Water initiative seeks to promote safe, affordable water for all — from the source to the tap.

At Mott, we've learned that you can't solve a problem until you understand its full dimensions. So we turned to researchers at the University of Michigan Water Center and Public Sector Consultants and asked them to help document the price tag for addressing Michigan's water challenges.

We hope this information helps spark an earnest and necessary conversation about how our state can and must address water infrastructure needs. We're grateful to the report's authors for their excellent work in helping to start that conversation.

We recognize that meeting the needs described here will take time and sustained effort. The Mott Foundation hopes this report will help to inform and accelerate action across the public, private and philanthropic sectors for the benefit of all Michiganders.



Ridgway White
President & CEO
Charles Stewart Mott Foundation

EXECUTIVE SUMMARY

In April 2026, the chair of the State of Michigan Senate Appropriations Committee sent a written request to the Charles Stewart Mott Foundation, asking for technical assistance to help develop a data-driven, equitable framework for water infrastructure investment. The Mott Foundation provided grant support to the University of Michigan Water Center, which collaborated with Public Sector Consultants (PSC) to conduct nonpartisan research and analysis to provide a holistic view of investment needs across six categories of water infrastructure in Michigan.

The research examined source water protection, private wells and septic systems, gray infrastructure, stormwater, water assistance, and dams. Some categories are well documented, with robust evidence of the investment needed. Others have little or no research on condition or investment need; for those, the research team developed its own estimates where possible.

BOTTOM LINE

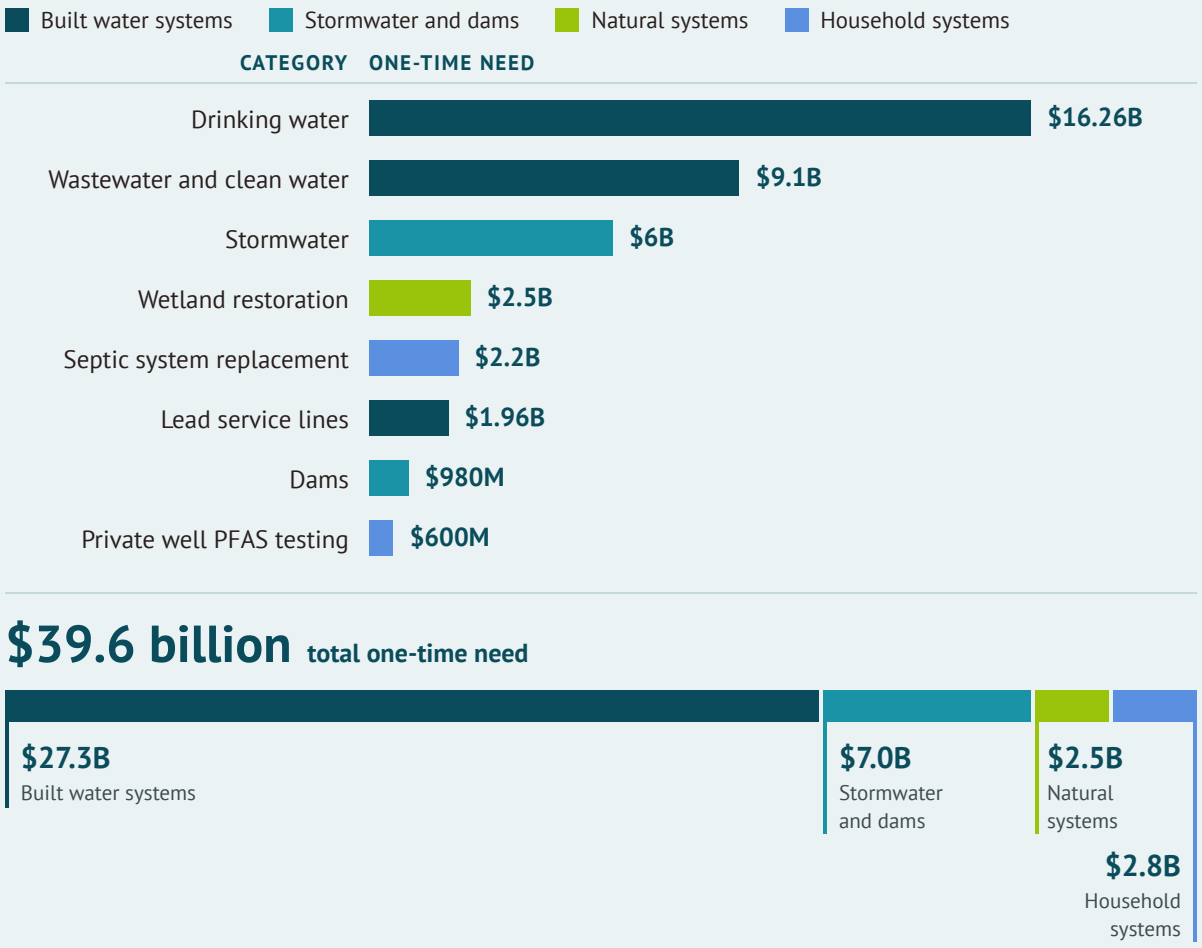
Based on the research, we have concluded that over the next 20 years, Michigan needs at least $39.6 billion in one-time capital investment, plus roughly $860 million every year in ongoing costs, to bring its water infrastructure to a state of good repair. Current spending, though large by historical standards in recent years, is not nearly on pace to close that gap.

In this report, a state of good repair means infrastructure that reliably does the job it was built to do—delivering safe drinking water, treating wastewater, moving stormwater, and holding back floodwater—at the level of service that regulations and customers expect, with assets inspected, maintained, and replaced on schedule rather than run to failure.

This report reaches the conclusion that Michigan is not on pace to close the gap for three reasons: the size of Michigan's documented need already dwarfs what the State and local communities have historically spent; the State's response, even in categories where the State has invested significant resources, has not kept pace with capital investment needs or ongoing costs; and the true number is larger than $39.6 billion, because whole categories of Michigan's water infrastructure do not have assessment data or published funding needs attached to them.

EXHIBIT ES-1

One-Time Need by Category



$39.6 billion total one-time need

Source: Exhibit 1, Funding Needs Analysis.

1 The documented need is enormous.

Where investment needs have been documented, they include:

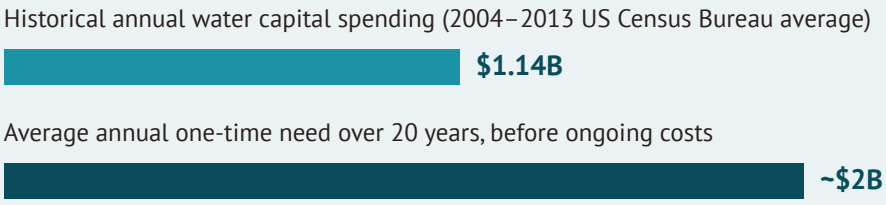
- The US Environmental Protection Agency (EPA) 2023 Drinking Water Infrastructure Needs Survey and Assessment (DWINSA) estimates a $16.26 billion, 20-year drinking water capital need. Replacing the state's 245,236 projected lead service lines would cost an estimated $1.96 billion more.

- EPA's 2022 Clean Watersheds Needs Survey (CWNS) estimates a $15.072 billion, 20-year clean water need, of which about $6 billion is for stormwater.
- The Association of State Dam Safety Officials (ASDSO) March 2025 dam rehabilitation study estimates a $980 million one-time need, a four- to fivefold increase over its 2016 estimate, following the dam failures in Midland and Gladwin Counties.
- The Michigan PFAS Action Response Team (MPART) estimates it would cost $600 million to test all private wells for per- and polyfluoroalkyl substances (PFAS). No estimate exists for PFAS remediation across drinking water systems.
- PSC's 2023 Water Rate Study estimated $181 million per year to subsidize an estimated 394,881 qualifying households for water utility bill payment assistance.
- Based on the average cost of projects approved through the Michigan Department of Environment, Great Lakes, and Energy (EGLE) Septic Replacement Loan Program, this report estimates a $2.2 billion immediate need to replace the 130,000 household septic systems that are failing, and then an additional $676 million per year for ongoing replacement.
- Restoring 500,000 acres of wetlands, the State's goal, would cost roughly $2.5 billion at the low end of published per-acre costs.

Combined, just these categories total roughly $39.6 billion in one-time capital need plus approximately $860 million per year in ongoing costs. Against that, Michigan communities, through rate revenue and limited federal and state earmarks, have historically invested only about $1.14 billion a year in water infrastructure capital spending (2004–2013 US Census Bureau average). Spread over 20 years, the one-time need alone averages about $2 billion a year, roughly 75 percent more than that historical level, before any ongoing costs (Exhibit ES-2).

EXHIBIT ES-2

Need versus Historical Spending, per Year



Source: US Census Bureau, 2004–2013 average; Exhibit 1, Funding Needs Analysis.

2 Michigan's response has not kept pace with that need, even when substantial investments have been made.

The larger recent investments are less durable than they appear. EGLE's core drinking water appropriation nearly tripled (from $159.0 million in FY 2022–23 to $446.6 million in FY 2025–26), and an additional $384.3 million in legislator-directed and one-time EGLE water appropriations has been enacted since FY 2022–23, contributing to the $6.4 billion EGLE reports investing in drinking water, stormwater, and wastewater systems since 2019. But the Michigan House Fiscal Agency attributes most of that growth to federal Bipartisan Infrastructure Law (BIL) and American Rescue Plan Act (ARPA) dollars, which wind down after FY 2026, and not to new, sustained state revenue.

The Dam Risk Reduction Grant Program has awarded $44.3 million over three years. But at that pace, it will take approximately 65 years to close the current billion-dollar backlog, which does not account for new needs arising in the next 65 years. Beyond the $35 million Septic Replacement Loan Program, private septic and well testing, maintenance, and replacement receive almost no state support, and the $125 million spent cumulatively through FY 2023 on PFAS testing and remediation went mainly to public water systems, not toward private wells or source water protection.

3 The true number is much larger than stated, because whole categories of Michigan's water infrastructure have never been measured.

For some categories of water infrastructure, no statewide assessment or funding need has been developed. There is no statewide well condition assessment. Estimates of the septic failure rate range from 10 to 27 percent, and EGLE's annual septic reporting is missing reporting from 17 of 83 counties. For source water protection, data exist on water quality monitoring and on the need to protect wetlands, groundwater, and surface water and to remediate contamination, but no funding need has been estimated beyond wetland restoration. No one has priced flood mitigation or green stormwater infrastructure statewide.

Each data gap points toward a larger number, not a smaller one—the $39.6 billion figure is a floor, not a ceiling.

INTRODUCTION AND BACKGROUND

The Great Lakes hold roughly one-fifth of the world's available fresh surface water. Michigan borders four of the five Great Lakes. Water literally defines our borders. Water powers our economy, provides for our basic needs, and allows millions of visitors and residents to fish, boat, and recreate. But Michigan is failing to be a responsible steward for this crucial resource. Our history of manufacturing and innovation has left behind legacy contamination that is threatening our water supplies. Our water infrastructure is aging faster than it can be replaced. Most was built in the 1920s and the postwar decades, when federal dollars covered the majority of capital costs; the federal share of national water infrastructure capital spending fell from 50 to 60 percent in the late 1970s and early 1980s to about 7 percent in 2021, shifting the burden onto ratepayers as pipes, treatment plants, and dams exceeded their planned design life.

This report is designed to illuminate the funding needs across six main categories of water infrastructure, aligned with a One Water framework that promotes a holistic view of water—ensuring that policies and protections exist from the source to the tap and recognizes that water is connected. Water infrastructure needs are documented in many places, with PSC and the University of Michigan's Water Center at the center of much of the research documenting the need and condition of our water resources. This report compiles more than 60 reports, surveys, and analyses into one statewide inventory organized around One Water.

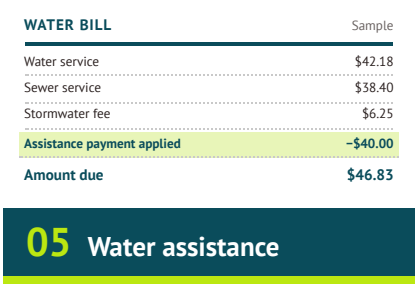
The six categories are:













Michigan's water infrastructure is unusually fragmented: more than 1,300 public water systems, hundreds of local wastewater utilities, dozens of county drain commissioners, and a patchwork of regional authorities each set their own rates and capital plans; more than 1 million households rely on their own wells or septic systems; and no single statewide inventory or assessment connects them. The cost of water service in Michigan has risen 188 percent (inflation adjusted) since 1980, and up to 320 percent in some cities (Read et al. 2022). The State's 30-year water strategy (Michigan Office of the Great Lakes 2016) and 2020 MI Clean Water Plan have begun organizing the response around the ambition that every person in Michigan has access to safe, clean, and affordable water, but they lack a cohesive funding strategy to reach that goal.

Because of the lack of data and the fact that much of this infrastructure is underground or underwater, it is difficult to assemble a holistic understanding of the condition of Michigan's water infrastructure and the funding needs associated with it.

Research and history tell us that proactive investment in maintenance and upkeep is almost always less costly than waiting until the infrastructure has deteriorated past the point of repair. But Michigan has taken for granted the abundant resources that surround us, and our failure to protect the resource, and the infrastructure that safeguards our health and homes and drives much of our economy, is now coming at a steep price. **This report puts a spotlight on the immediate and long-term investments our state needs to make to steward our communities, families, and economy.**

MICHIGAN'S WATER INFRASTRUCTURE

This report examines the water funding needs from source to tap, capturing the investments necessary to maintain Michigan's water for today and future generations.

Source Water Protection

FUNDING NEED

$2.5 billion for wetland restoration (low-end estimate); other source water protection needs unknown

Source water is the lake, river, or groundwater a public system or private well draws from before any treatment happens—literally the source of the water before it has been filtered, disinfected, or tested. Michigan draws its drinking water from two general sources: surface water from the Great Lakes and their connecting channels and watersheds, which supplies the state's largest systems, including the Great Lakes Water Authority (GLWA); and groundwater aquifers, which supply smaller municipal wellfields and, for roughly 1 million households, private wells that sit entirely outside the public water system.



Seney National Wildlife Refuge, Upper Peninsula. Photo: sgharvey, CC BY 2.0, via Wikimedia Commons

Source water protection is the work of keeping contaminants, such as PFAS and other emerging chemicals, agricultural runoff, urban stormwater, and discharge from failing septic systems, out of that water before it is ever utilized. Part of this protection encompasses preserving the wetlands, floodplains, forests, and riparian buffers that filter and store water naturally on the way there. In the One Water framework, source water protection sits deliberately upstream of the "gray infrastructure" category: gray infrastructure covers what happens once water enters a treatment plant or leaves one, while source water protection covers the water and the land around it before that point. The distinction is more than organizational. Keeping a contaminant out of the source is generally cheaper than removing it downstream through treatment. Moreover, source water protection has additional benefits for ecosystems and quality of life.

How we reviewed the data. The eight sources consulted for this category fall into two groups that answer different questions and are presented separately rather than forcing them into a single statewide total.

State planning documents (the State's 2016 30-year water strategy and EGLE's 2024 Source Water Protection Program overview) set goals and describe voluntary programs but attach no statewide dollar figure to the category as a whole. Issue-specific sources, by contrast, give numbers, but only for narrower slices of the problem: the 2018–2019 statewide PFAS study and MPART's fact sheets quantify PFAS contamination and testing costs; two pieces of investigative journalism (*Bridge Michigan*/Interlochen Public Radio and *Inside Climate News*) address private wells; the 2024 Water Use Advisory Council report quantifies groundwater and surface water monitoring capacity; and a Union of Concerned Scientists analysis values Michigan's remaining wetlands.

Unlike drinking water and wastewater, source water protection has no federal needs survey, so no statewide need figure exists from which to start.

PFAS and private wells. Michigan was the first state in the nation to complete a comprehensive statewide PFAS study of its public water supplies, testing 1,114 public water systems, 461 self-supplied schools, and 17 tribal water systems in 2018–2019. The results were reassuring at the public-system level, with 90 percent of systems showing no detection and only two exceeding the federal health advisory threshold in place at the time, but the study did not include the roughly 1 million Michigan households on private wells.

At the time, MPART's executive director put the cost of testing every private well in the state at approximately $600 million, and that testing remains entirely unfunded and incomplete as of this report. Meanwhile, the roughly $125 million the State has spent on PFAS investigation and mitigation to date (through FY 2023) has gone mainly toward public systems and remediation efforts.

Groundwater and surface water monitoring. The 2024 Water Use Advisory Council report, tied to Michigan's obligations under the Great Lakes–St. Lawrence River Basin Compact, prices one-time streamflow depletion testing at $1.2 million, plus roughly $3.7 million a year in ongoing monitoring costs starting in FY 2026. That funding covers the State's ability to measure withdrawals and detect depletion but does not account for what it would cost to fix a depleted aquifer or a contaminated wellfield once monitoring finds one.

Additionally, the state has recently started an effort to map its groundwater aquifers. This work is being conducted by the Michigan Geological Survey. To continue this work, the Water Use Advisory Council estimates that a $3 million annual investment is necessary.

Wetland Protection and Restoration

Wetlands are linked to water infrastructure because they function as green infrastructure: they filter pollutants and store floodwater before it reaches an intake or a home, substituting for built capacity that would otherwise have to do the same job. Sources differ on how much wetland Michigan has lost, and the State has set a restoration goal, but none estimates the cost of preserving or restoring wetlands.

- The State's 2016 water strategy estimates that roughly 40 percent of historic wetlands have been lost and sets a 500,000-acre restoration goal, without pricing it.
- A 2015 Association of State Wetland Managers (ASWM) summary, citing a 1989 US Fish and Wildlife Service baseline, instead puts the state at 11.2 million original acres against 5.58 million remaining—a 50 percent loss.
- A December 2024 Union of Concerned Scientists analysis counts 6.4 million acres of wetlands still remaining.

The cost of creating wetland mitigation banks offers a rough benchmark. A 2026 guide from Midwest Wetland Improvements, a mitigation bank developer working in Minnesota and Wisconsin, puts restoration at $5,000 to $15,000 or more per acre restored, monitored, and maintained, depending on site conditions and credit type, with lower per-acre costs on larger projects. Applied to the State's 500,000-acre restoration goal, that range implies roughly $2.5 billion to $7.5 billion.

In Michigan, EGLE's Wetland Mitigation Bank Fund made four grants in 2016 and 2017 totaling $426,172, with local match, to establish 150 acres of municipal wetland banks, and the private market had 35 bank sites covering more than 1,700 acres as of 2019.

With one-fifth of the world's fresh surface water, Michigan may take for granted the availability of and access to groundwater and surface water. But the importance of protecting and restoring source water cannot be overstated. Investment at the front end, at the water source, saves money on the treatment of the water further downstream at the treatment plant. The savings are documented: a Trust for Public Land and American Water Works Association study of 27 water suppliers found that every 10 percent increase in forest cover in a source watershed lowered treatment and chemical costs by about 20 percent.

Funding need. Wetland restoration is the only part of source water protection that can be roughly priced. At $5,000 per acre, the low end of the mitigation bank range, restoring the State's 500,000-acre goal would cost about $2.5 billion, the figure this report carries in its totals. The Water Use Advisory Council's monitoring and aquifer mapping needs (about $1.2 million one-time plus about $6.7 million a year) are small by comparison and are not included in the totals.

Gaps in the research. Because source water protection spans surface water and groundwater protection, land conservation, wetland restoration, contamination cleanup, and monitoring, no statewide funding estimate exists for the category as a whole. Estimates of remaining wetland acreage disagree (from 5.58 million to 6.4 million acres), and no agency has priced the State's own 500,000-acre restoration goal; the $2.5 billion figure above is an illustration based on out-of-state per-acre costs. The $600 million estimate for testing private wells for PFAS traces to a single official's statement.

Private Wells and Septic Systems

FUNDING NEED

One-time investment of $2.8 billion ($2.2 billion for septic replacement and $600 million for private well PFAS testing), plus $676 million a year for septic replacement



Septic tank installation. Photo: Jonathan Billinger, CC BY-SA 2.0, via Wikimedia Commons

Private wells and septic systems are household-level systems that draw groundwater and treat wastewater without ever touching a public utility. An estimated 1.3 million septic systems handle wastewater treatment on site for homes not connected to a municipal sewer, and roughly one million households draw drinking water from private wells rather than a public water system. Unlike in every other category in this report, responsibility for this infrastructure belongs almost entirely to individual homeowners rather than a utility or a municipality: there is no rate base to fund system replacement, no routine operator inspecting performance, and, as this section documents, in parts of the state no requirement to prevent, test for, or fix a failing system or contaminated well.

How we reviewed the data. This category has the weakest data foundation of the six, and the review largely consisted of tracing every failure rate estimate back to its origin to understand what it was counting. Most reports and advocacy documents use the 2016 21st Century Infrastructure Commission's estimate of approximately 130,000 failing systems (10 percent). EGLE's own communications, advocacy groups, and journalists ultimately trace back to it, even when they cite a different, higher number. We compared that lineage against EGLE's own operational data (the annual Statewide Sewage System Evaluation Summary) and against on-the-ground practice in counties that inspect septic systems at point of sale. None of the higher, more commonly repeated figures (20, 25, and 27 percent) could be traced to a study.

For wells, we looked for anything resembling a condition assessment or cost estimate and found none; Wellogic, the state's own well database, is a construction-and-location registry, not a condition survey, so we report that absence as a finding.

The failure rate estimates more than double depending on which one you use. The 2016 Commission figure (10 percent, or 130,000 of 1.3 million systems) is the only estimate with a traceable original calculation. Every subsequent figure is higher: EGLE's newsroom has said "more than 20 percent" are failing; a 2025 EGLE-adjacent source put it at "up to 25 percent"; the For Love of Water (FLOW) 2026 policy brief, citing EGLE, puts the figure at 25 percent (330,000 of 1.3 million systems); and the Michigan Environmental Council's campaign page cites a range as high as 27 percent. Field data support the higher end: the handful of counties that require septic inspection when a home is sold report failure rates of 20 to 25 percent.

The cost to maintain a septic system varies widely. Pumping out a system can cost a few hundred dollars. Maintenance, depending on the type of system and repairs needed, can cost a homeowner a few thousand dollars. A septic tank typically needs to be replaced every 20 to 40 years, depending on the material from which it is made. A conventional gravity system ranges from $7,000 to $15,000, while a mound system (more typical in Southeast Michigan with heavy clay soils) can cost $15,000 to $25,000 or more. The best Michigan-specific benchmark is EGLE's own Septic Replacement Loan Program: the 372 projects approved since the program began in 2024 total $6,285,964, an average of about $16,900 per system. At that cost, replacing the 10 percent of septic systems that are failing would cost about $2.2 billion, and about $5.5 billion if the 25 percent failure rate is the more accurate number.

Assuming that approximately 40,000 septic systems need to be replaced each year due to reaching the end of their designed life, the annual investment needed at the same average cost is about $676 million.

That assumes a service life of a little over 30 years for the state's 1.3 million systems. The American Society of Civil Engineers' (ASCE's) 2018 report card, which assumed a 25-year life (about 52,000 replacements a year), put the figure at $780 million per year.

SPOTLIGHT

The public health case for closing this data gap

A 2013 *Bridge Michigan* investigation, citing the State's prior estimate of septic failures, put the volume of untreated wastewater from failed septic systems at roughly 9.4 billion gallons a year, a direct measure of what an unquantified failure rate actually means downstream. FLOW's 2026 policy brief goes further, citing testing that found human fecal contamination in 100 percent of sampled Lower Peninsula rivers. That finding comes from a Michigan State University study that sampled 64 rivers draining 84 percent of the Lower Peninsula, detected a human fecal marker in every sample, and identified septic systems as the primary driver (Verhougstraete et al. 2015).

Wells have no data. Where septic systems at least have a contested range of estimates, private well conditions in Michigan have none. Wellogic records where a well was drilled and by whom; it says nothing about whether that well, or any other, is functioning safely today. No source we reviewed—state, academic, or advocacy—has produced a statewide well condition assessment or funding need of any kind. This means that an estimated 1 million households depend on water infrastructure whose condition the State cannot currently describe with any level of confidence.

Funding need. This report uses $2.2 billion to replace the roughly 130,000 systems estimated to be failing (10 percent), plus about $676 million a year for end-of-life replacements, both at the EGLE loan program average of about $16,900 per system. For private wells, the only priced need is MPART's estimate of about $600 million to test every well for PFAS (see Source Water Protection); the cost of repairing or replacing wells is unknown.

This category's data gap is not merely an accounting inconvenience; it is a public health and water quality problem that the State has no systematic way to assess, let alone price.

Gaps in the research. No statewide well-condition assessment exists. Roughly 1 million Michigan households rely on private wells, and no report evaluates their condition, failure risk, or remediation cost beyond PFAS testing. Septic failure rate estimates differ by more than a factor of two (10 percent to 25–27 percent), and EGLE's annual reporting does not cover 17 of 83 counties. The $2.2 billion replacement estimate rests on the lower failure rate and would rise to about $5.5 billion at 25 percent.

Gray Infrastructure

FUNDING NEED

$25.3 billion over the next 20 years, plus an estimated $2 billion for lead service lines

Gray infrastructure is the built, engineered plumbing of a water system, composed of the pipes, treatment plants, pump stations, storage tanks, and sewer lines that carry water from a source to a tap and wastewater away from it again. It covers two linked systems: drinking water infrastructure (treatment and distribution) and wastewater infrastructure (collection and treatment). Also included in this category is lead service line replacement.



Clarifier tanks at a wastewater treatment plant

How we reviewed the data. The analysis is largely taken from the two federal surveys that exist specifically to measure this need: EPA's Drinking Water Infrastructure Needs Survey and Assessment (DWINSA) and the Clean Watersheds Needs Survey (CWNS), both of which are congressionally mandated, recur on a set cycle, and use consistent methodology across states. In addition, the research drew on a 2025 federal addendum with an updated, materials-based lead service line count; EGLE's multidecade trend report on combined and sanitary sewer overflows; and utility-level financial documents.

The 2023 DWINSA puts Michigan's 20-year drinking water capital need at $16.26 billion, including:

- $11.69 billion in distribution and transmission pipe alone (72 percent of the total)
- $2.24 billion in treatment
- $1.11 billion in storage

On the wastewater side, the 2022 CWNS puts Michigan's total need at $15.072 billion, more than double the $7.0 billion the same survey found in 2008. That total covers every clean water category in the survey, including about $6 billion for stormwater management, which this report presents separately in the Stormwater section; the balance is roughly $9.1 billion.

The drinking water need alone now roughly equals the 21st Century Infrastructure Commission's entire 2016 estimate for drinking water and wastewater combined ($16 billion). Either the documented gap has grown substantially in less than a decade, or the earlier estimate understated it.

Michigan's Lead Service Lines

EPA's January 2025 DWINSA addendum provides a materials-based inventory: 183,756 confirmed lead-content lines and 245,236 projected total lines statewide, about 2.72 percent of the national total. EPA estimated lead service line replacement at $50 billion to $80 billion nationally, but no state-level cost estimate was produced alongside it.

Recent lead service line replacements in cities like Benton Harbor and Detroit have cost from $6,000 to upward of $10,000 per line. Using an average of $8,000 as a proxy, we estimate it will cost $1.96 billion to replace the 245,236 projected lines.

The wastewater trend line is a Michigan water quality success story, but it took sustained spending to get there. EGLE's 2020 combined sewer overflow (CSO) report documents uncontrolled CSO outfalls falling from 613 in 1988 to 102 in 2020—an 83 percent reduction achieved through more than $1.4 billion invested by Detroit Water and Sewerage Department and GLWA, plus $400 million in Grand Rapids and roughly $460 million in Dearborn, on top of $450 million historically through the State's Stormwater, Asset Management, and Wastewater (SAW) program and $207 million in a single year (2020) of Clean Water State Revolving Fund (CWSRF) loans for CSO or sanitary sewer overflow (SSO) work.

Sustained capital investment measurably closes an infrastructure gap, but the work is never finished. In February 2026, GLWA's CEO described the system as being "at an inflection point," with roughly 220 miles of drinking water pipe (a quarter of the regional network) now needing replacement at an estimated $1.2 billion, even after decades of investment toward the CSO progress above.

Funding need. The two federal surveys put Michigan's 20-year gray infrastructure need at about $25.3 billion: $16.26 billion for drinking water and about $9.1 billion for wastewater, after setting aside the roughly $6 billion stormwater share of the CWNS total (carried in the Stormwater section). The lead service line estimate adds about $1.96 billion, for about $27.3 billion in all.

Gaps in the research. The federal surveys count only utility-documented projects, so they tend to understate long-term need. The most recent statewide measure of what Michigan communities actually invest in water infrastructure is the 2004–2013 Census average cited in the executive summary; no current figure exists. Larger figures in circulation, such as the $40.5 billion drinking water and $44.2 billion clean water needs in ASCE's 2026 Michigan fact sheet, come from the Value of Water Campaign's November 2025 economic report, which extrapolates from the federal surveys to account for long-term needs and new regulatory requirements, such as PFAS removal, that utilities will face.

Finally, EPA's 2023 DWINSA counts some lead service line replacement need (about $45 billion of the $625 billion national total), so part of the separate $1.96 billion lead line estimate may already be inside Michigan's $16.26 billion.

Stormwater

FUNDING NEED

$6 billion over the next 20 years



Grand River flooding in downtown Grand Rapids, 2013. Photo: WMrapids, CC BY-SA 4.0, via Wikimedia Commons

Stormwater infrastructure manages rain and snowmelt runoff—the catch basins, storm sewers, retention ponds, and county drains that carry water off streets and land during and after a storm, as distinct from the sanitary sewer system that carries wastewater from homes and businesses. In much of Michigan's older urban infrastructure, the two systems were never separated: a single "combined sewer" was built to carry both stormwater and sanitary flow, which is why stormwater and wastewater needs can be hard to separate. Stormwater is also the category with the least centralized institutional ownership of the six: rather than a public water utility or a state agency running one program, it is managed piecemeal by county drain commissioners, road agencies, and municipalities, most without a dedicated source of revenue for it.

How we reviewed the data. The state's $6 billion stormwater need is documented in Category VI of the 2022 CWNS, the federal survey's dedicated stormwater management line. The frequently cited figure of $1 billion per year in Southeast Michigan is from the Southeast Michigan Council of Governments (SEMCOG) 2021 story map *The New Future of Water Infrastructure*, which places that figure inside a larger $3.5 billion per year regional need spanning drinking water, sanitary sewer, and stormwater. For flood impacts, we drew on Federal Emergency Management Agency (FEMA) and National Weather Service records, state emergency declarations, and university research.

Flooding is already costing Michigan billions. ASCE's 2023 report card counted seven federal disaster declarations in Michigan tied to severe storms or dam breaks in the preceding decade, and 2026 has added another federal major disaster declaration and a separate state emergency.

The damage from individual events is large:

- August 2014, Metro Detroit: A single afternoon of rain caused nearly $1.8 billion in damage, the costliest weather event in state history, according to the National Weather Service.
- June 2021, Southeast Michigan: Storms flooded freeways and tens of thousands of basements in Wayne, Oakland, Macomb, and Washtenaw Counties. FEMA paid more than $188 million on roughly 56,000 claims, and the US Small Business Administration approved another $119 million in disaster loans.
- April 2026, statewide: Record rain on top of late-season snowmelt affected 43 counties, washed out roads and culverts, and threatened dams from Cheboygan to Bellaire. The president approved a major disaster declaration on July 2, 2026, and one early estimate put the damage at more than $800 million.
- June 2026, northern Lower Peninsula: Four to seven inches of rain in a few hours washed out sections of M-66, M-88, and M-119 and collapsed culverts in Antrim, Cheboygan, and Emmet Counties, prompting another state of emergency.

These are not only once-in-a-generation events. A Wayne State University–led survey found that 43 percent of 4,667 Detroit households reported flooding in their homes between 2012 and 2020, and it linked recurrent flooding to asthma and other health problems. Risk is also wider than official maps show: First Street Foundation modeling identifies roughly four times as many Michigan properties at flood risk as FEMA's flood maps do.

Storms are getting heavier, and the systems were not built for them. Total annual precipitation in the Great Lakes region has increased about 14 percent since 1900, and the amount of rain falling in the heaviest 1 percent of storms has increased 35 percent since 1951. Most stormwater systems were built generations ago to do one thing: move rain off roofs, roads, and parking lots and into the nearest storm drain as fast as possible, sending it straight into a lake, river, or stream. Those systems were never designed for the frequency and severity of today's storms, and because they have gone years without adequate funding for maintenance, upgrades, or modernization, they are increasingly failing. When heavy rain hits, basements back up, streets and neighborhoods flood, and polluted runoff pours into our waterways.

No one has priced flood mitigation statewide, but the available estimates point to a need well beyond $6 billion. The CWNS figure counts only the stormwater projects communities documented for the federal survey. ASCE's Michigan Section estimated in 2018 that simply replacing storm sewers and manholes every 120 years and inlets and catch basins every 40 years would cost $400 million to $500 million per year statewide, or $8 billion to $10 billion over 20 years. SEMCOG puts the need for stormwater collection systems in Southeast Michigan alone at $1 billion or more per year through 2045.

And in the 2026 request cycle (for the FY 2027 budget), House members submitted 18 stormwater and flood control requests totaling $652.2 million, including a single $600 million request for Wayne County's North Branch Ecorse Creek (see Appendix B). **These estimates overlap and should not be added together.** A regional flood mitigation study that GLWA and the US Army Corps of Engineers began in 2024 should produce the first priced out plan for Southeast Michigan. What is already known is that mitigation costs less than recovery: the National Institute of Building Sciences, a nonprofit established by Congress, found in its 2019 *Natural Hazard Mitigation Saves* report that **every $1 invested through federal hazard mitigation grants saves $6 in future disaster costs, and $7 for riverine flood projects.**

Green infrastructure. Rain gardens, bioswales, permeable pavement, street trees, detention basins, and restored wetlands and floodplains hold rain where it falls instead of sending all of it into a pipe at once. An EPA review of 17 projects found capital savings of 15 to 80 percent in most cases compared with conventional designs, and a 2012 survey of 479 projects by the American Society of Landscape Architects and partners found that 75 percent cost the same as or less than gray alternatives. In Detroit, a 2023 analysis led by The Nature Conservancy found capital costs for 14 green stormwater projects ranging from about $0.05 to $1.48 per gallon managed and concluded that green infrastructure can be cost-competitive with gray infrastructure in some cases.

Michigan communities are already making these investments. Detroit's $40 million Far West stormwater project built two detention basins and green pathways in Rouge Park and disconnected downspouts at about 400 homes; it keeps an estimated 98 million gallons of stormwater a year out of the combined sewer system and aims to reduce basement backups and street flooding for roughly 1,200 homes. The Detroit Water and Sewerage Department has committed to investing $50 million in green stormwater infrastructure by 2029. Ann Arbor has funded stormwater through a dedicated utility since 1980, charging properties by impervious area and crediting owners who install rain gardens, and a study of a small set of its green projects estimated about $100 million in net benefits over 50 years. Even so, no statewide inventory, target, or cost estimate exists for green stormwater infrastructure, and the federal survey does not report it separately.

Funding stormwater infrastructure. Michigan has about ten stormwater utilities, compared with more than 200 in Wisconsin and more than 100 each in Minnesota and Ohio, in part because a 1998 Michigan Supreme Court decision, *Bolt v. City of Lansing*, left communities unsure whether a stormwater fee would survive a legal challenge. County drains are paid for through assessments on the properties they serve, and no statewide estimate of county drain investment needs exists. A 2024 change to the Drain Code doubled the amount drain commissioners can spend on routine maintenance without a petition, to $10,000 per mile per year. ASCE's 2018 study implies that industry-standard replacement schedules would require roughly $7,000 to $14,000 per mile per year.

The new limit falls within that range, but it caps what commissioners may spend without a petition; it does not provide any new funding.

Funding needs. This report uses the $6 billion CWNS stormwater figure in totals as a baseline. The ASCE replacement-schedule estimate ($8 billion to $10 billion over 20 years) and SEMCOG's Southeast Michigan estimate suggest the true need is considerably higher, and none of these figures fully counts flood mitigation or green infrastructure.

Gaps in the research. No statewide estimate exists for flood mitigation, county drain investment, or green stormwater infrastructure, and there is no statewide count of county drain miles or planned investments from which to build one.

Water Assistance

FUNDING NEED

$181 million annually

Water assistance is the financial aid, emergency grants, or structural support designed to help low-income or vulnerable households afford critical residential drinking water and wastewater services. Affordability, by contrast, is long-term structural ability to pay for water based on income, and is commonly measured against EPA's traditional benchmark of combined water and sewer bills at or below 4.5 percent of median household income. Studies vary: the University of Michigan assessment cited below uses 5 percent of household income, and the affordability tiers in PSC's analysis cap bills at 2 or 3 percent of income for low-income households.

WATER BILL	Sample
Water service	$42.18
Sewer service	$38.40
Stormwater fee	$6.25
Assistance payment applied	**–$40.00**
Amount due	**$46.83**

Illustrative sample bill showing an assistance credit; amounts are hypothetical.

Inflation-adjusted average Michigan water costs have risen 188 percent since 1980, and as much as 320 percent in some cities—over the same period that the federal government's share of national water infrastructure capital spending fell from 50 to 60 percent in the late 1970s and early

1980s to about 7 percent in 2021. As federal capital dollars receded, the cost of replacing aging pipes and plants shifted onto local ratepayers, and water bills rose to cover it, exacerbating an affordability challenge and creating an assistance crisis.

How we reviewed the data. PSC's 2023 water rate study, a direct survey of 470 Michigan utilities covering 69 percent of the state's population, provided most of the investment needs data for this category. The research was conducted on behalf of State Senator Stephanie Chang's water assistance workgroup, which developed the parameters for the affordability analysis, with gap payment levels aligned with the following guidelines:

- Households with incomes below 135 percent of the federal poverty level (FPL): Combined water and sewer bill must be less than 2 percent of average household income.
- Households with incomes between 136 and 200 percent of the FPL: Combined water and sewer bill must be less than 3 percent of average household income.

Water/sewer rates were broken down into separate price-per-gallon, price-per-person, and fixed-cost estimates for each water utility, and the median price-per-person cost and median fixed cost were then calculated for each geographic area of analysis. PSC then estimated the number of households that would qualify for a water assistance program based on the above guidelines. PSC used US Census Bureau Public Use Microdata Sample (PUMS) data to generate estimates in each geographic area of analysis, accounting for household size, poverty level, annual household income, and water service charges. Estimates were made for each Public Use Microdata Area (PUMA) in the state.

The University of Michigan's 2024 update of its statewide affordability assessment found that 6.07 percent of Michigan households, about 145,400, pay more than 5 percent of their income for water and sewer service. The burden is heaviest in Wayne County, where 10.66 percent of households (55,631) exceed that threshold, followed by Berrien, St. Clair, and Muskegon counties. The statewide average household bill is about $697 a year.

Water utility bill assistance today is temporary and patchwork. The federal Low Income Household Water Assistance Program (LIHWAP), created during the pandemic, helped 20,218 Michigan households by mid-2023 before it expired. Since then, the Michigan Department of Health and Human Services (MDHHS) has funded assistance through community action agencies; its $35 million Water Affordability Program, which ran from April 2024 through September 2026, had served 21,555 households and spent $20.7 million as of June 2025, with up to $3,000 a year in bill assistance per household. Ongoing state support is much smaller: the FY 2026 budget and the FY 2027 budget approved by the legislature each include $5 million for water affordability assistance.

Local programs fill part of the gap but depend on short-term money. Detroit's Lifeline Plan, launched in 2022 with $15 million, served as many as 29,000 households before its reserves ran out; its replacement, Lifeline H2O, is funded with $3.5 million in regional assistance through the Great Lakes Water Authority (GLWA), enough for about 5,000 households, and had 4,711 enrolled in May 2026.

SPOTLIGHT

GLWA's Water Residential Assistance Program

GLWA operates one of Michigan's largest utility-funded water assistance programs, the Water Residential Assistance Program (WRAP). WRAP aids households at or below 200 percent of the FPL within GLWA's service territory, including help paying down past-due balances and water and sewer bill payment assistance for up to two years. Bill credits hold a household's payment to about 3 percent of income, with a $25 minimum benefit; arrearage assistance covers up to $1,200 in each of the first two years; and conservation and healthy home services provide up to $2,000 in repairs. Eligible seniors and people with permanent disabilities can obtain bill credit assistance without an expiration date. GLWA funds the program with one-half of 1 percent of its budgeted revenues: about $4.4 million across its service areas in FY 2025, or roughly $6.7 million counting additional Detroit funding.

Assistance and infrastructure are two sides of the same ledger. Every dollar of capital need documented elsewhere in this report will ultimately be paid by someone, and as federal support has shrunk, that someone has increasingly been the ratepayer. Without assistance sized to the need, the investment this report calls for will push more households past the affordability threshold, increasing the need for a statewide solution to water utility bill assistance.

Funding needs. Using the parameters developed by Senator Chang's workgroup, PSC estimates that approximately $181 million per year would be needed to subsidize the estimated 394,881 Michigan households that qualify for assistance, with average subsidies ranging from $201 to $664 per household per year depending on household income and water bill. PSC's study also models a straightforward funding mechanism: a flat per-meter monthly fee applied across the state's 2,633,607 retail connections. For context, a $2-per-month charge would raise approximately $63 million a year.

Gaps in the research. The $181 million estimate reflects 2023 rates and assumes every eligible household that pays a water bill enrolls; participation in assistance programs is typically lower, which is why the University of Michigan's estimate assuming 40 percent enrollment is about $75 million. No state agency tracks shutoffs, past-due balances, or participation across local programs, and households whose water costs are folded into rent are not captured by bill-based estimates.

Dams

FUNDING NEED

$980 million

Dams are barriers that hold back water to form lakes, ponds, and reservoirs for hydropower, recreation, water supply, or flood control, or to maintain lake levels. Michigan has more than 2,500 of them. In this report, dam infrastructure means the structure itself (its embankments, spillways, and gates) and the cost of repairing, rehabilitating, or removing it.



Sturgis Dam on the St. Joseph River, St. Joseph County. Photo: Drdpw, CC BY-SA 4.0, via Wikimedia Commons

The main risk dams pose is not the gradual degradation seen elsewhere in this report, but sudden, catastrophic failure. A dam in poor condition can function normally for decades and then fail in hours, as Michigan learned directly in May 2020 when the Edenville and Sanford Dams suffered catastrophic failures. Dams also differ from every other category in this report in a second way: ownership is mixed. Many of Michigan's dams, including the ones that failed in 2020, are or were privately owned, which means the State's dam safety role is largely about inspecting, regulating, and, where necessary, forcing action on infrastructure it does not own and did not build.

How we reviewed the data. Data on dams comes from a top-down statewide estimate, an independent peer review of the State's dam safety program, a detailed state inventory, and an audited reconstruction project against which we could check statewide estimates. We started with the 21st Century Infrastructure Commission's pre-failure 2016 estimate and compared it against ASDSO's March 2025 national rehabilitation cost study. This information was also checked against both EGLE's own current dam inventory and a 2020 study of the State's dam safety program's capacity.

Finally, we cross-checked the data against the Four Lakes Task Force's actual, itemized cost to rebuild the four dams that failed or were damaged in 2020, to compare a statewide extrapolation against an ongoing rebuild.

The Four Lakes Task Force's rebuild of the four Midland-area dams—Edenville, Sanford, Secord, and Smallwood—is the clearest real-world cost benchmark in this report. The task force puts the estimated project cost at approximately $364 million. The 2020 failures also caused more than $200 million in property damage to households and businesses below the dams.

Since 2020, the State has awarded $44 million through the Dam Risk Reduction Grant Program to repair or remove 57 privately owned dams, plus roughly $50 million in emergency grants that are now fully spent or committed.

Funding needs. Before the Edenville and Sanford dam failures, the 21st Century Infrastructure Commission's 2016 estimate put Michigan's additional dam funding need at $225 million to $227 million over 20 years. ASDSO's March 2025 study, the current best national methodology for pricing dam rehabilitation, puts it at $980 million across 986 assessed dams, including $300 million for the 168 dams rated high hazard potential. This report carries the ASDSO figure. The Four Lakes rebuild alone, about $364 million for four dams, equals more than a third of that statewide estimate, which suggests the $980 million is conservative.

Gaps in the research. ASDSO's estimate covers 986 assessed dams, while Michigan has more than 2,500, so the condition and repair cost of many smaller dams is unknown. Ownership adds uncertainty: for privately owned dams, the State can order repairs but cannot readily estimate or compel the investment, and the 2020 peer review found the State's dam safety program is understaffed for its workload.

FUNDING NEEDS ANALYSIS

Across the categories that can be priced, Michigan's one-time capital need totals **roughly $39.6 billion**, plus about $860 million a year in ongoing costs (Exhibit 1). These figures do not consider the condition of private wells, source water protection beyond wetlands, and flood mitigation, among other categories. Confidence ratings reflect the source behind each figure: high for a federal survey or published engineering methodology, medium for a calculation that rests on an assumed unit cost or rate, and low for a single-source estimate.

EXHIBIT 1

Michigan Water Infrastructure Funding Needs by Category

Category	Best Available Statewide Estimate	Basis/Time Horizon	Confidence Factor
Source water protection (groundwater and source water)	Unknown	No estimate exists for surface water and groundwater protection	Not rated
Source water protection (wetlands)	$2.5 billion	State's 500,000-acre restoration goal at $5,000 per acre (low end of mitigation bank costs)	Low
Private wells	$600 million (PFAS testing only)	MPART estimate to test all private wells for PFAS; no statewide condition assessment exists	Low
Septic systems	$2.2 billion one-time; $676 million/year	Replace 130,000 currently failing systems, then about 40,000 end-of-life replacements a year, at about $16,900 each (average of EGLE Septic Replacement Loan Program projects)	Medium
Gray infrastructure—drinking water	$16.26 billion	20-year capital need (EPA 2023)	High
Gray infrastructure—wastewater/clean water	$9.1 billion	20-year capital need (2022 CWNS state total of $15.072 billion, less the roughly $6 billion stormwater category shown below; EPA 2024)	High
Gray infrastructure—lead service lines	$1.96 billion	245,236 projected lines (EPA 2025) at an assumed $8,000 per line (PSC estimate)	Medium
Stormwater	$6 billion	20-year statewide need (2022 CWNS Category VI; EPA 2024)	High
Water assistance	$181 million/year	Annual subsidy, 394,881 households (PSC 2023)	High
Dams	$980 million	Rehab cost, 986 assessed dams (ASDSO 2025)	High
Total, priced categories	**$39.6 billion one-time; $857 million/year**		

Source: Information synthesized by PSC and the University of Michigan Water Center from the sources cited in each category section.

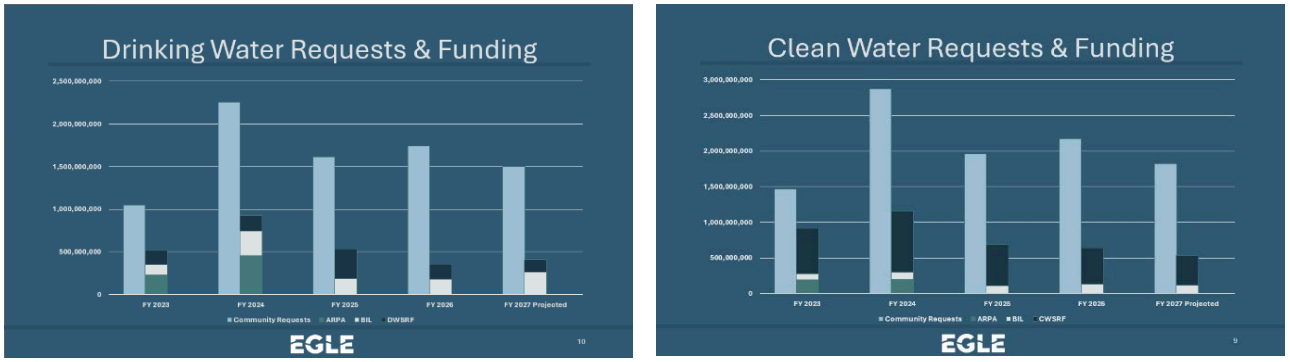
State Funding to Date

The most significant recent state commitment to water infrastructure funding was Public Act 53 of 2022, the $4.7 billion infrastructure supplemental signed in March 2022. Most of that was federal money routed through the drinking water and clean water revolving funds ($1.27 billion from the American Rescue Plan Act and $506 million from the Bipartisan Infrastructure Law), including about $259 million earmarked for lead service line replacement. It also included $43.2 million for dam risk reduction and $35 million for a failing septic system loan program, and the act separately provided $200 million toward rebuilding the Four Lakes dams.

Historical data show the revolving funds were once underutilized. But the BIL money, which included loan forgiveness and grants for lead service lines, led to a surge in interest: in the FY 2025 cycle alone, 246 applicants requested $3.6 billion (Exhibit 2). This suggests that demand has always existed, but that the reliance on loans rather than grants, along with program scoring and administrative burdens, kept many communities from applying.

EXHIBIT 2

Clean Water and Drinking Water State Revolving Fund Requests



Source: Boeskool and McDonald 2025

Legislatively Directed Spending Demonstrates Need

In requests for the FY 2027 budget, House members submitted 108 water infrastructure requests totaling $954.4 million, more than a third of all dollars requested. Counting Senate-only requests, 125 distinct water projects worth about $1.02 billion were requested by 78 of 148 legislators from both parties (43 Republicans and 35 Democrats), for communities in 42 of 83 counties. Appendix A analyzes these requests in more detail, and Appendices B (House) and C (Senate) list each one.

The demand is broad. Fifty-six of 110 House members, more than half, asked for at least one water project. For 19 of them, a water project was their single largest request, and for 13, water made up at least half of their ask. In the Senate, 22 of 38 senators, a majority of both parties' members, asked for at least one water project.

It is the top ask for local governments. Of the 366 requests made on behalf of cities, villages, townships, and counties, 100 (27 percent) were for water systems, accounting for 59 percent of the dollars (34 percent without the $600 million Ecorse Creek request). Local governments asked for more water projects than road, bridge, and trail projects. In the Senate, water accounted for about 20 percent of local government requests (40) and 23 percent of their dollars ($105.9 million).

EXHIBIT 3

FY 2027 Water Infrastructure Requests by Type, House and Senate Combined

Type of Project	Requests	Amount Requested
Drinking water	50	$142.1 million
Sewers and wastewater	43	$185.2 million
Stormwater and flood control	22	$662.7 million
Combined water and sewer	8	$21.7 million
Seawalls	2	$11.0 million
Total	**125**	**$1,022.7 million ($422.7 million without the $600 million Ecorse Creek request)**

Source: Michigan House and Senate legislatively directed spending portals, 2026 request lists; PSC review of every request form, October 2026. Projects requested in both chambers are counted once, at the House amount. The stormwater total includes the single $600 million request.

Ultimately, the FY 2027 budget included 21 legislator-directed water projects totaling $27.9 million, less than 3 percent of the amount requested. From FY 2023 through FY 2027, the legislature enacted 67 such projects totaling $177.8 million.

MUNICIPAL CAPITAL INVESTMENT NEEDS

Exhibit 1, in the Funding Needs Analysis section, is a top-down, statewide estimate, taken from a survey or a commission working from aggregate data to a single number for the whole state. This section inverts that approach: it reports what individual Michigan municipalities and utilities have adopted in capital improvement plans (CIPs), as the water, sewer, and stormwater work they expect to need over the next five to ten years. **These are not enacted appropriations, awarded grants, or explicitly funded projects.** A CIP is a planning document, representing the judgment of a local water or sewer utility, or a city finance department, of what its system needs, independent of whether the State, the legislature, or a federal program ever provides the money to build it, and a municipality can (and often does) revise, defer, or fail to fund line items inside it.

How this sample was built. The project team independently searched municipal and regional authority websites for publicly posted CIP documents. It is deliberately scoped as an initial survey, not a census, and gives priority to Michigan's largest municipalities by population. Across the more than 30 entities with extracted data, the sample identifies more than $4.7 billion in planned water, wastewater, and stormwater capital investment: $2.56 billion in drinking water, $1.99 billion in wastewater/sewer, and $234 million in stormwater or other categories (full table in Appendix D). This partial sample, which includes only 21 of Michigan's 50 largest municipalities, already identifies $4.7 billion in planned investment over ten years or less, is telling and confirmation of the scale of the statewide need this report identifies from the top down.

CONCLUSION

Michigan's water infrastructure needs at least $39.6 billion in one-time investment over the next 20 years, plus about $860 million a year in ongoing costs, to reach a state of good repair. That figure accounts only for what has been measured: the federal surveys of drinking water, wastewater, and stormwater needs; the cost of replacing lead service lines; the cost of restoring 500,000 acres of wetlands; the estimated cost of rehabilitating the state's assessed dams; the cost of replacing failing and aging septic systems; the cost of testing private wells for PFAS; and the cost of keeping water bills affordable for low-income households. It does not count the condition of a million private wells, the broader protection of the lakes, rivers, and aquifers that supply them, or the full cost of protecting homes and roads from flooding, because no one has measured those needs. Against that, Michigan communities historically invested about $1.14 billion a year in water capital, and the recent surge in state spending was built largely on federal dollars that are now winding down.

The six categories are one system. The One Water framework is not an abstraction; the research shows the categories failing together. When the Edenville and Sanford Dams failed in May 2020, the flood overwhelmed Midland's wastewater treatment plant, and that single event accounted for nearly half of all the sanitary sewer overflow volume reported statewide that year. Failing septic systems are the primary driver of the human fecal contamination found in all 64 Lower Peninsula rivers sampled by Michigan State University researchers, the same surface water that becomes source water downstream. Heavy rain sends stormwater into combined sewers, which discharged 3.84 billion gallons of untreated overflow in 2020 even after decades of investment. Michigan's remaining wetlands provide an estimated $4.77 billion a year in flood protection while filtering the water that feeds drinking water intakes and wells. And every capital dollar spent on pipes, plants, and dams eventually reaches household bills, which have risen 188 percent since 1980 after inflation. Investments in one category protect, or undermine, the others.

Michigan pays for water infrastructure one crisis and one project at a time. The state's largest water investments have followed emergencies or arrived as one-time federal dollars: $180 million after Flint, $200 million after the Midland-area dam failures, and roughly $1.9 billion for water in the 2022 infrastructure supplemental. In the 2026 request cycle alone, legislators sought about $1.02 billion for 125 local water projects, more than five times the $177.8 million in legislator-directed water projects enacted over five budget years. Those requests show that communities cannot fund this work through rates alone, and that lawmakers in both parties know it. Funding the need at the district level after failures occur is a backward way of investing in the state's most critical infrastructure.

Water defines Michigan. The question this report raises is not whether the state will pay for its water infrastructure, but whether it pays through planned investment that treats water as one system, or in piecemeal fashion one failure at a time and at a much higher price.

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APPENDIX A: ANALYSIS OF LEGISLATOR-DIRECTED WATER INFRASTRUCTURE SPENDING REQUESTS, FY 2027

Legislators were required to submit legislatively directed spending requests electronically before the budget was adopted. For the FY 2027 budget, members of both chambers submitted 1,337 requests, 152 of them for water infrastructure. Because 27 Senate water requests duplicate House requests, those 152 represent 125 distinct projects. Exhibit A1 compares the two chambers.

EXHIBIT A1

House and Senate Water Infrastructure Requests Compared

Measure	House	Senate	Both Chambers (Each Project Counted Once)
All requests submitted	786	551	—
Total dollars requested, all purposes	$2.66 billion	$1.75 billion	—
Members who submitted requests	99 of 110	35 of 38	—
Water infrastructure requests	108 (13.7% of requests)	44 (8.0% of requests)	125
Water infrastructure dollars	$954.4 million (35.9%)	$126.9 million (7.3%)	$1,022.7 million
Water dollars without the $600 million request	$354.4 million (17.2%)	$126.9 million	$422.7 million
Members with at least one water request	56 of 110	22 of 38	78 of 148
Counties with a water request	38	18	42
Median water request	$1.8 million	$1.9 million	$1.8 million

Source: Michigan House and Senate legislatively directed spending portals, 2026 request lists; PSC review of every request form, October 2026. 27 of the 44 Senate water requests duplicate House requests.

Exhibit A2 shows the distribution of requests across regions of the state.

EXHIBIT A2

Water Infrastructure Requests by Region

Region	House	Senate	Both Chambers (Each Project Counted Once)
Metro Detroit (Wayne, Oakland, Macomb)	37	22	44
East Central, Flint and the Thumb	34	5	35
South Central and Southwest	10	5	13
Southeast outside Metro Detroit	9	6	12
West Michigan	11	0	11
Northern Lower Peninsula	6	3	7
Upper Peninsula	1	3	3
Total	**108**	**44**	**125**

Source: Michigan House and Senate legislatively directed spending portals, 2026 request lists. Regions combine the state's ten prosperity regions into seven and follow the ZIP code of the recipient's listed address, which is a headquarters address for some regional recipients (GLWA is counted in Metro Detroit).

Appendices B (House) and C (Senate) list each water-related request.

APPENDIX B: HOUSE FY 2027 WATER-RELATED REQUESTS

House FY 2027 Water-Related Requests

Lawmaker	Amount Requested	Recipient	What the Request Is For
Drinking water (43)			
Rep. Luke Meerman	$17,000,000	City of Coopersville	Construct a new 20-inch water transmission main from the Grand Rapids system to Coopersville, backing up a single 53-year-old main
Rep. Bradley Slagh	$10,000,000	Georgetown Charter Township, Ottawa County	Construct a water transmission line along Baldwin Street to the storage tanks, securing supply for Georgetown Township, Blendon Township, and Grandville
Rep. Tim Kelly	$6,570,000	City of Carson City	Replace aging water mains and lead or galvanized service lines in Carson City, whose system also serves a state correctional facility
Rep. Rylee Linting	$6,500,000	City of Southgate	Line 19,288 feet of Southgate's most failure-prone water mains, many over 70 years old, using cured-in-place pipe
Rep. Phil Skaggs	$6,100,000	Cascade Charter Township	Connect at least 240 homes with PFAS-contaminated wells in the Aspen Woods area to municipal water
Rep. Noah Arbit	$5,400,000	Cass Lakeside Community Association	Replace 20,000 feet of 100-year-old water main serving 240 households, eliminating lead service lines and leaks and improving fire flow
Rep. Mike Mueller	$4,170,010	City of Linden	Final phase of switching Linden's drinking water from an aging municipal groundwater system to county-supplied Lake Huron water
Rep. Ron Robinson	$3,730,000	City of Utica	Replace deteriorating water mains installed in the 1950s and later in Utica
Rep. Reggie Miller	$3,330,182	Sumpter Township	Replace about 1.5 miles of 1969 12-inch water main on Willow Road that has broken nine times in eight years
Rep. William Bruck	$3,000,000	Whiteford Township Water Plant	Fully upgrade the township water plant: build a water tower, expand the plant, and replace ultra and nano filters
Rep. Gregory Alexander	$2,400,000	Sebewaing Light and Water	Replace aging cast iron and asbestos cement water mains with PVC lines
Rep. Pat Outman	$2,400,000	Edmore Village Manager	Address critical failures in the Village of Edmore's drinking water system documented by EGLE
Rep. Matthew Bierlein	$2,200,000	Village of Akron	Improve the Village of Akron's drinking water system, which lacks pressure and storage and has EGLE-documented deficiencies
Rep. Mike Hoadley	$2,200,000	City of Rose City	Water main replacements and extensions to loop the system, plus a booster pump, for Rose City's public water supply
Rep. Angela Witwer	$2,000,000	Windsor Township in Eaton County	Connect the Grand Pointe subdivision and nearby homes, now on an aging private well, to Lansing Board of Water and Light municipal water
Rep. Brad Paquette	$2,000,000	Niles Charter Township, 320 Bell Road, Niles, MI 49120	Extend the municipal water main about 1.5 miles along Niles Buchanan Road to the US-31 bypass, replacing low-producing wells at an assisted living center
Rep. Emily E. Dievendorf	$2,000,000	City of Grand Ledge	Replace an unstable 118-year-old 8-inch cast-iron water main running under the Grand River to the city water tower

Lawmaker	Amount Requested	Recipient	What the Request Is For
Rep. Gregory Alexander	$2,000,000	Village of Clifford	Build an iron removal treatment facility and related water treatment upgrades
Rep. Regina Weiss	$2,000,000	Royal Oak Township	Improve early-1900s water infrastructure in Royal Oak Township that is prone to breaks and lacks fire-flow pressure
Rep. Parker Fairbairn	$1,800,000	City of East Jordan	Water capacity and fire-suppression upgrades to support expansion of East Jordan's industrial park
Rep. Jay DeBoyer	$1,765,050	Cottrellville Township	Replace about 100 aging shared water service laterals along River Road with individual laterals
Rep. Jason Hoskins	$1,765,000	City of Lathrup Village	Replace about 4,100 feet of nearly 100-year-old cast-iron water main along Lathrup Boulevard
Rep. Jay DeBoyer	$1,200,000	City of Marine City	Replace Marine City's failing, piecemeal water meter system
Rep. Regina Weiss	$1,100,000	City of Oak Park	Replace a 1950s water main on Pearson from Marlow to Coolidge
Rep. Dylan Wegela	$1,075,000	City of Garden City	Replace 2,200 feet of break-prone 8-inch water main on Kathryn Street
Rep. Gregory Alexander	$1,000,000	City of Croswell	Water distribution improvements on the north and west sides, including replacing a critical water main under the Black River and lead service lines
Rep. Gregory Alexander	$1,000,000	The City of Caseville	Capital improvements at the Regional Water Treatment Plant (filter membranes, turbidity monitoring, SCADA controls) serving Caseville, Pigeon, and Caseville Township
Rep. Gregory Alexander	$1,000,000	Village of Carsonville	Construct two new municipal wells to replace three wells with arsenic above drinking water standards
Rep. Julie M. Rogers	$1,000,000	The City of Kalamazoo	Identify and replace lead service lines as part of Kalamazoo's plan to replace every lead line
Rep. Jamie Thompson	$999,998	City of Rockwood	Replace aging water mains in areas with above-average breaks
Rep. Jennifer A. Conlin	$988,000	Barton Hills Village	Replace fire hydrants and control gate valves and upgrade the water tower in a 90-year-old public water system
Rep. Dave Prestin	$950,000	City of Menominee	Restore water pressure for fire-suppression in the Menominee Industrial Park, lost when the water tower was decommissioned
Rep. Gregory Alexander	$750,000	The City of Brown City	Construct a new municipal water supply well to replace 50-year-old production wells
Rep. Mike Mueller	$700,000	Lake Fenton Community Schools	Offset the cost of connecting four Lake Fenton school buildings, now on wells in a high-arsenic aquifer, to municipal water
Rep. Ken Borton	$641,000	City of Gaylord	Replace one-third of Gaylord's 20-year-old water meters, which are causing a 13% loss in water and sewer revenue
Rep. Timothy Beson	$600,000	Bangor Charter Township	Build a 12-inch water main loop under the Kawkawlin River and replace about 30 lead service lines
Rep. Dylan Wegela	$532,500	City of Garden City	Replace 1,320 feet of break-prone 6-inch water main on Brown Street with 8-inch pipe
Rep. Reggie Miller	$475,000	City of Milan	Loop and reline a repeatedly failing water main in northwest Milan
Rep. Bill G. Schuette	$450,000	City of Beaverton	Install water mains and valves so main breaks can be isolated, and to support future housing development
Rep. Pat Outman	$350,000	City of Belding	Relocate and upsize 5,400 feet of aging cast-iron water main from under the M-44 driving lane
Rep. Noah Arbit	$297,000	Cass Lakeside Community Association	Eliminate known and suspected lead service lines

Lawmaker	Amount Requested	Recipient	What the Request Is For
Rep. Noah Arbit	$250,000	Cass Lakeside Community Association	Replace or refurbish two wells supplying water to 240 households
Rep. Cynthia Neeley	$300,000	Flint Community Lab	Independent community water quality testing for Flint residents plus youth workforce and STEM training
Multiple systems (14)			
Rep. Cam Cavitt	$6,900,000	City of Alpena	Install pavement plus water and sewer along Woodward Road and a road extension to Hemlock Lane (1.54 miles)
Rep. Jamie Thompson	$3,750,000	City of Taylor	Lead service line replacement, sanitary sewer rehabilitation, storm drain improvements, and road repairs in Taylor
Rep. Brad Paquette	$3,000,000	City of Buchanan in partnership with Bertrand Charter Township	Extend water and sewer lines from the City of Buchanan to Bertrand Crossing Industrial Park
Rep. Jennifer A. Conlin	$2,950,000	Pinckney Core Infrastructure Renewal Project	Coordinated road, sewer, and water main improvements in the Village of Pinckney
Rep. Gregory Alexander	$1,810,000	City of Sandusky	Replace failing water main and sanitary sewer and rebuild the road along about 2,000 feet of Lexington Street
Rep. Ken Borton	$1,678,500	Mancelona Area Water and Sewer Authority (MAWSA)	Extend water and sewer to an unserved area and bolster the small wastewater treatment plant
Rep. Gregory Alexander	$1,200,000	The Village of Peck	Install an 8-inch water main to loop the system, build a storm sewer system, and reconstruct roadway and system controls in Peck
Rep. Tim Kelly	$400,000	Clinton County Catalyst	Extend water and sewer to the M-21 and US-127 interchange to unlock private development
Rep. Kathy Schmaltz	$5,000,000	Jackson College	Replace failing underground water, sewer, drainage, and electrical systems in Jackson College's campus core
Rep. Dave Prestin	$4,000,000	City of Escanaba	Construct 9th Avenue North and North 26th Street near the U.P. State Fairgrounds, including new storm sewer, sanitary sewer, and water main
Rep. Ken Borton	$3,600,000	Village of Roscommon	Public infrastructure (lift station, sewer, water, roads) for a 149-unit housing development in Roscommon
Rep. Curtis S. VanderWall	$2,500,000	City of Hart, MI	Complete full reconstruction of State Street, replacing aging water mains, sanitary sewer, and lead service lines beneath the roadway
Rep. Mike Mueller	$2,500,000	Charter Township of Fenton	Improvements at the Thompson Road and US-23 interchange corridor, including access to municipal water and sewer
Rep. Peter Herzberg	$2,500,000	Building and Planning Department City of Westland	Create a local Housing Infrastructure Assistance Fund to offset water main, sewer, stormwater, and road costs of large housing developments
Shoreline/seawall (5)			
Rep. Veronica A. Paiz	$10,000,000	Charter County of Wayne	Rehabilitate and strengthen the existing seawall protecting Lake Shore Road from high water
Rep. Veronica A. Paiz	$1,000,000	Village of Grosse Pointe Shores	Repair the existing seawall in Grosse Pointe Shores
Rep. Jennifer A. Conlin	$1,909,621	Northfield Township	Reinstate funding for Northfield Township's shoreline park, restoring the shoreline to a more natural state
Rep. Noah Arbit	$1,300,000	City of Keego Harbor	Reconstruct Brock Street with shoreline stabilization and dredging of the adjacent canal

Lawmaker	Amount Requested	Recipient	What the Request Is For
Rep. Will Snyder	$1,000,000	Muskegon County	A lakefront master plan and seawall reinforcement at Muskegon's cruise ship dock
Stormwater/drainage/flood control (27)			
Rep. Tyrone Carter	$600,000,000	Charter County of Wayne–North Branch Ecorse Creek Petition Project	North Branch Ecorse Creek petition project: drain reconstruction, regional stormwater detention, crossing replacements, floodplain storage, and home buyouts
Rep. Alabas A. Farhat	$15,000,000	Charter County of Wayne	Rehabilitate six pump houses in high-risk flood zones with larger pumps, backup generators, and modernized electrical systems to reduce roadway flooding
Rep. Angela Witwer	$10,000,000	Eaton County	Contribution toward the roughly $60 million Bank Intercounty Drain project to upgrade failing drainage and reduce flooding in Delta and Lansing Townships
Rep. Tyrone Carter	$5,000,000	Charter County of Wayne–North Branch Ecorse Creek Drain Maintenance project	Maintenance to restore the North Branch Ecorse Creek Drain to its historical capacity
Rep. Denise Mentzer	$3,000,000	City of Mount Clemens	Combined sewer separation on several streets to reduce street flooding, sewer backups, and basement flooding
Rep. Tom Kuhn	$3,000,000	OAKLAND COUNTY WATER RESOURCES COMMISSIONER	Study, plan, and improve an underused regional stormwater detention basin in Troy (about 33 million gallons) and launch a detention credit program
Rep. Alicia St. Germaine	$2,000,000	Macomb County Public Works	Inspect and repair aging stormwater drains serving Roseville, Eastpointe, and St. Clair Shores to reduce flooding and pollution to the Clinton River and Lake St. Clair
Rep. Kimberly Edwards	$2,000,000	SE Macomb Stormwater Asset Management	Inspect, assess, and rehabilitate critical stormwater infrastructure in southeast Macomb County
Rep. Ron Robinson	$2,000,000	Macomb County Public Works	Finish daylighting the Sterling Relief Drain between Van Dyke and Ryan Road into an open channel with flood storage
Rep. Tom Kuhn	$2,000,000	Macomb County Public Works Office	Final phase of daylighting the Sterling Relief Drain between Van Dyke and Ryan Road to reduce flood risk (second submission)
Rep. Donni Steele	$1,952,000	City of Auburn Hills	Storm water infrastructure repairs and improvements identified in the city's Storm Water Asset Management Plan
Rep. Denise Mentzer	$1,500,000	Macomb County Public Works	Inspect and map aging storm drains in Clinton Township and Mount Clemens, correct deficiencies, and strengthen illicit discharge detection and spill response
Rep. Joseph A. Aragona	$1,500,000	Macomb County Public Works	Extend flood management improvements along the Middle Branch of the Clinton River upstream to Hayes Road
Rep. Gregory Alexander	$1,000,000	The Village of Sebewaing	Repair the most severely deteriorated sections of the village's 17-mile storm sewer system
Rep. Rachelle Smit	$1,000,000	Allegan County Drain Commissioner	Improve the failing, undersized Bates Drain storm sewer system causing chronic flooding in Dorr Township
Rep. Matthew Bierlein	$800,000	Flint River Dike Erosion & Control Board	Repair critically eroded sections of the Flint River dikes
Rep. Jennifer A. Conlin	$400,000	Lyndon Township	Control untreated stormwater and sediment running off Guinan Drive into Sugarloaf Lake through drainage improvements
Rep. Carol Glanville	$60,000	City of Grandville	Install two check valves in storm sewer lines discharging to the Grand River to stop backflow flooding

Lawmaker	Amount Requested	Recipient	What the Request Is For
Rep. Kathy Schmaltz	$12,500,000	Huron River Watershed Council	Seed funding for the Rain Catchers Collective to expand residential rain gardens and green stormwater infrastructure across Southeast Michigan
Rep. Ken Borton	$8,000,000	City of Lake City	Reconstruct a state highway through Lake City and upgrade storm drains that flow into Lake Missaukee
Rep. Angela Witwer	$2,900,000	Delta Township	Emergency reconstruction at the Carrier Creek crossing on M-43: failed retaining wall, storm sewer, and sidewalk/pathway damaged by erosion
Rep. Nancy Jenkins-Arno	$2,500,000	Lenawee Now	Adrian Riverfront Project: stabilize aging riverbanks, improve flood mitigation, and reuse bridges and utilities
Rep. Tonya Myers Phillips	$2,050,000	City of Hamtramck	Reconstruct Hamtramck alleys, in part to improve stormwater management and reduce basement flooding
Rep. Tonya Myers Phillips	$2,050,000	City of Hamtramck	Reconstruct Hamtramck alleys, in part to improve stormwater management and reduce basement flooding (second submission)
Rep. Noah Arbit	$1,380,799	West Bloomfield Parks	Rain gardens and green infrastructure to filter stormwater at the new Connect Community Center
Rep. Alabas A. Farhat	$500,000	Dearborn Public Schools	Build an "Eco-Wall" living wall at the Salina Schools campus to buffer noise and air pollution from rail and industry; includes stormwater capture and green infrastructure
Rep. Brian BeGole	$250,000	Steam Railroading Institute	Engineering, hydrology, and site design for a water mitigation and drainage plan to address chronic flooding at the Steam Railroading Institute's rail campus
Wastewater/sewer (40)			
Rep. Sarah Lightner	$34,750,000	The Charter Township of Emmett	Purpose field is general; the attached Michigan Avenue Corridor Wastewater Study recommends consolidating lift stations and upsizing sanitary sewers along the M-96 corridors
Rep. Greg VanWoerkom	$28,000,000	Muskegon County	Construct wastewater infrastructure to add regional capacity and serve a large food and beverage manufacturing facility in Norton Shores
Rep. Brian BeGole	$15,000,000	City of Owosso	Replace three failing 1986 nitrification towers at the Owosso Mid-Shiawassee County Wastewater Treatment Plant
Rep. Denise Mentzer	$11,500,000	Macomb County Public Works	Line a 5-foot-diameter section of the 15 Mile sanitary sewer interceptor in Clinton Township and add manhole risers
Rep. Donni Steele	$9,850,000	Village of Lake Orion	Replace aging mechanical and electrical components at a village-owned sanitary sewer pump station to prevent overflows
Rep. Gina Johnsen	$9,200,000	City of Portland	Replace all three city sewer lift stations and structurally deficient sanitary sewer lines, plus related wastewater system improvements
Rep. Joseph Tate	$5,000,000	Charter County of Wayne-Fox Creek Drain	Inspect and repair the Fox Creek Drain enclosure, which carries sewage from Wayne and Macomb communities, so it can transfer to GLWA
Rep. Jay DeBoyer	$4,250,000	City of Algonac	Replace three 1964 sanitary sewer siphon crossings under St. Clair River canals, plus sewer replacement, lining, and grouting to cut infiltration
Rep. Jasper R. Martus	$4,000,000	Genesee County Drain Commission	Install fermenter pre-treatment equipment to boost efficiency of the new digester at the county wastewater plant
Rep. Kathy Schmaltz	$3,567,000	Leoni Township	Install flow meters to measure each member community's flow into the Leoni Township Wastewater Treatment Plant
Rep. Matthew Bierlein	$3,500,000	Tuscola Township	Install new sanitary sewer along M-15 to serve a commercial district now on septic systems
Rep. Rylee Linting	$3,440,000	City of Trenton	Replace and upsize Trenton's undersized lift station pumps to prevent sanitary sewer overflows and basement backups

Lawmaker	Amount Requested	Recipient	What the Request Is For
Rep. David W. Martin	$3,000,000	Genesee County Drain Commission	Install biogas energy recovery equipment at the county wastewater treatment facility to cut electrical costs about 55%
Rep. David W. Martin	$3,000,000	Genesee County Drain Commission	Install a biosolids dewatering, storage, and truck transfer station at the county wastewater treatment facility
Rep. John R. Roth	$2,000,000	Township of Elk Rapids	Extend sanitary sewer along the US-31 corridor in three phases, replacing on-site septic systems (about 197 connections)
Rep. Gregory Alexander	$1,850,000	The City of Bad Axe	Improve Liberty Street and the failing Liberty Street wastewater pump station
Rep. Jason Hoskins	$1,850,000	City of Farmington	Rehabilitate nearly 70-year-old sanitary sewer lines with cured-in-place pipe lining
Rep. Curtis S. VanderWall	$1,731,614	City of Whitehall, MI	Replace two failing wastewater lift stations, install new force mains, and reconstruct an industrial roadway
Rep. Joey Andrews	$1,600,000	GRSD Sewer Authority	Convert wastewater disinfection from chlorine to UV light and remove the deteriorating chlorine contact tank
Rep. Amos O'Neal	$1,500,000	City of Saginaw	Adopt hydrothermal carbonization at the city wastewater plant to reduce PFAS and eliminate microplastics in biosolids and cut biosolids volume about 75%
Rep. Denise Mentzer	$1,500,000	City of Mount Clemens	Fully replace the 50-year-old N. Rose wastewater pump station
Rep. Matthew Bierlein	$1,500,000	Denmark Township	Replace the deteriorating sewer lagoon liner cited in EGLE compliance letters
Rep. Morgan M. Foreman	$1,500,000	City of Saline	Sanitary sewer rehabilitation to reduce inflow and infiltration and protect the Saline River
Rep. Jay DeBoyer	$1,250,000	City of New Baltimore	Clean and restore the city's primary sewer interceptor, never cleaned since the 1970s
Rep. Gina Johnsen	$1,200,000	Village of Mulliken	Upgrade the village sewer system: improve the lift station, repair lagoons, replace the outfall pipe, and separate parts of the system
Rep. Jerry Neyer	$1,000,000	Village of Shepherd	Village-wide sanitary sewer lining and manhole rehabilitation
Rep. Gregory Alexander	$875,135	City of Marlette	Complete infrastructure upgrades at the Marlette Wastewater Treatment Plant to maintain regulatory compliance
Rep. Tim Kelly	$800,000	Village of Breckenridge	Slip-line 55-year-old asbestos cement gravity sewer mains and coat manholes damaged by hydrogen sulfide gas
Rep. Jamie Thompson	$700,000	Berlin Charter Township	Connect two subdivisions with failing septic systems (about 40 homes) to the Flat Rock municipal sewer system
Rep. Mike Hoadley	$675,000	Standish Township	Help residents who cannot afford to connect to the new low-pressure sewer system replacing failing septic systems near Saginaw Bay
Rep. Bill G. Schuette	$650,000	City of Coleman	Improve the sanitary sewer lift station serving the city's industrial district
Rep. Timothy Beson	$610,000	Bay County Department of Water and Sewer	Wastewater collection and treatment upgrades in northern Bay County to handle agri-business processing expansion
Rep. Mike Hoadley	$600,000	The City of Pinconning	Install a dedicated force main from the lift station to the wastewater plant to stop sewer surcharging and basement flooding
Rep. Natalie Price	$600,000	City of Berkley	Accelerate Berkley's sewer lining program to rehabilitate aging pipes
Rep. Matthew Bierlein	$550,000	City of Frankenmuth	Eliminate inflow and infiltration of clear water into Frankenmuth's sanitary sewer system

Lawmaker	Amount Requested	Recipient	What the Request Is For
Rep. Jason Hoskins	$520,000	City of Lathrup Village	Clean, televise, and assess 50,000 feet of sanitary sewer and rehabilitate over 1,700 feet needing repair
Rep. Gregory Alexander	$380,000	Port Austin Area Sewer and Water Authority (PAASWA)	Install a sodium bicarbonate feed system at the wastewater treatment facility to meet NPDES discharge limits
Rep. Dylan Wegela	$320,000	City of Garden City	Renovate the failing Maplewood sewer lift station
Rep. John R. Roth	$5,000,000	Village of Beaulah, MI	Replace a village utility system "in the end stages of failure" that threatens Crystal Lake, and expand capacity for growth
Rep. Brenda Carter	$150,000	Clinton River Water Resource Recovery Facility (CRWRRF) Drain Drainage District	Feasibility study of cost-effective PFAS reduction strategies at the Clinton River Water Resource Recovery Facility
Fire-suppression wells (3)			
Rep. David W. Martin	$950,000	Groveland Township/Groveland Township Fire Department	Drill ten new fire-suppression wells in Groveland Township, which has no municipal water system
Rep. Donni Steele	$630,000	Charter Township of Oxford	Install seven high-capacity fire protection wells in rural parts of Oxford Township outside the municipal water district
Rep. Jennifer Wortz	$44,262	Sherwood Township Fire Department	Drill and install a new well to give the Sherwood Township Fire Department a local water supply
Other water-related (1)			
Rep. Tim Kelly	$6,000,000	Clinton County Catalyst	Establish in-state TimberChar kiln manufacturing of filtration media to capture nutrients and contaminants
Source water, wetlands, habitat (4)			
Rep. Jamie Thompson	$3,700,000	Sibley Prairie Acquisition and Initial Ecological Restoration	Acquire 440 acres of Sibley Prairie in Brownstown Township and begin ecological restoration and site amenities
Rep. Ken Borton	$2,500,000	Mason-Griffith Founders Chapter of Trout Unlimited, Anglers of the AuSable, AuSable North Branch Area Foundation, Upper Manistee River Assoc.	River restoration and habitat infrastructure work on the Au Sable and Upper Manistee rivers
Rep. Curtis S. VanderWall	$1,191,497	Muskegon Conservation District	Reconnect 164 acres of diked former celery farm floodplain to the White River to improve fish habitat and paddling access
Rep. Bradley Slagh	$500,000	Ottawa County—Office of the Water Resources Commissioner	Groundwater feasibility study of declining aquifer recharge in Ottawa County, with recommended solutions for long-term water supply
Water assistance (1)			
Rep. Tyrone Carter	$3,000,000	The Heat and Warmth Fund (THAW)	Utility assistance (gas, electric, and water payments) for low-income households statewide

APPENDIX C: SENATE FY 2027 WATER-RELATED REQUESTS

Senate FY 2027 Water-Related Requests

Lawmaker	Amount Requested	Recipient	What the Request Is For
Drinking water (22)			
Sen. Rosemary Bayer	$20,000,000	GLWA (Great Lakes Water Authority)	Renew or replace sections of GLWA's 54-inch transmission main in southwest Detroit and the 14 Mile transmission main in western Oakland County
Sen. Darrin Camilleri	$6,500,000	City of Southgate	Line 19,288 feet of Southgate's most failure-prone water mains, many over 70 years old, using cured-in-place pipe
Sen. Rosemary Bayer	$5,400,000	Cass Lakeside Community Association	Replace 20,000 feet of 100-year-old water main serving 240 households, eliminating lead service lines and leaks and improving fire flow
Sen. Mallory McMorrow	$3,800,000	City of Berkley	Replace a 100-year-old water main and lead service lines together with full reconstruction of pavement, curbs, and sidewalks in Berkley
Sen. Michael Webber	$3,730,000	City of Utica	Replace deteriorating water mains installed in the 1950s and later in Utica
Sen. Stephanie Chang	$3,587,000	City of Hamtramck	Replace 484 lead service lines in Hamtramck, which recently exceeded the state lead action level
Sen. Jon Bumstead	$3,400,000	Village of Bear Lake	Replace the water main on Lake Street from Virginia Street to Maple Street in Bear Lake
Sen. Darrin Camilleri	$3,330,182	Sumpter Township	Replace about 1.5 miles of 1969 12-inch water main on Willow Road that has broken nine times in eight years
Sen. John Damoose	$2,750,000	City of Sault Ste. Marie	Replace about 10,500 feet of 1958 water main along Riverside Drive that has a history of breaks and low fire-flow pressure
Sen. Michele Hoitenga	$2,200,000	City of Rose City	Water main replacements and extensions to loop the system, plus a booster pump, for Rose City's public water supply
Sen. John Damoose	$2,000,000	City of Sault Ste. Marie	Replace leaking and failing water main crossings mounted under four city bridges in Sault Ste. Marie
Sen. John Damoose	$1,800,875	City of East Jordan	Water capacity and fire-suppression upgrades to support expansion of East Jordan's industrial park
Sen. Sean McCann	$1,000,000	City of Kalamazoo	Replace 150 lead service lines in Kalamazoo, combined with $500,000 in city funds
Sen. Sue Shink	$988,000	Barton Hills Village	Replace fire hydrants and control gate valves and upgrade the water tower in a 90-year-old public water system
Sen. Edward McBroom	$950,000	City of Menominee	Restore water pressure for fire suppression in the Menominee Industrial Park, lost when the water tower was decommissioned
Sen. Chedrick Greene	$600,000	Bangor Charter Township	Build a 12-inch water main loop under the Kawkawlin River and replace about 30 lead service lines
Sen. Jeff Irwin	$500,000	City of Manchester	Install new water mains along N. Elton, Madison, and E. Main streets in Manchester

Lawmaker	Amount Requested	Recipient	What the Request Is For
Sen. Jeff Irwin	$390,000	Village of Clinton	Construct a new municipal water supply well and advanced filtration system for the Village of Clinton
Sen. Rosemary Bayer	$297,000	Cass Lakeside Community Association	Eliminate known and suspected lead service lines
Sen. Rosemary Bayer	$250,000	Cass Lakeside Community Association	Replace or refurbish two wells supplying water to 240 households
Sen. Jon Bumstead	$345,000	Village of Bear Lake	Crush and shape Lynn Street in Bear Lake, timed with planned water infrastructure improvements
Sen. Jon Bumstead	$90,000	Village of Bear Lake	Crush and shape Stuart Street in Bear Lake, timed with needed water main improvements
Shoreline/seawall (3)			
Sen. Kevin Hertel	$1,000,000	Village of Grosse Pointe Shores	Repair the existing seawall in Grosse Pointe Shores
Sen. Sue Shink	$2,000,000	Northfield Township	Preserve wetlands and restore the shoreline to a more natural state at Northfield Township's shoreline park
Sen. Rosemary Bayer	$1,300,000	Keego Harbor	Reconstruct Brock Street with shoreline stabilization and dredging of the adjacent canal
Stormwater/drainage/flood control (16)			
Sen. Sarah Anthony	$10,000,000	Eaton County	Contribution toward the roughly $60 million Bank Intercounty Drain project to upgrade failing drainage and reduce flooding in Delta and Lansing Townships
Sen. Dan Lauwers	$6,500,000	City of Port Huron	Replace the storm-damaged Tainter Gate at the entrance of the Black River Canal and stabilize the surrounding shoreline, restoring flood control for more than 260 properties
Sen. Michael Webber	$3,000,000	Oakland County Water Resources Commissioner	Study, plan, and improve an underused regional stormwater detention basin in Troy (about 33 million gallons) and launch a detention credit program
Sen. Kevin Hertel	$2,000,000	Macomb County Public Works	Assess and rehabilitate large county storm drains serving Roseville, Eastpointe, and St. Clair Shores
Sen. Kevin Hertel	$2,000,000	Macomb County Public Works	Build a new pump station to add capacity at the 1968 Chapaton Pump Station, which prevents flooding and combined sewer overflows into Lake St. Clair
Sen. Michael Webber	$2,000,000	Macomb County Public Works	Finish daylighting the Sterling Relief Drain between Van Dyke and Ryan Road into an open channel with flood storage
Sen. Veronica Klinefelt	$2,000,000	Macomb County Public Works	Inspect, assess, and rehabilitate critical stormwater infrastructure in southeast Macomb County
Sen. Jeremy Moss	$1,952,000	City of Auburn Hills	Storm water infrastructure repairs and improvements identified in the city's Storm Water Asset Management Plan
Sen. Dan Lauwers	$1,000,000	Macomb County Public Works	Richmond Relief stormwater project: evaluate, design, and make targeted improvements to relieve capacity limits and localized flooding in the Richmond area
Sen. Kevin Hertel	$1,000,000	Macomb County Public Works	Inspect and map aging storm drains in Clinton Township and Mount Clemens, correct deficiencies, and strengthen illicit discharge detection and spill response

Lawmaker	Amount Requested	Recipient	What the Request Is For
Sen. Kevin Hertel	$1,000,000	Macomb County Public Works	Improve flood resilience and drain performance in Chesterfield Township and New Baltimore by clearing invasive vegetation, restoring channels, and managing detention systems
Sen. Sue Shink	$400,000	Lyndon Township	Control untreated stormwater and sediment running off Guinan Drive into Sugarloaf Lake through drainage improvements
Sen. Sue Shink	$12,500,000	Huron River Watershed Council	Seed funding for the Rain Catchers Collective to expand residential rain gardens and green stormwater infrastructure across Southeast Michigan
Sen. Sarah Anthony	$2,900,000	Delta Township	Emergency reconstruction at the Carrier Creek crossing on M-43: failed retaining wall, storm sewer, and sidewalk/pathway damaged by erosion
Sen. Joseph Bellino Jr.	$2,500,000	Lenawee Now	Adrian Riverfront Project: stabilize aging riverbanks, improve flood mitigation, and reuse bridges and utilities
Sen. Rosemary Bayer	$1,380,800	West Bloomfield Parks and Recreation Commission	Rain gardens and green infrastructure ($124,500), a nature play area, and a public plaza at a West Bloomfield community center
Wastewater/sewer (12)			
Sen. Rosemary Bayer	$15,000,000	Great Lakes Water Authority	Match a $15 million federal grant for a biosolids demonstration project at GLWA's wastewater plant that destroys PFAS and produces fuel
Sen. Joseph Bellino Jr.	$5,000,000	Erie Township	Run a sewer north along the South Dixie Highway corridor through downtown Erie, replacing aging septic systems and serving the schools
Sen. Darrin Camilleri	$3,440,000	City of Trenton	Replace and upsize Trenton's undersized lift station pumps to prevent sanitary sewer overflows and basement backups
Sen. Chedrick Greene	$1,500,000	City of Saginaw	Adopt hydrothermal carbonization at the city wastewater plant to reduce PFAS and eliminate microplastics in biosolids and cut biosolids volume about 75%
Sen. Jeff Irwin	$1,500,000	City of Saline	Sanitary sewer rehabilitation to reduce inflow and infiltration and protect the Saline River
Sen. Jonathan Lindsey	$843,385	City of Bronson	Upgrade the Bronson wastewater treatment plant: replace the mechanical bar screen and rehabilitate influent pumps and valves
Sen. Roger Hauck	$800,000	Village of Breckenridge	Slip-line 55-year-old asbestos cement gravity sewer mains and coat manholes damaged by hydrogen sulfide gas
Sen. Chedrick Greene	$610,000	Bay County Department of Water and Sewer	Wastewater collection and treatment upgrades in northern Bay County to handle agri-business processing expansion
Sen. Jonathan Lindsey	$500,000	Village of Quincy	Purchase a combination sewer cleaning truck for the Village of Quincy
Sen. Dayna Polehanki	$320,000	City of Garden City	Renovate the failing Maplewood sewer lift station
Sen. Jonathan Lindsey	$14,000	Village of Quincy	Purchase a sewer inspection camera for the Village of Quincy's water and sewer department
Sen. Jeremy Moss	$150,000	Clinton River Water Resource Recovery Facility (CRWRRF) Drain Drainage District	Feasibility study of cost-effective PFAS reduction strategies at the Clinton River Water Resource Recovery Facility
Fire-suppression wells (1)			
Sen. Ruth Johnson	$950,000	Groveland Township/Groveland Township Fire Department	Drill ten new fire-suppression wells in Groveland Township, which has no municipal water system

Lawmaker	Amount Requested	Recipient	What the Request Is For
Multiple systems (3)			
Sen. Sue Shink	$5,000,000	Jackson College	Replace failing underground water, sewer, drainage, and electrical systems in Jackson College's campus core
Sen. Edward McBroom	$4,000,000	City of Escanaba	Construct 9th Avenue North and North 26th Street near the U.P. State Fairgrounds, including new storm sewer, sanitary sewer, and water main
Sen. Dayna Polehanki	$2,500,000	City of Westland	Create a local Housing Infrastructure Assistance Fund to offset water main, sewer, stormwater, and road costs of large housing developments
Source water, wetlands, habitat (3)			
Sen. Darrin Camilleri	$3,700,000	Wayne County Conservation District	Acquire and restore the 440-acre Sibley Prairie, the state's largest remaining lakeplain prairie, in Brownstown Township
Sen. Roger Victory	$500,000	Ottawa County, Office of the Water Resources Commissioner	Groundwater feasibility study of declining aquifer recharge in Ottawa County, with recommended solutions for long-term water supply
Sen. Sue Shink	$350,000	Huron River Watershed Council	Two-year effort to restore habitat, repair eroding launches, and improve access along the 104-mile Huron River Water Trail
Water assistance (1)			
Sen. Mary Cavanagh	$3,000,000	THAW (The Heat and Warmth Fund)	Utility assistance (gas, electric, and water payments) for low-income households statewide

APPENDIX D: MUNICIPAL CAPITAL IMPROVEMENT PLAN INVESTMENT NEEDS (PILOT SAMPLE)

The following 36 entities are the sample described in the Municipal Capital Investment Needs section above. These are capital investment needs identified in each entity's own planning documents, not funded projects, awarded grants, or enacted appropriations. The figures reflect each plan's own stated multiyear period (see "Plan Period"), which differs from entity to entity, so columns should not be summed across rows into a single-year figure. An em dash (—) indicates that no usable figure was found for that category in the source document, which in most cases (particularly for stormwater) means the work is folded into another budget category rather than that no work is planned.

EXHIBIT D1

Capital Improvement Plans Water Infrastructure Investments

Municipality/Utility	Plan Period	Drinking Water	Wastewater/ Sewer	Stormwater/ Other	Notes
City of Ann Arbor	FY 2026–31	$294,645,000	$86,982,000	$63,165,000	
City of Battle Creek	FY 2027–32	$38,410,150	$33,275,131	—	
City of Big Rapids	FY 2022/23–27/28	$6,100,000	$2,650,000	—	Water and wastewater each combine an operating fund + a replacement fund
Comstock Charter Township	2024–29	—	$2,680,687	—	Water main projects identified but not yet costed; sewer figure covers only 2024–2026 of the 2024–2029 period (partial)
Detroit Water and Sewerage Department (DWSD)	FY 2022–26	$222,945,000	$205,601,000	$53,471,000	'Other' is green infrastructure, a subset of sewer spending (not additive)
City of East Lansing	FY 2025–30	$10,470,000	$32,478,000	$260,000	
City of Farmington Hills	FY 2025/26–30/31	$36,538,000	$39,556,121	$39,120,000	'Other' is a dedicated Drainage category
City of Grand Rapids	FY 2026–30	$145,430,000	$83,925,500	$7,057,000	
Great Lakes Water Authority (regional wholesaler)	FY 2025–29	$1,071,788,000	$982,525,000	—	Regional wholesaler; 5-year plan with a 10-year outlook to FY 2034
City of Greenville	FY 2024/25–29/30	—	$16,700,000	—	Water bundled into combined 'SAW' line items; sewer dominated by a $16.7M WWTP expansion but could not be cleanly isolated from bundled items
City of Hastings	FY 2026–31	$14,279,885	$22,683,249	$2,869,616	
Holland Charter Township	FY 2026–31	$37,055,000	$38,180,000	—	Plan also lists $51.5M water / $30.8M wastewater in 2032+ projects, excluded here to keep periods consistent

Municipality/Utility	Plan Period	Drinking Water	Wastewater/ Sewer	Stormwater/ Other	Notes
Independence Charter Township	2023–43	$5,182,938	—	—	2023 plan with a 20-year present-worth horizon; a single DWSRF plan covering two water-main-extension projects only, not a general CIP
City of Inkster	FY 2026–31/35	$95,600,000 *(combined water/sewer)*		$250,000	Combined water and sewer fund
Village of Jonesville	FY 2021/22–26/27	$448,500	$670,000	—	
City of Kalamazoo	2023–27	$314,286,976	$133,669,465	—	Service area extends beyond city limits
City of Lansing	FY 2027–32	—	$175,320,000	$1,800,000	Fiscal years end June 30; no drinking-water category (Lansing BWL is a separate utility with its own capital plan)
City of Lincoln Park	FY 2023/24–28/29	$37,365,550	$8,950,000	—	Includes a small, bundled water/sewer equipment line counted under water
City of Midland	FY 2027–32	$8,635,000	$35,314,250	$47,125,000	'Other' combines a stormwater-coordinated engineering line with the Stormwater fund
City of Mount Pleasant	FY 2027–32	$34,988,000 *(combined water/sewer)*		$3,207,000	Water and wastewater combined in one fund
City of Northville	FY 2025–30	$8,851,900	$378,000	—	
City of Novi	FY 2024/25–29/30	$26,271,955	$774,513	$11,845,073	
City of Oak Park	FY 2022–27	$13,819,000	$4,100,000	—	
City of Owosso	FY 2025–31	$83,246,146	$8,108,900	$525,000	Combines Sewer + Wastewater Treatment funds; 'Other' is storm sewer lining only
City of Portage	2019–29	$20,470,000	$8,335,000	$500,000	10-year plan
City of Reading	2025–29	$1,227,304	$21,000	—	
City of Rochester Hills	2021–26	$36,061,188	$13,948,340	$983,250	
City of Romulus	FY 2019/20–24/25	$12,755,000	$3,310,000	$115,000	Water/sewer often combined in source, split here is approximate
City of Royal Oak	FY 2026/27–31/32	$67,500,000 *(combined water/sewer)*		—	Combined water and sewer fund
City of Saline	FY 2021–26	$4,714,530	$6,671,595	$1,450,000	Fiscal years end June 30; 'Other' bundles streetlights + sidewalks with stormwater
City of Sault Ste. Marie	2026–32	$1,215,000	$275,000	$40,000	Sewer figure covers lift-station/WWTP items only
Village of Sparta	2023–28	$3,173,717	$1,283,984	—	No separate stormwater line; storm sewer folded into Local Streets
City of Traverse City	FY 2026/27–31/32	$17,205,000	$31,635,004	—	
White Lake Charter Township	2025–30	$12,250,100	$12,310,110	—	
City of Whitehall	FY 2025/26–30/31	$2,572,075	$3,888,000	—	No separate stormwater line; plan organized by fund, not infrastructure type
Ypsilanti Community Utilities Authority (YCUA)	Varies	$40,358,610	$11,000,000	—	Water: 2024–27 (DWRF); sewer: FY 2025/26 (CWSRF); covers Ypsilanti city + township jointly (neither runs its own utility); water and sewer figures cover different, only partially overlapping periods

Water defines Michigan. The question this report raises is not whether the state will pay for its water infrastructure, but whether it pays through planned investment that treats water as one system, or in piecemeal fashion one failure at a time and at a much higher price.

PREPARED BY

PSC PUBLIC SECTOR CONSULTANTS

WATER CENTER UNIVERSITY OF MICHIGAN

WITH SUPPORT FROM

CHARLES STEWART MOTT FOUNDATION

the Value of Water Campaign

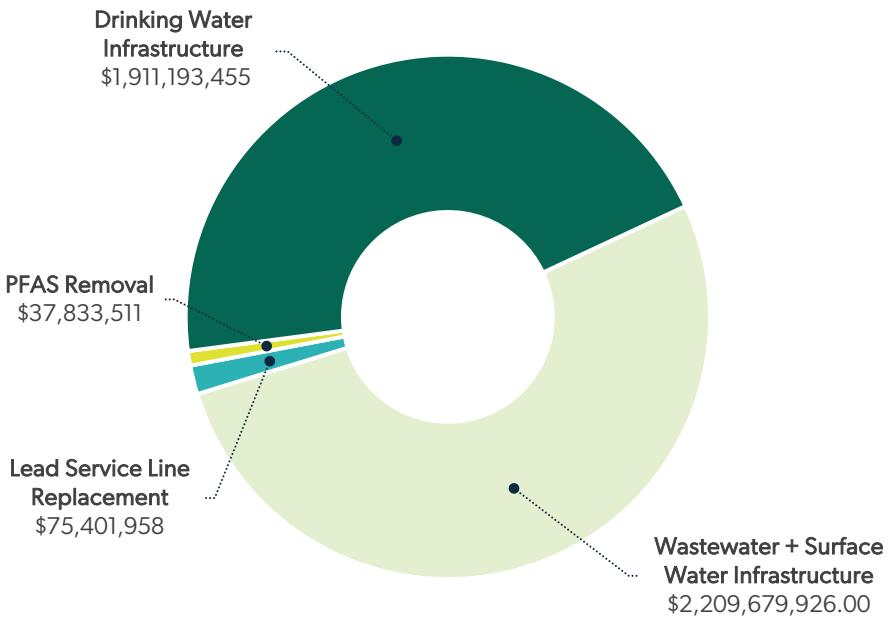
Investing in Water Infrastructure, Investing in *Michigan's* Future

Water shapes every facet of our daily lives, but the infrastructure we depend on to make safe, reliable water for people and the environment possible is under mounting stress.

Funding vs. Need—A Growing Gap

In 2025, Michigan received only 7% (about $358.2 million in federal funding) of the annual funding it needs for its water infrastructure, leaving many capital needs unmet. The costs of inaction compound over time: every year that needed investments are deferred, the price tag grows, and what isn't covered by federal or state funding ultimately falls on local ratepayers.

Annual Water Infrastructure Needs



Over the next 20 years, the state requires $85 billion in investment to bring its water and wastewater infrastructure to a state of good repair. This equals roughly $4.2 billion each year—or $421 per resident per year.

Consequences of Inaction

When water infrastructure fails, it disrupts basic needs—safe homes, clean drinking water, and healthy ecosystems—and can stall growth and the economy. Just a 24-hour disruption in water and wastewater services would mean significant losses to key industries in Michigan.

Sector	Daily Losses – Millions of Dollars
Accommodation and food service	$-84.7
Food and beverage	$-65.7
Chemical and pharmaceutical	$-26.2
Human health activities	$-144.4
Real estate activities	$-184.1
Arts entertainment and recreation	$-20.3

Water's Economic Potential

These aren't just unavoidable costs for an essential service—closing the nation's water infrastructure investment gap represents a major opportunity to strengthen Michigan's economy, workforce, and communities for the long term.

Every $1 invested in water infrastructure in Michigan supports $2.04 in economic output nationally. Meeting the national funding need over a 20-year period would support $848 per capita in economic output, contribute $4.55 billion to state GDP, create 41,100 jobs, and generate $2.44 billion in wages for Michigan annually.

Sectors that are key to Michigan's economy would also stand to gain.

Sector	Annual Economic Output – Millions of Dollars
Direct Impacts	
Construction	$3,256
Prof/Tech Services	$500
Real Estate & Leasing	$250
Government Enterprises	$141
Utilities	$25
Indirect and Induced Impacts	
Manufacturing	$735
Real Estate and Rental and Leasing	$560
Wholesale Trade	$405
Retail Trade	$393
Professional, Scientific, and Technical Services	$370

Shared Prosperity

Water infrastructure investments rely on national supply chains for materials, equipment, and specialized services. When other states invest in water, Michigan benefits—and vice versa. Closing the national gap also means other states' water infrastructure investments benefit Michigan. The top three indirect sources of GDP growth would be:

- **Ohio**: $77 million in GDP gains from investment in Ohio, largely to Michigan's Professional, Scientific, and Technical Services industry ($14.5 million GDP impact).
- **Indiana**: $38 million in GDP gains from investment in Indiana, largely to Michigan's Professional, Scientific, and Technical Services industry ($8.4 million GDP impact).
- **Wisconsin**: $29 million in GDP gains from investment in Wisconsin, largely to Michigan's Professional, Scientific, and Technical Services industry ($4.1 million GDP impact).

Likewise, investment in Michigan benefits other states' GDPs. The top three beneficiaries by state GDP growth would be:

- **Ohio**: $123 million in GDP gains to Ohio, led by Michigan's connections to Ohio's Petroleum and Coal Products Manufacturing industry ($27.5 million GDP impact).
- **Illinois**: $74 million in GDP gains to Illinois, led by Michigan's connections to Illinois's Wholesale Trade industry ($14.8 million GDP impact).
- **New York**: $48 million in GDP gains to New York, led by Michigan's connections to New York's Professional, Scientific, and Technical Services industry ($9.0 million GDP impact).

Read the full report, The Economic Benefits of Investing in Water Infrastructure, at www.thevalueofwater.org.

GLWA Great Lakes Water Authority

Financial Services
Audit Committee Communication

Date: October 23, 2026

To: Great Lakes Water Authority Audit Committee

From: Gerri Williams, Treasury Manager

Re: Quarterly Investment Report (Unaudited)

Background: As stated in section 14 of the Great Lakes Water Authority (GLWA) Investment Policy, quarterly reporting shall be presented to provide a clear picture of the status of the current GLWA investment portfolio. The attached report, prepared and presented by PFM Asset Management LLC, summarizes portfolio information through June 30, 2026 (unaudited).

Analysis: The Quarterly Investment Report complies with the requirements of Public Act 20 of 1948, as amended and the GLWA Investment Policy. GLWA is investing its funds in a diversified portfolio which includes bank deposits, money market funds, a local government investment pool (LGIP), U.S. Treasuries, Federal Agencies, and commercial paper. All securities in the portfolio comply with the GLWA investment policy. Key metrics are provided below with additional commentary in the attached report.

- Yield at Cost:
  - As of June 30, 2026: 3.59%
  - As of March 31, 2026: 3.71%

- Yield at Market:
  - As of June 30, 2026: 3.62%
  - As of March 31, 2026: 3.69%

- Portfolio Allocation in Cash/Money Market/LGIP Securities:
  - As of June 30, 2026: 64%
  - As of March 31, 2026: 48%

Investment income in each of the funds is identified as restricted or unrestricted as defined in the Master Bond Ordinance (MBO). Unrestricted investment income can be used to fund operations and is included in the revenue requirement calculations. Restricted investment income is held within the specific fund and can only be used for the fund's purpose as stipulated in the MBO.

The Treasury group continues to work with PFM Asset Management LLC to identify strategies to maximize investment returns while meeting the GLWA standards for safety and liquidity.

Proposed Action: Receive and file this report.

Great Lakes Water Authority

Investment Performance Report – June 2026

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Executive Summary

PORTFOLIO RECAP

- Safety – The aggregate portfolio is diversified amongst cash, bank deposits, U.S. Treasuries, commercial paper, SEC-registered money market funds, and a local government investment pool. The total credit profile of the portfolio is strong with over 99% of the assets invested in bank deposits or securities that are rated within the two highest short and long-term rating classifications as established by Standard & Poor's rating agency.
- Liquidity – Great Lakes Water Authority ("GLWA") has continued to monitor its portfolio with the goal of limiting the allocation to cash and bank deposit accounts and maximizing the use of short-term investments to meet cash requirements. As of June 30, 2026, approximately 64% of the funds were held in cash and money market accounts maturing overnight.
- Return – The overall yield at market decreased to 3.62% as of June 30, 2026, versus 3.69% as of March 31, 2026. The shorter duration of the portfolio as of the end of June impacted the overall yield of the portfolio. GLWA earned $50.9 million (unaudited) in investment income for the fiscal year 2026 on a book value basis. Investment income includes earnings on all fund types, including restricted and unrestricted funds combined as well as construction and bond proceeds. The fiscal year's earnings were more than what was projected.

AVAILABLE FUNDS (Unaudited)

Type	Book Value	Market Value	Yield @ Cost *(as of 6/30/2026)*	Yield @ Market *(as of 6/30/2026)*
Deposit Accounts	$13,543,066	$13,543,066	0.01%	0.01%
Trust Money Market Fund	$484,903,746	$484,903,746	3.28%	3.28%
Money Market Fund	$7,959,235	$7,959,235	2.05%	2.05%
Local Government Investment Pool	$527,892,476	$527,892,476	3.70%	3.70%
Managed Funds	$586,588,951	$585,325,455	3.86%	3.92%
June 2026 TOTALS:	***$1,620,887,474***	***$1,619,623,978***	***3.59%***	***3.62%***
PREVIOUS QUARTER TOTALS:	*$1,338,631,094*	*$1,338,367,251*	*3.71%*	*3.69%*

Accounts like the Retainage accounts which are not owned by GLWA are not included in this report.

Investment Strategy

OVERALL STRATEGY

- All investment activity is conducted subject to GLWA's investment policy and state statutes while meeting the primary objectives of safety and liquidity. The portfolio is managed to a disciplined investment plan to provide improved safety and diversification while putting every dollar to work.
- GLWA, working with its investment advisor PFM Asset Management ("PFMAM"), has continued to invest its funds in a mixture of short and intermediate-term individual investment securities to ensure adequate liquidity to cover upcoming debt, pension payments, and operational requirements.
- PFMAM will continue to actively manage long-term portfolios with full discretion and align short-term balances with expected liabilities and identify strategies to maximize future investment income in the current interest rate environment, subject to GLWA's investment policy and state statutes.

PORTFOLIO PERFORMANCE – CURRENT PERIOD*

- The overall portfolio's original yield at cost went from 3.71% as of 3/31/2026 to 3.59% as of 6/30/2026.
- The total portfolio had a market yield of 3.62% at the end of June, compared to 3.69% as of March 31, 2026. Yield at market represents what the market would provide in return if the portfolio was purchased on June 30, 2026 (versus purchased in prior months / years); the lower yield is a result of the lower portfolio duration.
- We utilize a variety of investment sectors, and because of that, this 3.62% yield at market as of 6/30/2026 is lower than in the prior quarter due to the decrease in overnight and short-term yields.

PORTFOLIO PERFORMANCE – PROJECTIONS

- GLWA earned $50.9 million (unaudited) in investment interest income for fiscal year-to-date 2026 (as of June 30, 2026) on a book value basis.
- Actual investment income for the fiscal year 2026 exceeded the projections of $48.4 million across both unrestricted and restricted income.

** Yield at cost is based on the original cost of the individual investments from the purchase date to maturity. On the other hand, yield at market is calculated on a specific day (in this case, June 30, 2026) and assumes that all the securities in the portfolio are purchased given the market price/yield on that particular day. If one is to generally hold their investments to the stated maturity date, then the yield at cost would be the better number to use to gauge how the portfolio is performing.*

Fixed Income
Market Overview and Outlook

FIXED INCOME MARKET – ECONOMIC HIGHLIGHTS

- The second quarter of 2026 began with heightened concerns surrounding the conflict in the Middle East, rising energy prices, and inflationary consequences of supply disruptions. As the quarter progressed, easing geopolitical tensions and a pullback in oil prices improved investor sentiment, allowing markets to refocus on economic fundamentals and monetary policy.
- The quarter marked a significant transition at the Federal Reserve (Fed). The Federal Open Market Committee (FOMC) held its target range unchanged at 3.50% to 3.75% at Kevin Warsh's first meeting as Fed Chair. As expected, the Fed removed all forward guidance, signaling a more data-dependent approach. The June "dot plot" also shifted more hawkish, with nine policymakers projecting at least one rate hike in 2026. Given current market pricing, we see value in the front-end of the yield curve.
- Labor market conditions normalized as payroll growth slowed and wage gains moderated, particularly among lower-income households. Despite this cooling, job openings remained elevated and layoffs historically low, reinforcing a "low-hire, low-fire" environment. While conditions are softening, we view the labor market as normalizing rather than deteriorating.
- Economic growth remained supported by business investment, while consumer spending made its weakest contribution to gross domestic product (GDP) in several years. Declining savings rates and slowing wage gains suggest continued moderation in consumption. Technology, software, and AI-related capital expenditures continue to support business activity and productivity expectations. At the same time, strong demand for computing infrastructure has contributed to inflationary pressures in select technology segments. We expect economic growth to remain near current trends, with business investment offsetting signs of moderating consumer demand.
- Inflation remained above the Fed's target throughout the quarter with headline inflation accelerating, driven primarily by higher energy prices. Core measures remained elevated as services inflation showed limited signs of improvement. Importantly, long-run inflation expectations stayed relatively well anchored despite higher headline readings. We believe headline inflation may be at or near its peak as energy prices retreat, but persistently elevated core inflation remains a concern for the Fed as it determines the near-term path of policy rates.

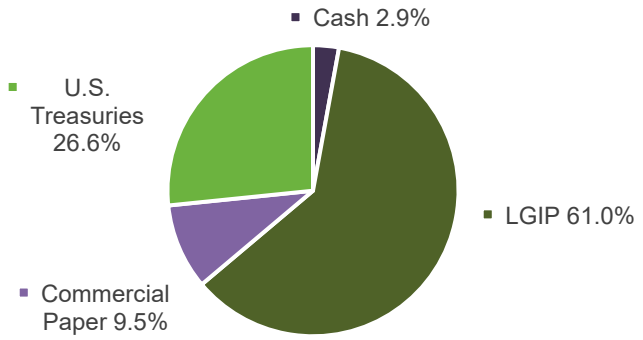
Portfolio Snapshot

Overall Portfolio Composition Summary

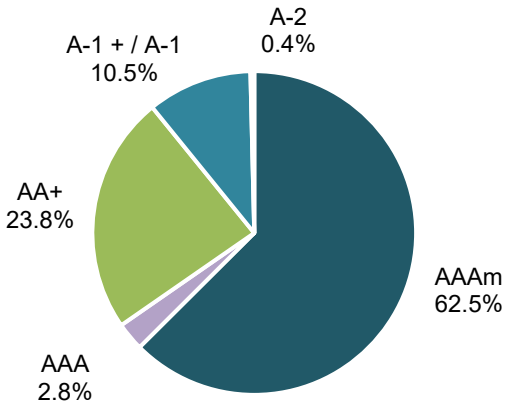
PORTFOLIO STATISTICS

Invested Amount	$1.620 Billion
Duration	0.26 Years
Yield at Cost	3.59%
Yield at Market	3.62%

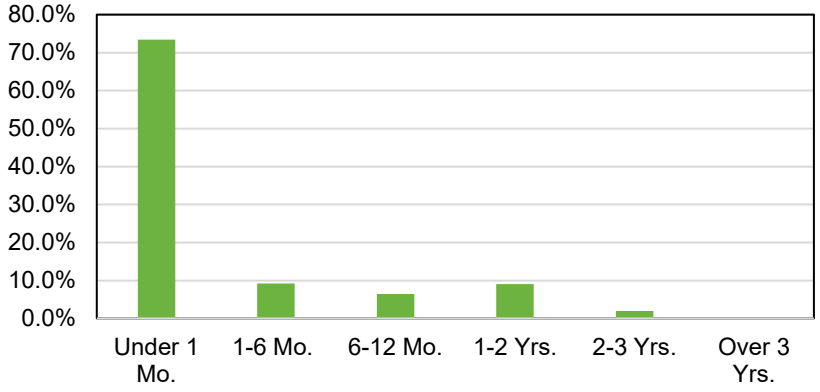
SECTOR ALLOCATION



CREDIT QUALITY



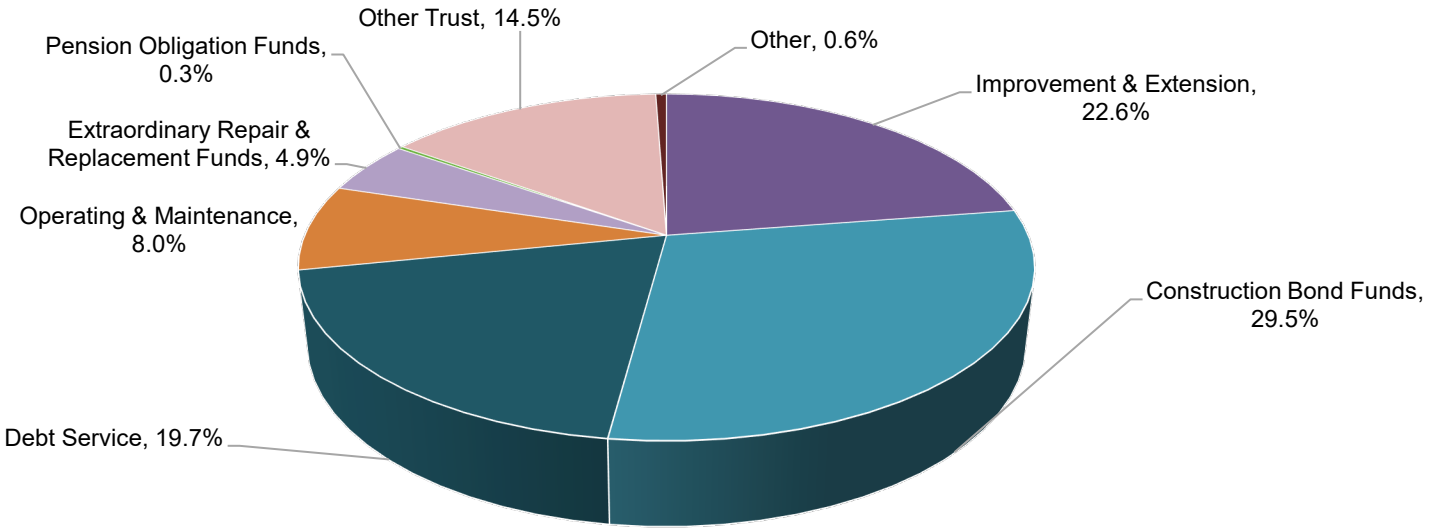
Maturity Distribution



Accounts like the Retainage accounts which are not owned by GLWA are not included in this report.

Portfolio Snapshot

Investments – By Account Purpose



Account Purpose		Market Value	Allocation %	Cost Yield at	Market Yield at	Duration	Strategy
Improvement & Extension	$	365,630,311	22.6%	3.70%	3.90%	0.730 Years	Cash Flow Driven
Construction Bond Funds	$	478,436,961	29.5%	3.73%	3.70%	0.030 Years	Cash Flow Driven
Debt Service	$	318,748,059	19.7%	3.69%	3.60%	0.020 Years	Short-Term
Operating & Maintenance	$	129,495,934	8.0%	3.50%	3.50%	0.003 Years	Short-Term
Extraordinary Repair & Replacement Funds	$	79,769,849	4.9%	3.99%	4.08%	1.526 Years	Long-Term
Pension Obligation Funds	$	4,121,462	0.3%	3.52%	3.52%	1.119 Years	Long-Term
Other Trust	$	234,302,698	14.5%	3.03%	3.03%	0.005 Years	Short-Term
Other	$	9,118,704	0.6%	0.54%	0.54%	0.000 Years	Short-Term
Total	**$**	**1,619,623,978**	**100.0%**	**3.59%**	**3.62%**	**0.257 years**	

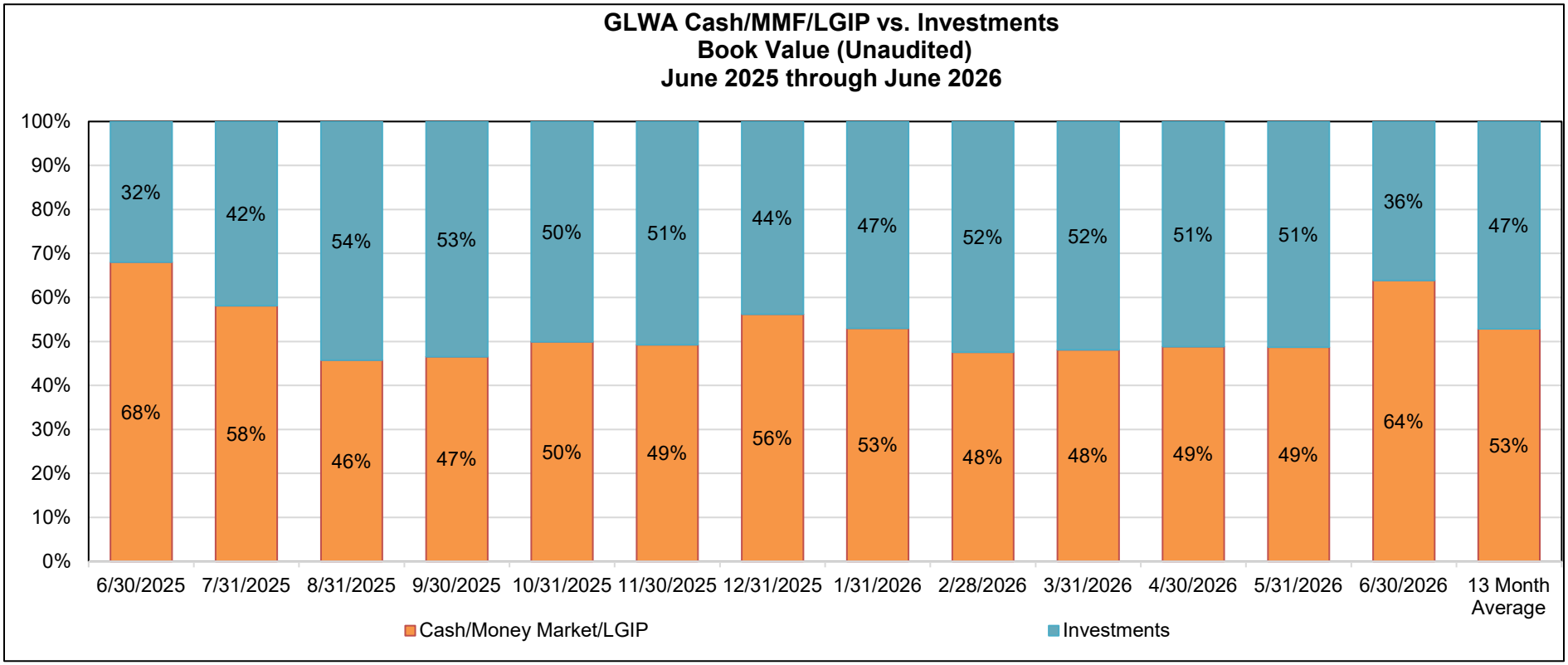
Accounts like the Retainage accounts which are not owned by GLWA are not included in this report.

Portfolio Snapshot

Portfolio Mix – Cash / Money Market vs. Investments

- GLWA's liquidity requirements fluctuate each month based on operational requirements, capital funding, and debt payments. Based on a review of historical activity and refinement of cash flow projections, GLWA has continually tried to balance the allocation of the portfolio's holdings to cash & money market accounts versus the allocation to investments for the portfolio holdings.

- The chart below compares the monthly allocation of the portfolio holdings to the 13-month average. The allocation between cash and investments will vary each month based on liquidity requirements. For June of 2026, about 64% of the overall portfolio was invested in cash, LGIP, and/or overnight money market fund accounts. This is slightly higher than the level seen in the previous quarter.

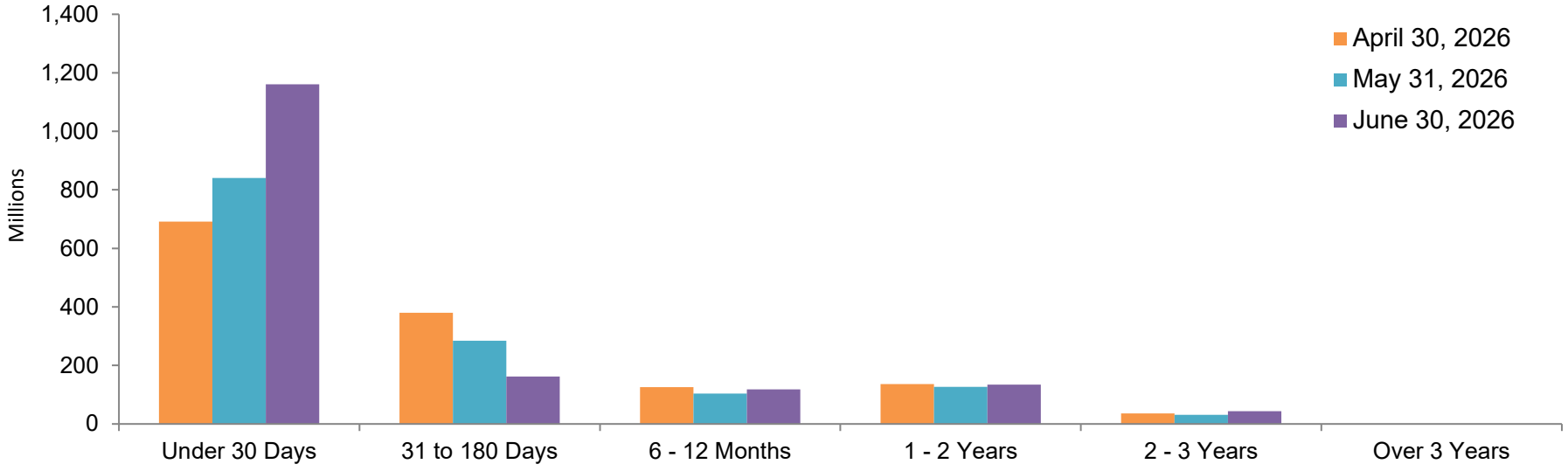


Accounts like the Retainage accounts which are not owned by GLWA are not included in this report.

Portfolio Snapshot

Investments – By Maturity

Maturity Distribution	April 30, 2026	%	May 31, 2026	%	June 30, 2026	%
Under 30 Days	$ 691,222,412	50.5%	$ 840,742,450	60.6%	$ 1,160,630,782	71.7%
31 to 180 Days	380,289,744	27.8%	284,470,489	20.5%	162,556,961	10.0%
6 - 12 Months	126,088,664	9.2%	103,924,417	7.5%	118,448,017	7.3%
1 - 2 Years	136,059,363	9.9%	126,623,086	9.1%	133,989,005	8.3%
2 - 3 Years	36,204,179	2.6%	31,083,884	2.2%	43,999,214	2.7%
Over 3 Years	-	0.0%	-	0.0%	-	0.0%
Totals	**$ 1,369,864,361**	**100.0%**	**$ 1,386,844,326**	**100.0%**	**$ 1,619,623,978**	**100.0%**



Accounts like the Retainage accounts which are not owned by GLWA are not included in this report.

Portfolio Snapshot

Investment Accounts – Yield at Cost & Market

	As of June 30, 2026		As of March 31, 2026	
	YTM @ Cost	YTM @ Market	YTM @ Cost	YTM @ Market
Bank Deposits				
Bank A	0.01%	0.01%	0.01%	0.01%
Bank C	0.01%	0.01%	2.07%	2.07%
Sub-Total Bank Deposits	**0.01%**	**0.01%**	**1.63%**	**1.63%**
Money Market Funds / LGIPs				
Local Government Investment Pool	3.70%	3.70%	3.73%	3.73%
Trust Money Market Fund	3.28%	3.28%	3.54%	3.54%
Money Market Fund	2.05%	2.05%	3.55%	3.55%
Sub-Total MMF / LGIPs	**3.49%**	**3.49%**	**3.63%**	**3.63%**
Investment Portfolios				
5404 Sewage - Improvement & Extension	3.77%	4.02%	0.00%	0.00%
5506 Water - Improvement & Extension	4.01%	4.16%	3.80%	3.84%
5519 Water - Construction Bond 2025	4.08%	3.76%	0.00%	0.00%
5910 Water - Budget Stabilization	4.10%	4.07%	3.77%	3.87%
5910 Water - Debt Service | Second Lien	3.88%	3.63%	0.00%	0.00%
5910 Water - Debt Service | Senior Lien	3.89%	3.63%	3.69%	3.88%
5910 Water - Debt Service | SRF	3.81%	3.89%	4.07%	3.79%
5910 Water - Extraordinary R & R	3.54%	4.17%	3.64%	3.78%
5960 Sewage - Debt Service | SRF	3.87%	3.90%	3.73%	3.81%
Sub-Total Investment Portfolios	**3.86%**	**3.92%**	**3.84%**	**3.79%**
Grand Total	***3.59%***	***3.62%***	***3.71%***	***3.69%***

YTM @ Cost is the expected return, based on the original cost, the annual interest receipts, maturity value and the time period from purchase date to maturity, stated as a percentage, on an annualized basis. YTM @ Market is the rate of return, based on the current market value, the annual interest receipts, maturity value and time period remaining until maturity, stated as a percentage, on an annualized basis. Accounts like the Retainage accounts which are not owned by GLWA are not included in this report.

Portfolio Snapshot
Peer Analysis Comparison

- The comparison agencies included in the list below were selected based on type and/or other non-performance-based criteria to show a broad range of water entities/utilities; this peer group list does not represent an endorsement of any of the public agencies or their services.
- The overall yield of GLWA's aggregate portfolio compares somewhat similarly to those of other short-term market indices (i.e., the S&P LGIP index and the 3-month U.S. Treasury index), despite the volatility of short-term interest rates and the limited ability in managing assets to a longer-term strategy.
- GLWA does have some limitations and unique constraints related to its ordinance and covenants that restricts the potential for a longer duration portfolio when compared to other similar water agencies.

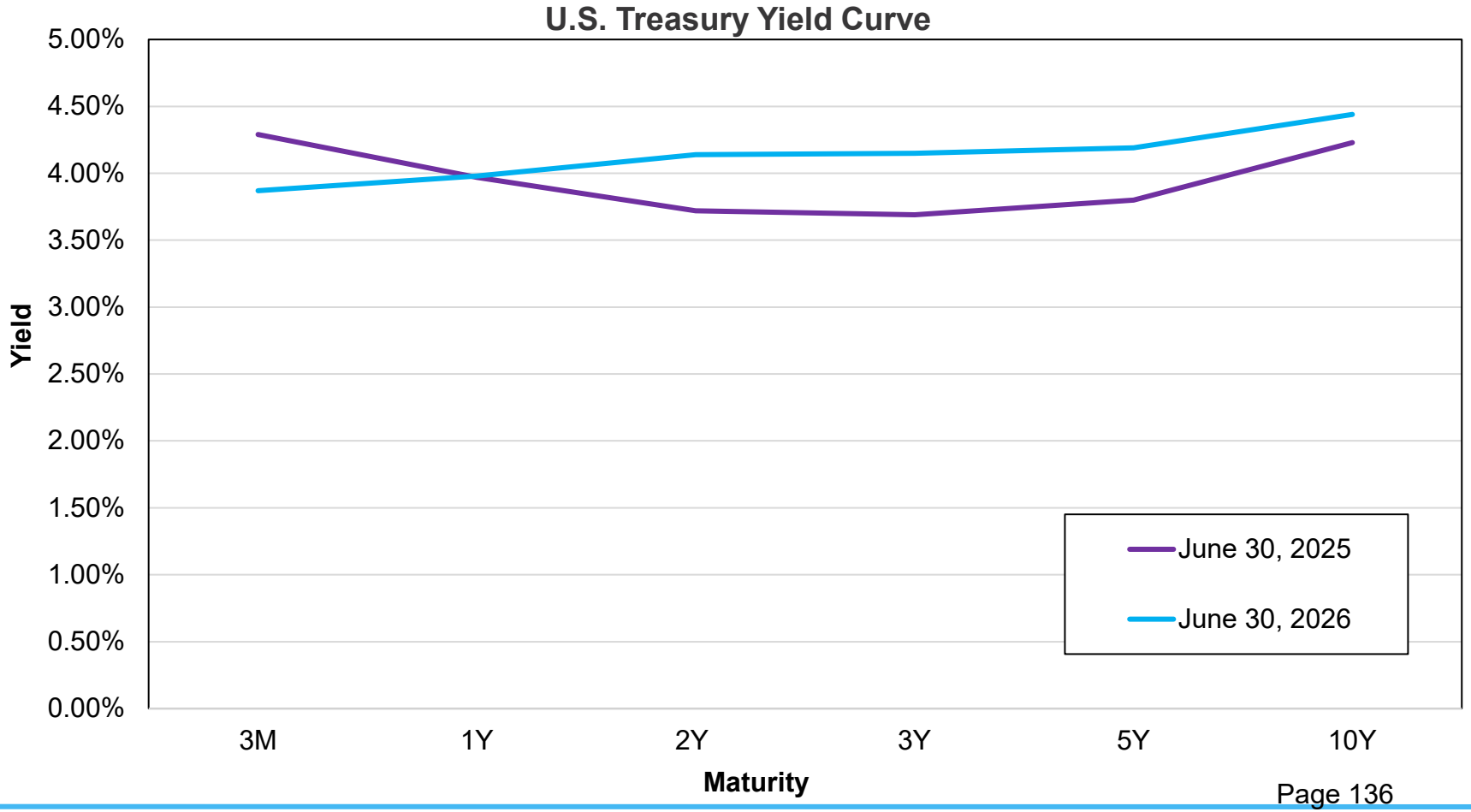
	As of June 30, 2026			
	Market Value	*YTM @ Market*	*Effective Duration*	*Weighted Average Maturity*
GLWA				
Great Lakes Water Authority	$ 1,619,623,978	3.62%	0.26 Years	96 Days
Short/Intermediate-Term Indices				
S&P Rated Government Investment Pool Index		3.57%	0.08 Years	30 Days
BoA / ML 3-Month Treasury Index		3.81%	0.15 Years	55 Days
Great Lakes Water Authority		3.62%	0.26 Years	96 Days
BoA / ML 6-Month Treasury Index		3.92%	0.40 Years	146 Days
BoA / ML 1-Year Treasury Index		4.10%	0.85 Years	310 Days
BoA / ML 1-3 Year Treasury Index		4.15%	1.75 Years	639 Days
BoA / ML 1-5 Year Treasury Index		4.16%	2.46 Years	898 Days

The BoA / ML indexes are unmanaged indexes tracking on-the-run Treasuries. These indexes are produced and maintained by Bank of America / Merrill Lynch & Co. Yield to maturity is the rate of return, based on the current market value, the annual interest receipts, maturity value and time period remaining until maturity, stated as a percentage, on an annualized basis.
Accounts like the Retainage accounts which are not owned by GLWA are not included in this report.

Portfolio Snapshot - Market Overview and Outlook

Overnight U.S. Treasury Yields Lower

- U.S. Treasury yields were volatile in the last quarter. Yields initially declined through the first two months as soft economic data and improving inflation data increased consensus that the Federal Reserve would cut rates sooner than expected. The trend reversed quickly in March following the conflict in Iran, which changed market expectations that higher energy price inflation could delay Federal Reserve easing. As a result, yields rose across the curve, and long maturity Treasuries experienced significant price declines.



Treasury Yields Remain Above Historical Averages



Source: Bloomberg Finance L.P., as of June 30, 2026.

Portfolio Snapshot

Monthly Investment Income

(Book Value in 000's)

FY 2026 INVESTMENT INCOME BY MONTH (Unaudited)

Month	Interest Earned During Period *(in thousands)*	Realized Gain / Loss *(in thousands)*	Investment Income *(in thousands)*
July 2025	$4,277.5	$0.0	$4,277.5
August 2025	$4,476.1	$0.0	$4,476.1
September 2025	$4,330.4	$0.0	$4,330.4
October 2025	$4,333.0	$0.0	$4,333.0
November 2025	$4,177.7	$0.0	$4,177.7
December 2025	$4,318.1	$0.0	$4,318.1
January 2026	$4,059.8	$0.0	$4,059.8
February 2026	$3,929.0	$0.0	$3,929.0
March 2026	$4,122.1	$0.0	$4,122.1
April 2026	$4,017.3	$0.0	$4,017.3
May 2026	$4,170.6	$0.0	$4,170.6
June 2026	$4,769.1	$0.0	$4,769.1
FY 2026 Y-T-D	***$50,981.1***	***$0.0***	***$50,981.1***

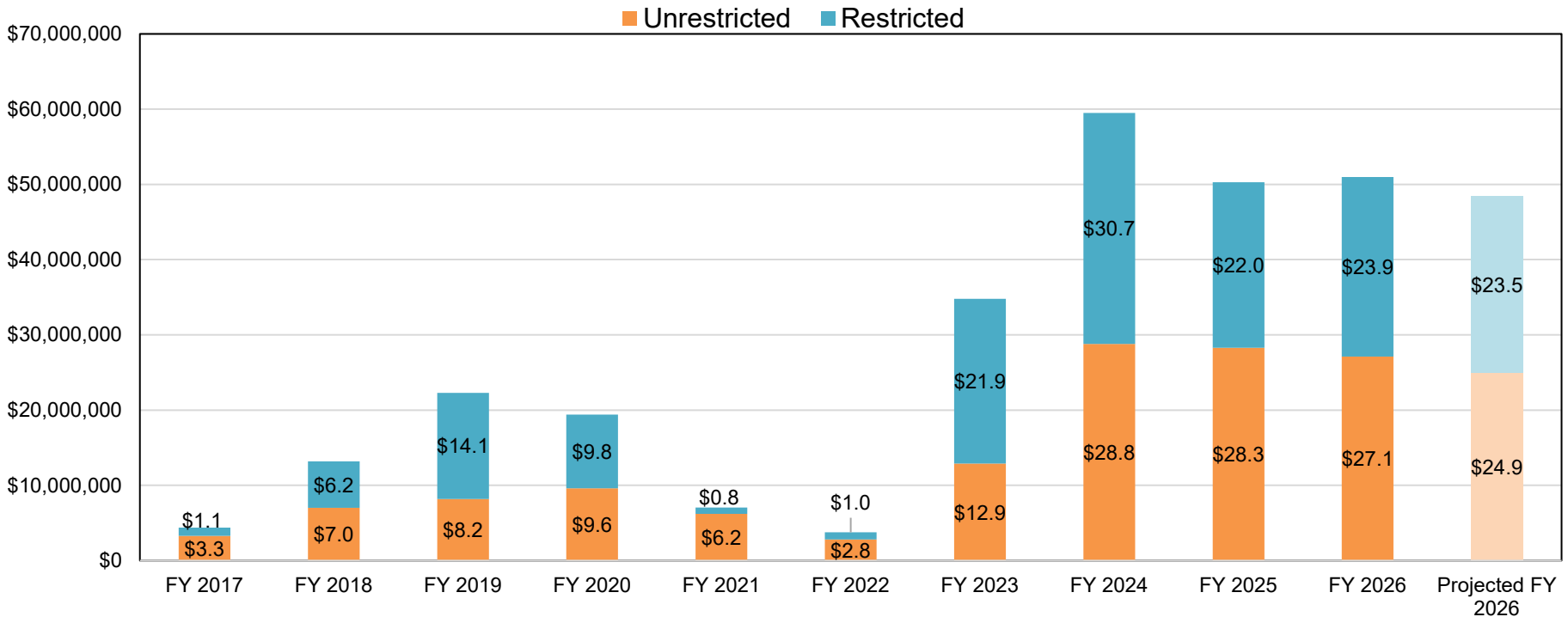
These figures are based upon actual interest earned and posted to the Authority's various accounts via book value and does not include any earnings credit rate tied to the Authority's bank deposits.

Portfolio Snapshot

Year-Over-Year Investment Income

- GLWA earned $50.9M in investment income the fiscal year 2026 on a book value basis compared to $50.3M for the fiscal year 2025.
- Actual investment income for the fiscal year 2026 exceeded the projections of $48.4M by $2.5M across both unrestricted and restricted income.

GLWA Monthly Interest Income
Book Value (Unaudited)
FY 2017 through FY 2026



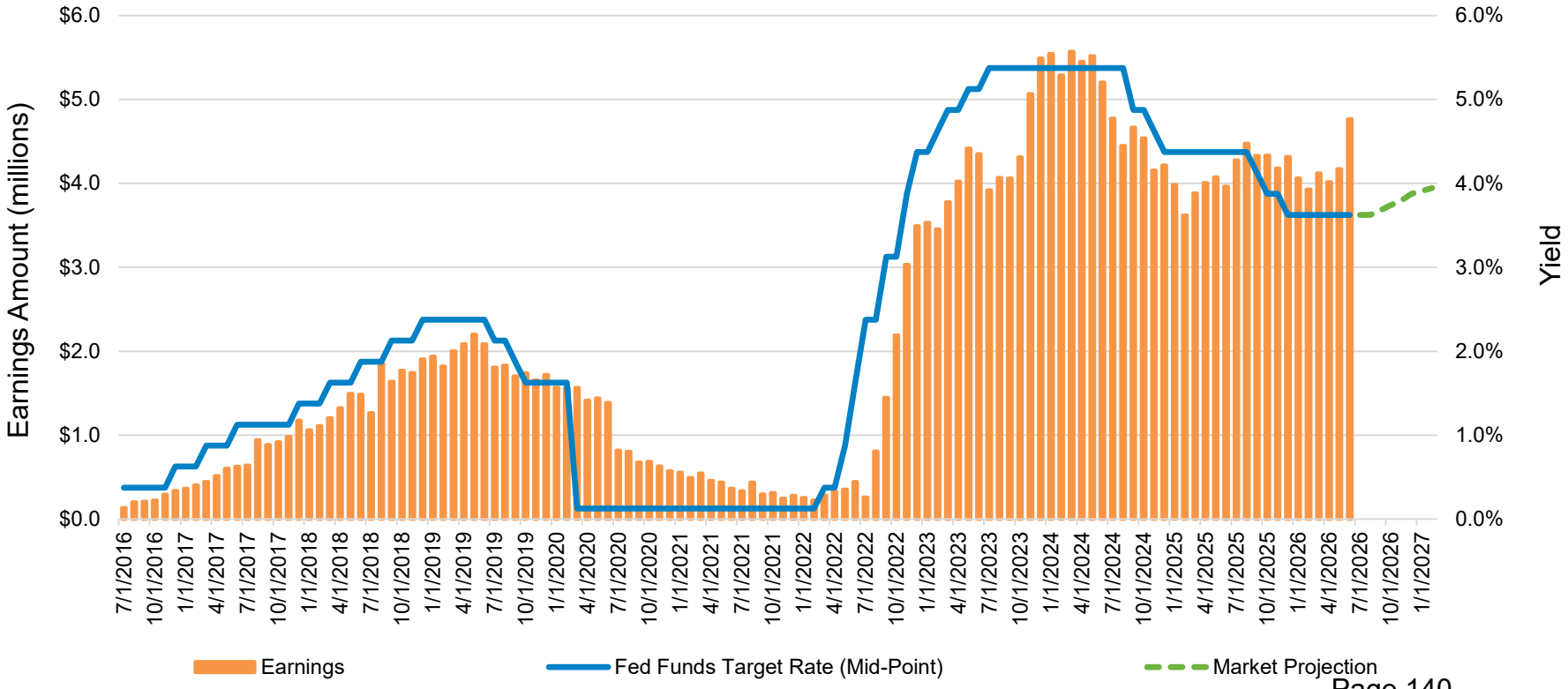
Portfolio Snapshot

Monthly Investment Income Compared to Fed Funds Rate

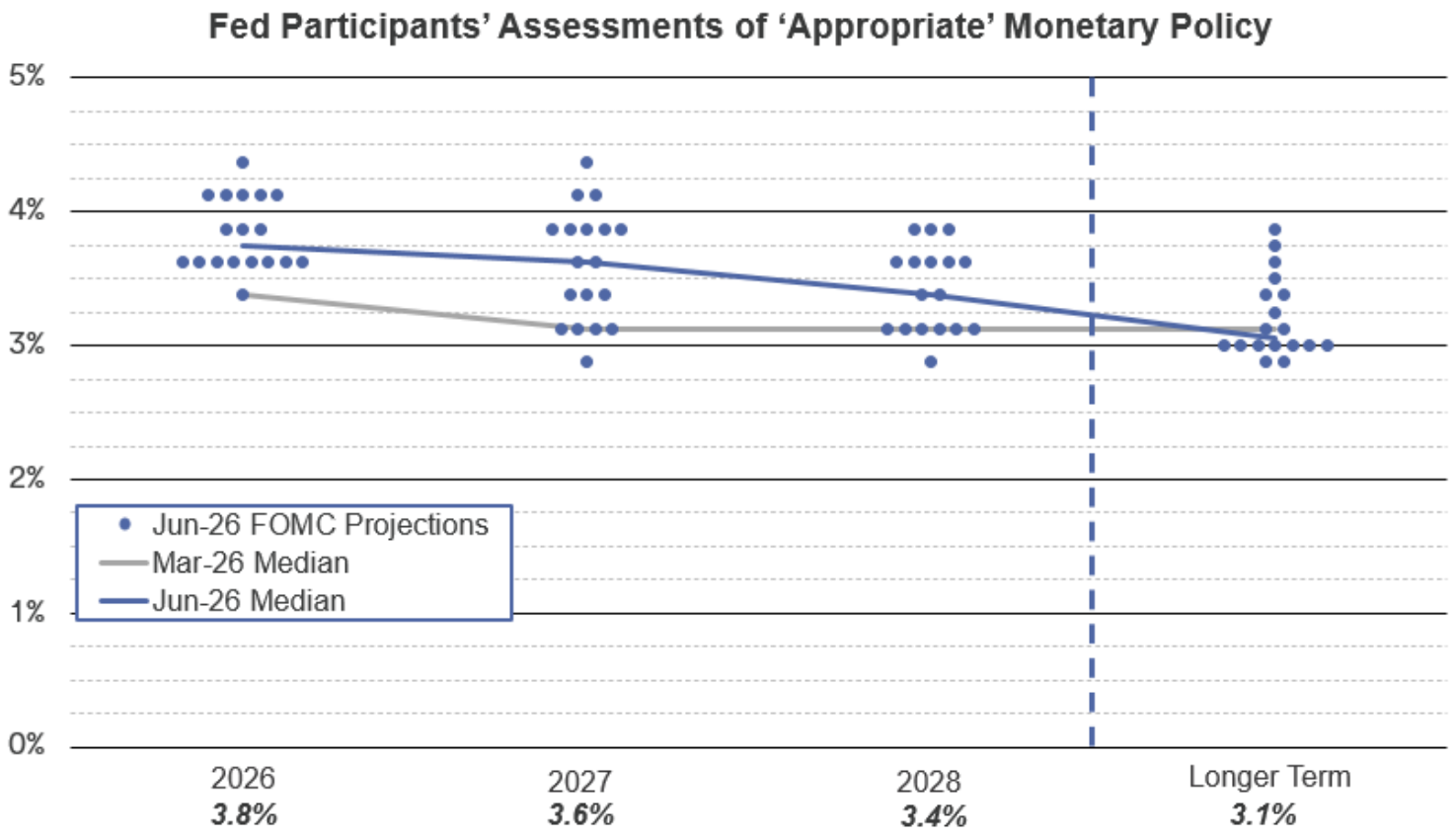
- At least 50% of the GLWA portfolio is designated for obligations that are 12 months or less. As a result of the short-term duration of GLWA's portfolio, it is heavily impacted by changes in the Fed Funds rate; the chart below shows that GLWA's income has consistently followed the trend of the Fed Funds rate.

- The Federal Reserve held rates steady in the last quarter amid persistent inflation pressures and limited net job creation. The "dot plot" projects one 25 basis point rate cut in both 2026 and 2027; however, this is predicated on inflation progress Nevertheless, the outlook has become more uncertain as geopolitical developments add complexity to the inflation path. The markets will continue to assess the likelihood of additional Fed policy action in the months ahead.

Investment Income & Fed Funds Target Rate July 2016 - June 2026



Fed's Latest "Dot Plot" Shows One Less Cut in 2026

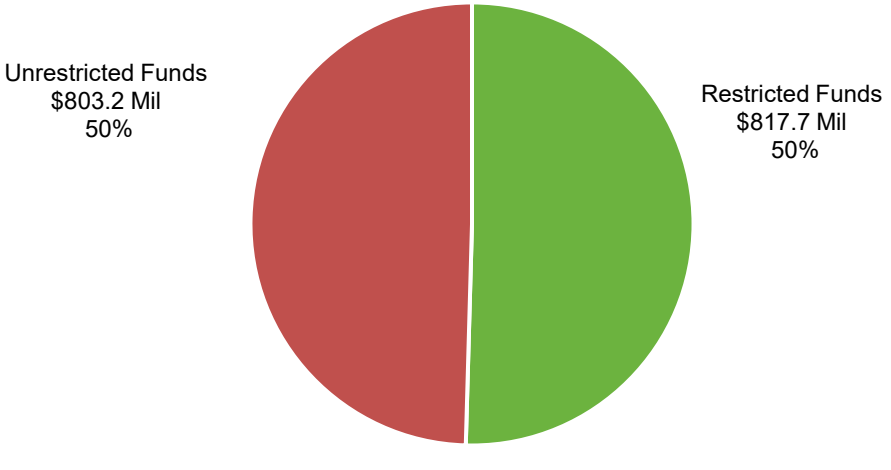


Source: Federal Reserve; Bloomberg Finance L.P. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. As of June 2026.

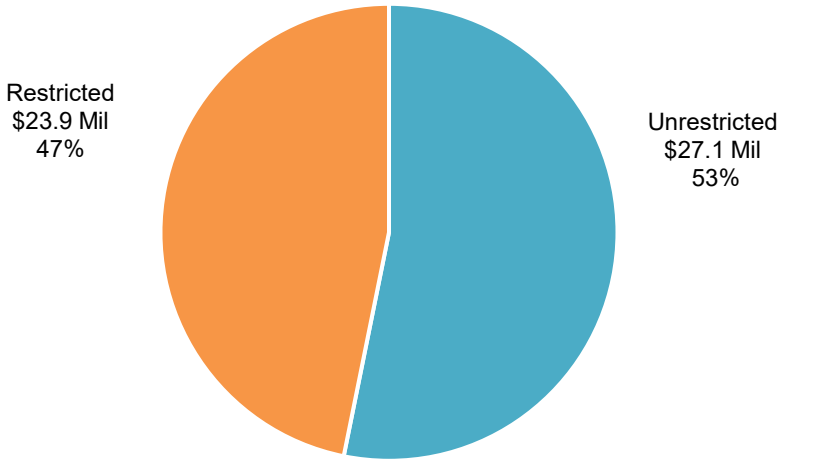
Portfolio Snapshot

Allocation and Income by Fund Type

Bank Balance as of June 30, 2026



July 2025 – June 2026 Interest Earnings



Restricted Principal and Restricted Interest
Construction Bond Funds
Debt Reserves
Debt Service
Evergreen Farmington Regional Account

Unrestricted Principal Unrestricted Interest
Extraordinary Repair & Replacement Funds
Improvement & Extension
Operating & Maintenance
Receiving Funds (includes lockbox account)

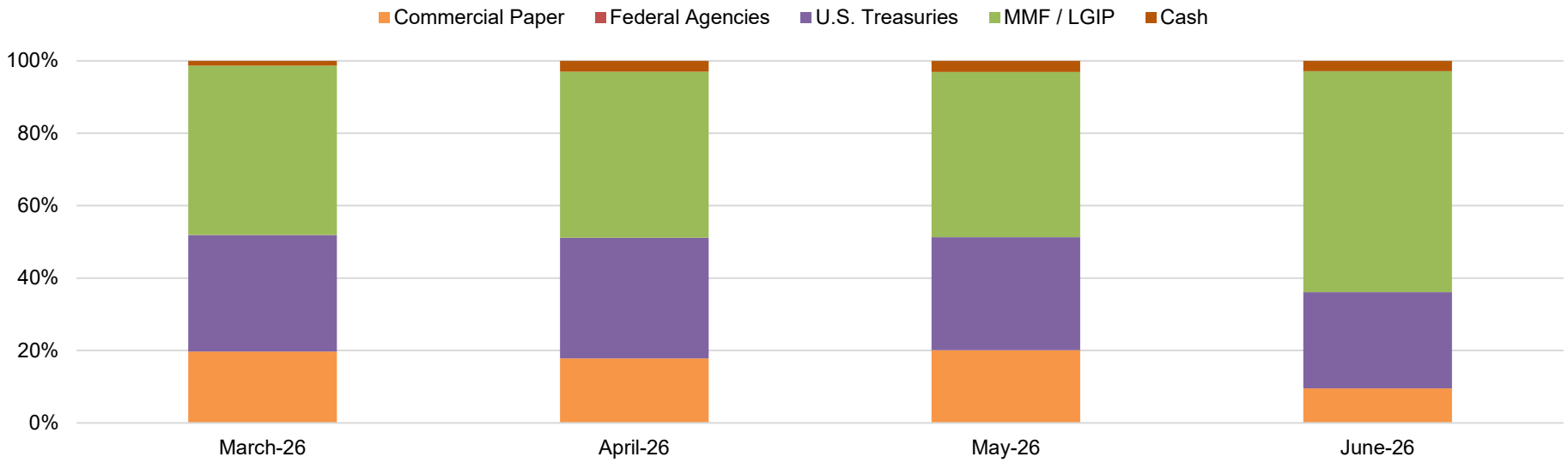
Note: Interest in I&E accounts is sent to the Receiving Funds and can be used for operations; DWSD's portion of the Receiving Funds is restricted and held in trust.

Restricted Principal Unrestricted Interest
Budget Stabilization Funds
Pension Obligation Funds
WRAP Funds

Note: Interest is sent to the Receiving Funds and can be used for operations

Portfolio Snapshot

Investments – By Security Type

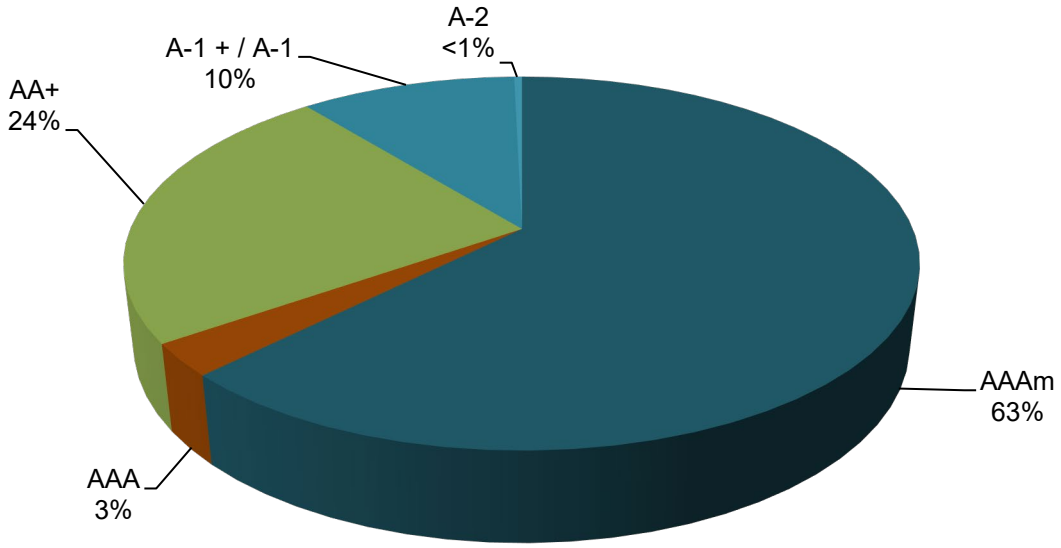


Security Type	March - 26 Market Value	March - 26 % Allocation	April - 26 Market Value	April - 26 % Allocation	May - 26 Market Value	May - 26 % Allocation	June - 26 Market Value	June - 26 % Allocation
Commercial Paper	$ 264,044,346	19.7%	$ 244,096,983	17.8%	$ 278,682,532	20.1%	$ 154,170,433	9.5%
Federal Agencies	-	0.0%	-	0.0%	-	0.0%	-	0.0%
U.S. Treasuries	430,940,284	32.2%	457,025,947	33.4%	433,139,252	31.2%	431,155,023	26.6%
MMF / LGIP	625,816,802	46.8%	627,367,447	45.8%	631,983,508	45.6%	987,722,398	61.0%
Cash	17,565,818	1.3%	41,373,984	3.0%	43,039,034	3.1%	46,576,124	2.9%
Total	$ 1,338,367,250	100.0%	$ 1,369,864,361	100.0%	$ 1,386,844,326	100.0%	$ 1,619,623,978	100.0%

Accounts like the Retainage accounts which are not owned by GLWA are not included in this report.

Portfolio Snapshot

Investments – By Credit Quality

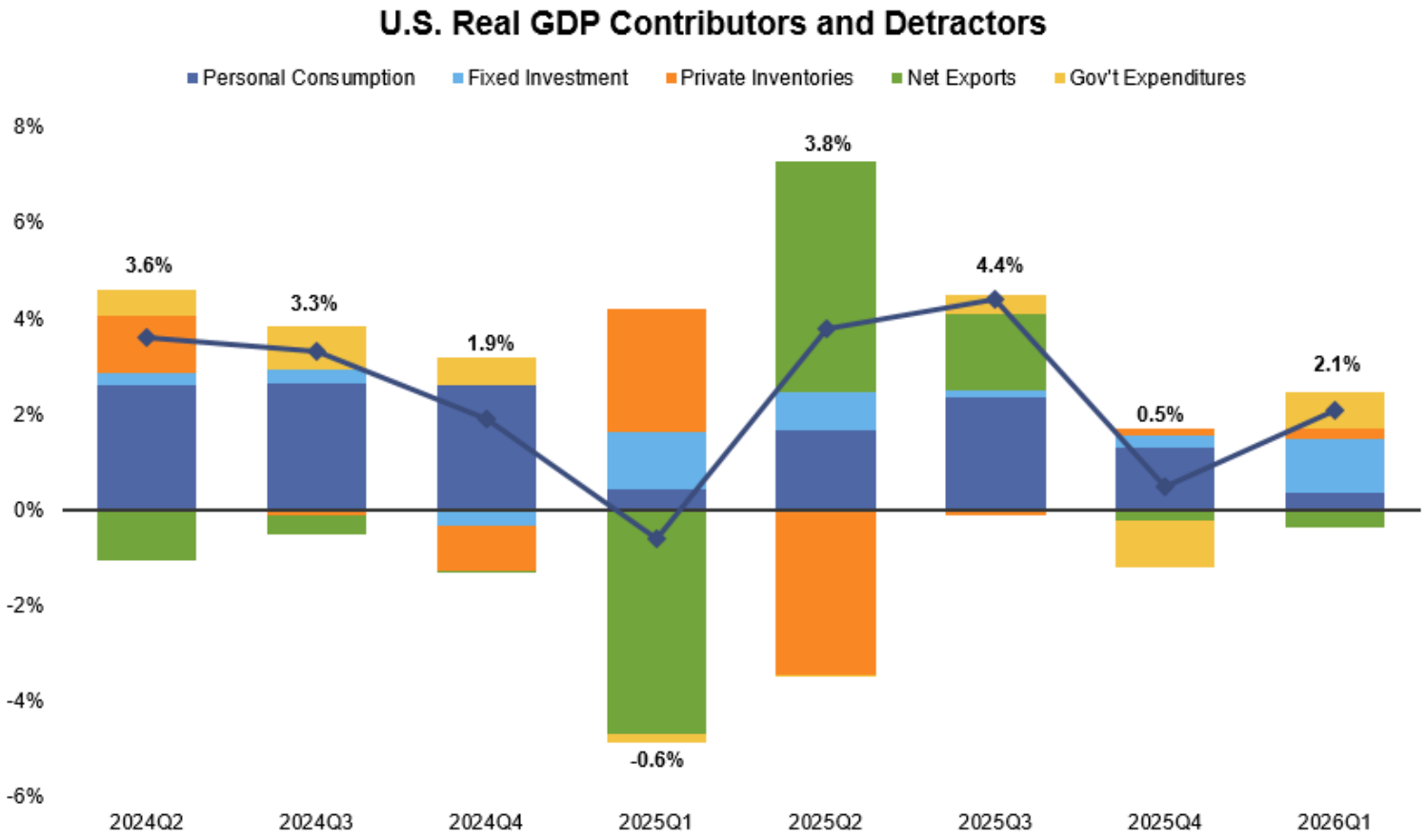


Credit Quality	Market Value	Asset Allocation
Ratings		
AAAm	1,012,796,222	62.5%
AAA	45,649,749	2.8%
AA+	385,505,274	23.8%
A-1 + / A-1	169,536,751	10.5%
A-2	6,135,982	0.4%
NR	-	0.0%
Totals	**1,619,623,978**	**100.0%**

Accounts like the Retainage accounts which are not owned by GLWA are not included in this report.

Appendix I: Economic Update

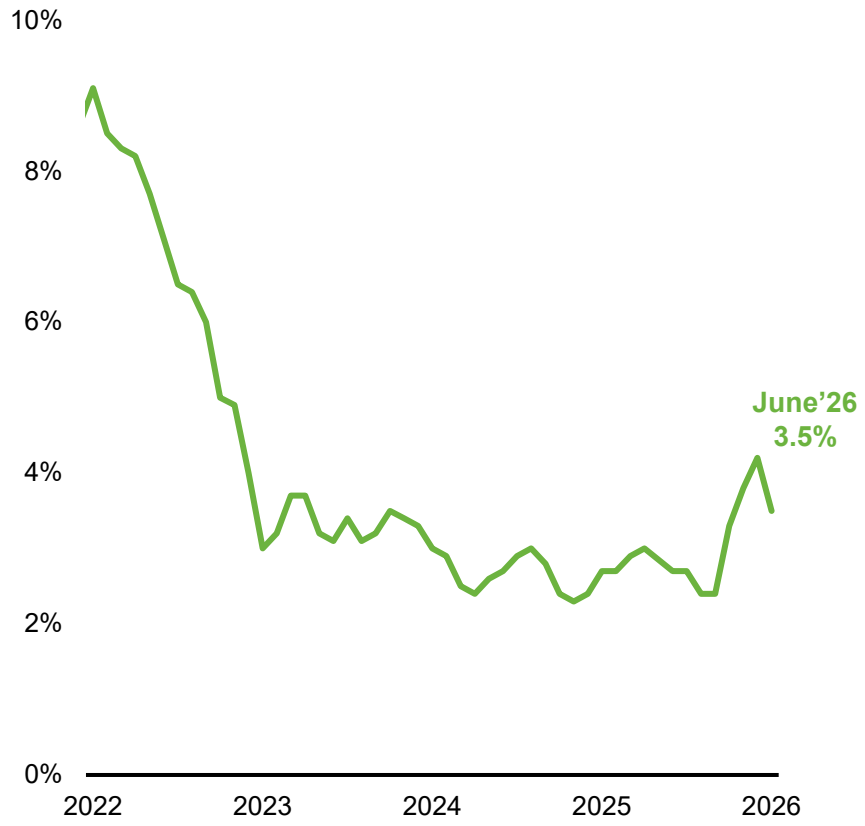
Gross Domestic Product



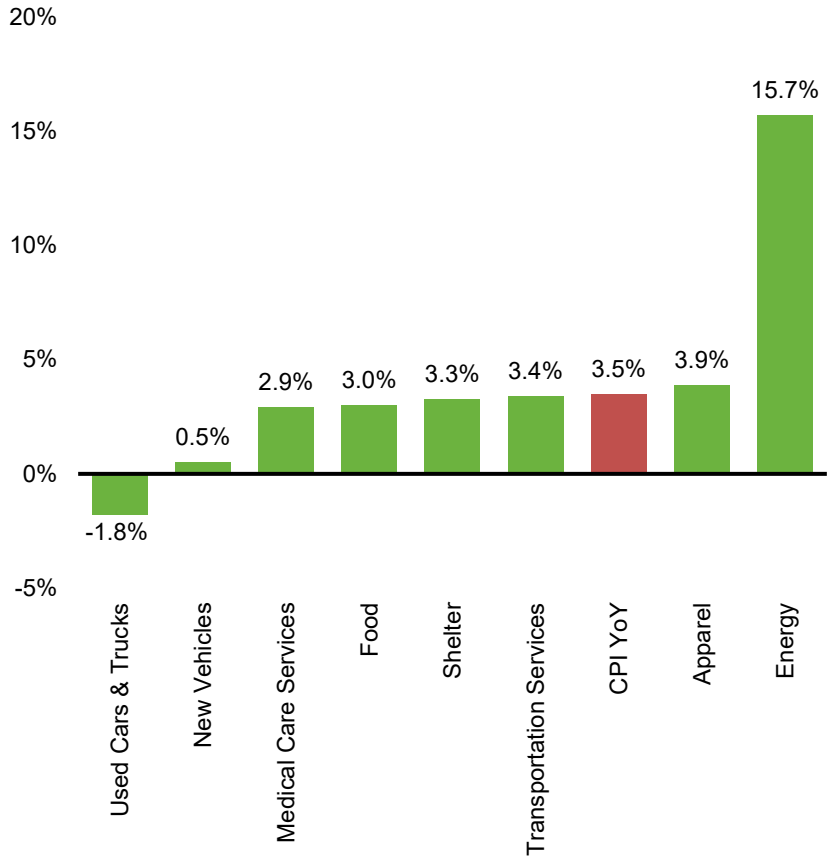
Source: Bloomberg Finance L.P., Bureau of Economic Analysis, as of June 2026.

Consumer Price Index

Consumer Price Index
% Change YoY



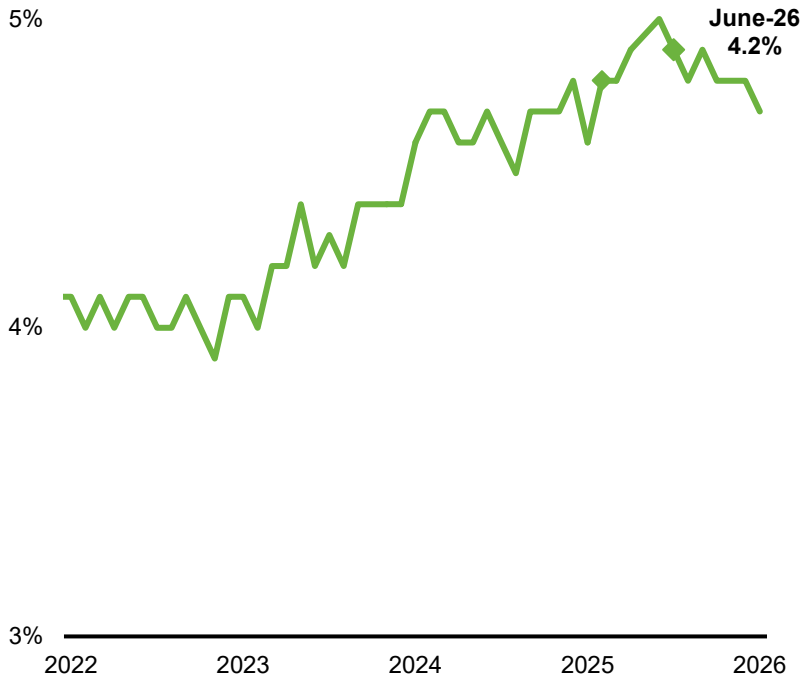
Key Consumer Price Index Components
% Change YoY



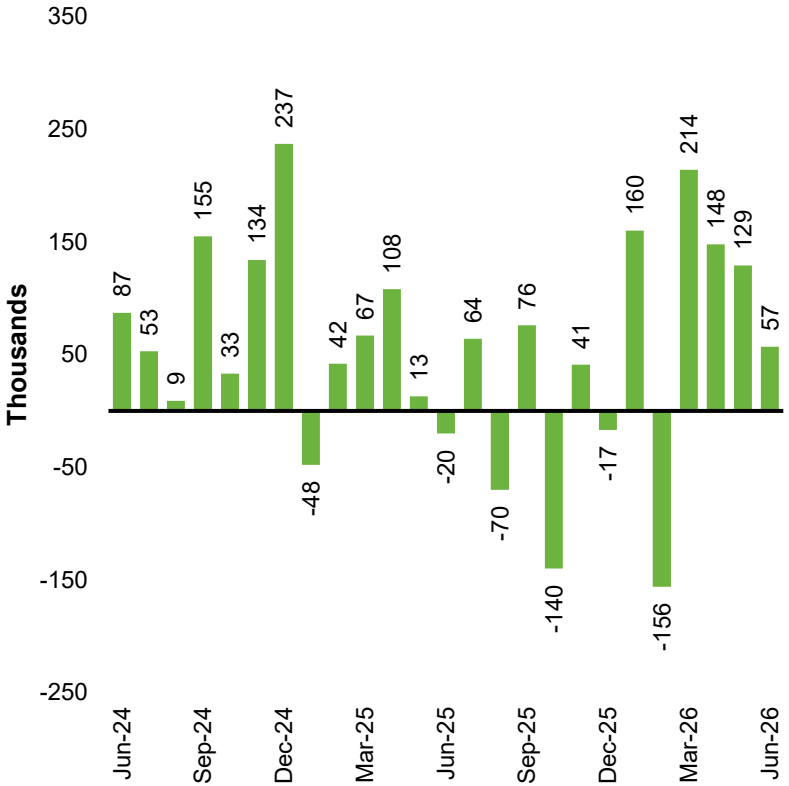
Source: Bloomberg Finance L.P., as of June 2026.

Labor Market Sends Mixed Signals

Unemployment Rate



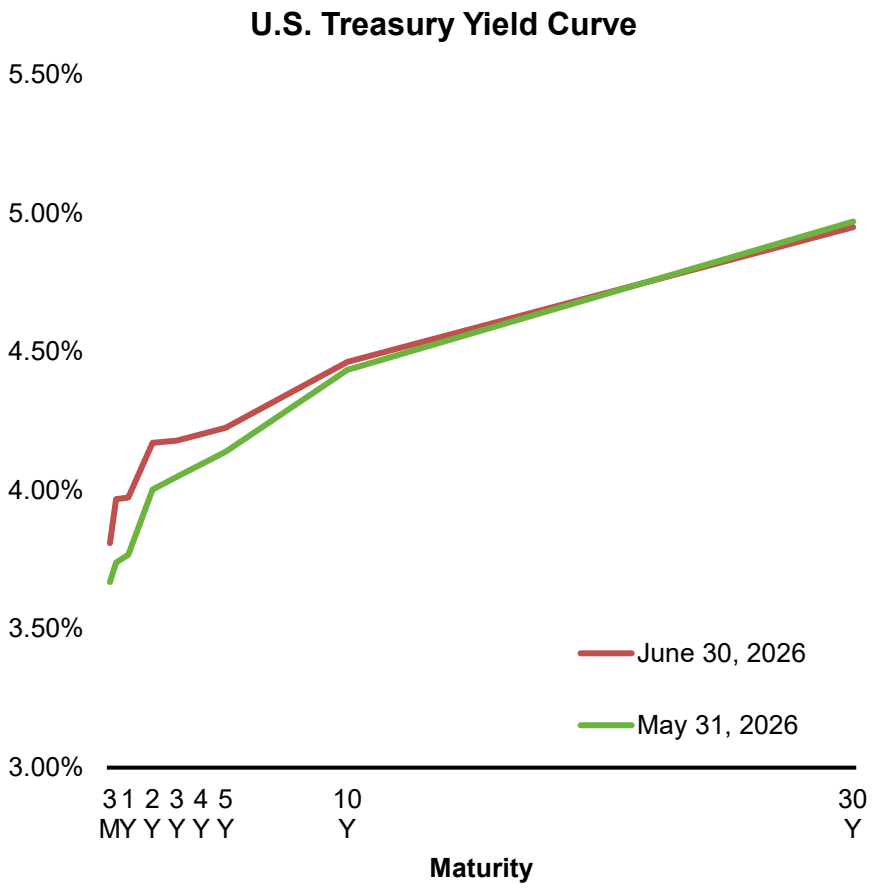
Monthly Change In Nonfarm Payrolls



Left chart: Source: Congressional Budget Office January 2026 economic projections, Bureau of Labor Statistics. Bloomberg Finance L.P., as of June 2026. Data is seasonally adjusted.
Right chart: Source: Bureau of Labor Statistics and Bloomberg Finance L.P. Monthly change in nonfarm payrolls as of June 2026.

Treasury Yield Curve

	6/30/2026	5/31/2026	Change
3 month	**3.81%**	**3.67%**	0.14%
1 year	**3.97%**	**3.77%**	0.20%
2 year	**4.17%**	**4.00%**	0.17%
3 year	**4.18%**	**4.05%**	0.13%
5 year	**4.23%**	**4.14%**	0.09%
10 year	**4.47%**	**4.44%**	0.03%
30 year	**4.95%**	**4.97%**	-0.02%



Source: Bloomberg Finance L.P., as of 6/30/2026 and 5/31/2026, as indicated.

Fixed Income
Market Overview and Outlook

FIXED INCOME MARKET – ECONOMIC HIGHLIGHTS

- U.S. growth remains resilient as AI-driven investment offsets a moderating consumer
  - Headline inflation may be at or near its peak as the energy shock fades, though flare-ups in the Middle East conflict and potential delayed passthroughs to core inflation remain key risks
  - The labor market is in balance, though real wage growth remains modest
  - AI investment continues to drive growth while fueling inflation in tech-related categories

- The Federal Reserve (Fed) left policy rates unchanged at 3.50-3.75%
  - New Fed Chair Kevin Warsh stressed restoring price stability
  - Forward guidance was removed to refocus markets on economic fundamentals and incoming data rather than the Fed's policy response
  - Nine participants projected a 2026 rate hike though Warsh did not submit projections

- Treasury yields moved higher on a more hawkish Fed
  - Given current pricing of Fed rate hikes, we continue to find value in the front end
  - Longer-term rates face two-sided risks from inflation and growth dynamics
  - Credit spreads remain tight as resilient growth, stable labor conditions, and strong demand outweigh valuation concerns

Disclosure

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NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE

Bank Deposits are not managed by PFMAM, and therefore we cannot guarantee the accuracy of holdings.

GLWA Great Lakes Water Authority

Financial Services
Audit Committee Communication

Date: October 23, 2026

To: Great Lakes Water Authority Audit Committee

From: Gerri Williams, Treasury Manager

Re: Qualified Financial Institution Review

Background: One of the ways that a public entity manages risk is to actively monitor and evaluate each financial institution and broker/dealer for credit worthiness with whom it may conduct business for managing public funds. This approach is in alignment with the Great Lakes Water Authority (GLWA) Investment Policy and Michigan Public Act 20. As stated in section 9 of the GLWA Investment Policy, the Treasury Manager shall maintain a listing of Qualified Institutions that provide banking and investment services to GLWA. This list shall be reviewed and approved periodically by the GLWA Audit Committee.

Analysis: GLWA has maintained consistent relationships with the institutions listed on the Qualified list since 2016. The Treasury Manager conducts a quarterly review of each institution. The latest formal review was conducted based on information as of June 30, 2026.

For Broker/Dealers, the following documents were reviewed:

- Audited financial statements
- Financial Industry Regulatory Authority (FINRA) registration
- Federal Deposit Insurance Corporation (FDIC) insurance coverage
- Bank ratings service provider reports

For Financial Institutions, the following documents were reviewed:

- Audited financial statements
- FDIC insurance coverage
- Bank ratings service provider reports

For the Local Government Investment Pools, the following documents were reviewed:

- Information Statement which explains the investment objectives of the investment pool
- Audited financial statements for investment pool
- Audited financial statements for investment advisor
- Credit rating

PFM Asset Management LLC (PFM) a division of U.S. Bancorp LLC., the Investment Advisor for GLWA, annually provides a list of their approved broker/dealers. PFM evaluated this list for credit worthiness. Reliance on the investment advisor's analysis of qualified institutions is provided for in the GLWA investment policy.

Based upon the analysis described above, the financial institutions utilized by the GLWA meet the criteria established by the GLWA investment policy. Given the proprietary nature of the resources utilized, the supporting analysis is filed with the Office of the General Counsel.

Proposed Action: Receive and file this report.

GLWA
Great Lakes Water Authority

Financial Services
Audit Committee Communication

Date: October 23, 2026

To: Great Lakes Water Authority Audit Committee

From: Jeanette Driver MSA, Procurement Manager - B.I.D.

Re: Business Inclusion and Diversity (B.I.D.) FY 2026 Update

Background & Analysis: GLWA is committed to providing business opportunities for small, minority-owned, and/or disadvantaged businesses within GLWA service area. The attached report summarized B.I.D. activity for Fiscal Year 2026.

Proposed Action: Receive and file this report.

Program Background

In 2021, GLWA formally launched its Business Inclusion and Diversity (B.I.D.) Program. Initiated and approved by the GLWA Board of Directors in November 2020, the B.I.D. Program is a procurement solution designed to maximize economic opportunities for small, minority-owned, and disadvantaged business enterprises within GLWA's service area so that they may effectively compete to do business with GLWA.

Program Data Summary

The B.I.D. program data tables included below recap B.I.D. activity for GLWA procurements budgeted at $1 million and greater. ***Table 1*** presents GLWA's nineteen (19) B.I.D. Program awarded contracts YTD totaling over $178 million.

Table 1 B.I.D. Program Overall Activity from July 1, 2025 – June 30, 2026

Quarter	Contracts Awarded	Amount Awarded
1 (July 1-September 30)	7	$69,310,575
2 (October 1-December 31)	2	$24,806,510
3 (January 1-March 31)	8	$81,410,604
4 (April 1- June 30)	2	$2,521,820
Totals	**19**	**$178,049,509**

Of the nineteen (19) eligible procurements shown above, Table 2 provides the outcome of the **Scored Criteria** of the program broken down by quantity awarded and dollar amount awarded. For FY 2026, 13 of 19 projects were awarded to firms that meet the Michigan based business and Member Partner Community category. In addition, for FY 2026, 7 of the 19 procurements were awarded to firms that met the criteria of being in an Economic Disadvantaged Territory.

Table 2 B.I.D. Program Breakdown by Scored Criteria July 1, 2025 – June 30, 2026

Qualifying Description	Contracts Awarded	Amount Awarded
Michigan Qualifying	13	$95,790,060
GLWA Member Partner Community	13	$95,790,060
Economic Disadvantage Territory (All awarded in the City of Detroit)	7	$64,909,015

Of the nineteen (19) eligible procurements shown above in Table 1, Table 3 below provides the program breakdown by diversity designation, by quantity awarded, and by dollar amount awarded. This **Non-Scored Criteria** refers to any diversity certifications that the vendor may hold as a Disadvantaged Business Enterprise (DBE), Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), or Small Business Enterprise (SBE). For FY 2026, 13 of 19 projects were awarded to firms that meet the non-scored criteria. Please note that this amount is based upon the prime contractor and does not include subcontractors.

Table 3 B.I.D. Program Breakdown by Diversity Designation July 1, 2025 – June 30, 2026		
Designation	**Contracts Awarded**	**Amount Awarded**
DBE	2	$20,996,020
SBE	2	$7,643,445
MBE	2	$23,881,895

Program Summary Data by Fiscal Year

Table 4 provides the number of diversity plans submitted since the program began, the total eligible contracts awarded, and the related dollar amount since the inception of the B.I.D. program.

Table 4 B.I.D. Program Summary by Fiscal Year			
Fiscal Year	**Diversity Plans Submitted**	**Contracts Awarded**	**Awarded Amount**
2021	10	3	$99,831,952
2022	88	31	304,331,004
2023	87	36	455,664,806
2024	46	18	485,746,701
2025	52	19	745,264,423
2026	70	19	178,049,509
Total	**353**	**126**	**$2,268,888,395**

Key Achievements and Updates

During Fiscal Year 2026 the B.I.D. team participated in 23 vendor and community events. The events focused on introducing GLWA to prospective suppliers and providing education on how to do business with GLWA. These events serve as key opportunities to expand outreach, build and strengthen supplier relationships, and reinforce GLWA's presence and reputation within the regional business community.

Key outreach events attended included:

- Design Build Water/Wastewater Conference in April 2026
- Business in the City: Contracting and Supplying Opportunities in April 2026

Participation in these events and ongoing program improvements support GLWA's continued commitment to expanding its supplier base and advancing equitable access to procurement opportunities. Procurement is collaborating with the Public Affairs team to revamp the B.I.D. Program branding, including updates to program collateral, website content, and visual identity. These efforts aim to improve clarity, accessibility, and alignment with GLWA's supplier engagement goals.

GLWA Great Lakes Water Authority

Financial Services
Audit Committee Communication

Date: October 23, 2026

To: Great Lakes Water Authority Audit Committee

From: Sonya Collins, CPPB, Chief Procurement Officer

Re: Annual Conflict of Interest Distribution Notice

Background: Every year the Procurement Team collects the Conflict of Interest and Disclosure Form from all GLWA Representatives (Team Members) and GLWA Board Members who participate in the GLWA procurement process. This documents GLWA's commitment to public trust by enforcing and promoting fair, ethical, and financially sound procurement practices during every phase of the procurement process. In accordance with this, GLWA Representatives and GLWA Board Members should be free from any real or perceived Conflict of Interest that could be viewed as adversely affecting their judgement, objectivity, or fiduciary responsibility to GLWA and the public, or otherwise affect GLWA's reputation.

Analysis: Procurement emails instructions in November 2026 with responses due by December 31, 2026. No less than 100% compliance is acceptable with the exception of when a team member is on medical leave. It should noted, however, before a team member can access to any files to score a particular procurement, they complete an additional conflict of interest process.

Board members always achieve 100% compliance and are not engaged in the scoring process.

GLWA Conflict of Interest Reporting Totals by Year			
Year	Respondents Engaged	Responses Received	Percent Complete
2019	194	183	94%
2020	594	585	98%
2021	158	158	100%
2022	274	274	100%
2023	320	318	99%
2024	398	397	99%
2025	427	399	93%

Proposed Action: Receive and file this report.

GLWA Great Lakes Water Authority

Financial Services
Audit Committee Communication

Date: October 23, 2026

To: Great Lakes Water Authority Audit Committee

From: William Baker, Financial Management Professional, Construction Accounting & Reporting

Re: FY 2026 Q4 Construction Work-in-Progress Report through June 30, 2026 (Unaudited)

Background: The quarterly construction work-in-progress (CWIP) provides information and analysis related to the execution of the Great Lakes Water Authority capital improvement program (CIP).

Analysis: The attached documents summarize the FY 2026 Q4 CWIP positions and provides a detailed snapshot to inform decision makers and stakeholders.

Proposed Action: Receive and file this report.

Construction Work-in-Progress Quarterly Report

(Unaudited) As of June 30, 2026

William Baker

Construction Accounting & Reporting

June 30, 2026



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October 23, 2026

To Our Stakeholders:

The contents of this report represent the financial presentation of construction work-in-progress activity for the Great Lakes Water Authority (GLWA) as of June 30, 2026. The information in this report presents a detailed snapshot and is important as we track the execution of the FY 2026–2030 Capital Improvement Plan (CIP) and look to inform decision makers as we evaluate the FY 2027–2031 CIP.

As we continue to refine this report to better communicate pertinent information to inform decision makers and stakeholders, content and formatting may be changed. With the summary of active projects now regularly being reported to the Capital Planning Committee the project highlights previously being reported have been removed from this report.

Report Contents and Organization

Construction Work-in-Progress (CWIP) Appendices: Includes breakdown by jurisdiction which provides a summary of the planned and actual project activity by the jurisdictions identified within the FY 2026 – 2030 Board Approved CIP Plan, detailed CWIP rollforward, which lists all projects in the CIP along with financial activity. These tables may be used to revisit priorities, workload, and phasing. In addition, this section contains project amendment summaries which consider the award of CIP contracts and the related execution thereof may result in deviations from the amount and timing of project activity.

Financial Information

All project amounts are unaudited. This means that direct contractor costs are generally included in these totals with most pay estimates entered through June 30, 2026. There may, however, be some pay estimates that lag. The totals do not include indirect overhead.

Budget vs. Plan

Generally, GLWA's CIP projects span two or more fiscal years. The GLWA Board of Directors adopts a biennial "budget" and a five-year capital improvement "plan".

- ✓ The adopted **budget** relates to operations and maintenance expenses, annual fixed commitments such as debt service, and incremental adjustments to reserves. The budget provides authority to spend within defined amounts. The budget is also referred to as the "revenue requirement" for the utility.
- ✓ The five-year capital improvement **plan** is a rolling plan that is updated at an administrative tracking level as projects move from estimated to actual bid numbers. An updated mid-cycle CIP would be presented to the Board for approval if the prioritization strategy was revised and/or the plan was in need of material revisions.
- ✓ In addition, the Board of Directors adopts a capital spending ratio assumption (SRA) which allows the realities of capital program delivery to align with the financial plan. The SRA is an analytical approach to bridge the total dollar amount of projects in the CIP with what can realistically be spent due to limitations beyond GLWA's control and/or delayed for nonbudgetary reasons. Those limitations, whether financial or non-financial, necessitate the SRA for budgetary purposes, despite the prioritization established.

Executive Summary

The rate of spend is a key performance indicator. The development of the FY 2026–2030 CIP Plan and the FY 2026 related CIP were based on anticipation of FY 2026 activity resulting in 88% of planned spend for the Water System and 90% of planned spend for the Wastewater System.

The Water System spend for the period ending June 30, 2026, is 74.6% of the FY 2026 board approved CIP and 84.8% of the FY 2026 CIP - Capital Spending Rate Assumption (SRA).

Water System Projects	FY 2025	FY 2025 Activity	FY 2025 Percentage	FY 2026	FY 2026 Prorated (Twelve Months)	FY 2026 Activity (Unaudited)	FY 2026 Percentage
(in millions)							
FY 2025 Board Approved CIP	$ 207.3	$ 158.7	76.6%				
FY 2025 Capital Spend Rate Assumption (SRA) - Approved	207.3	158.7	76.6%				
FY 2025 Capital Spend Rate Assumption (SRA) - Adjusted	207.3	158.7	76.6%				
CIP Approved February 26, 2025				$ 183.0	$ 183.0	$ 136.6	74.6%
CIP - Capital Spend Rate Assumption (88%)				161.0	161.0	136.6	84.8%

Executive Summary (Continued)

The Wastewater System spend for the period ending June 30, 2026, is 105.4% of the FY 2026 board approved CIP and 117.1% of the FY 2026 CIP - capital spending rate assumption (SRA).

Sewer spending is significantly above plan due to a substantial increase in SRF funding for FY 2026, which has enabled the acceleration of several projects originally scheduled for later years in the CIP and ten-year plan.

Wastewater System Projects	FY 2025	FY 2025 Activity	FY 2025 Percentage	FY 2026	FY 2026 Prorated (Twelve Months)	FY 2026 Activity (Unaudited)	FY 2026 Percentage
(in millions)							
FY 2025 Board Approved CIP	$ 169.2	$ 175.7	103.8%				
FY 2025 Capital Spend Rate Assumption (SRA) - Approved	169.2	175.7	103.8%				
FY 2025 Capital Spend Rate Assumption (SRA) - Adjusted	169.2	175.7	103.8%				
CIP Approved February 26, 2025				$ 193.2	$ 193.2	$ 203.7	105.4%
CIP - Capital Spend Rate Assumption (90%)				173.9	173.9	203.7	117.1%

Appendix A - Construction Work-in-Progress Rollforward Summaries by Jurisdiction

The purpose of the construction work-in-progress (CWIP) summary rollforward by jurisdiction is to provide a high-level overview of the financial status of the projects identified within the current board approved CIP by their jurisdiction. Within the FY 2026 – 2030 Board Approved CIP Plan, projects are identified and categorized as either City of Detroit, Wayne County - Outside Detroit, Lapeer County, Macomb County, Oakland County, Saint Clair County or Multiple Counties and reflected accordingly in this report. This structure enhances transparency across regional project portfolios.

As of June 30, 2026, **$330.3 million** is in CWIP for the Water System, as shown in A1 – Water – CWIP Rollforward by Jurisdiction**.**

As of June 30, 2026, **$658.7 million** is in CWIP for the Wastewater System, as shown in A2 – Wastewater – CWIP Rollforward by Jurisdiction.

The order of these appendices on the subsequent pages are in ascending by jurisdiction alphabetically.

Great Lakes Water Authority
A1 - Water System Construction Work-in-Progress (CWIP) FY 2026 Rollforward Summary By Jurisdiction
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Jurisdiction	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	CWIP Balance June 30, 2026
City of Detroit	$688,819	$89,320	$24,096	$27,277	$58,168
Lapeer County	143,236	5,579		2	270
Mutiple Counties	781,213	181,499	77,924	66,047	116,147
Oakland County	537,789	147,526	673	2,441	9,016
Saint Clair County	381,858	31,121	45,726	19,063	50,181
Wayne County - Outside Detroit	1,189,053	92,861	34,645	21,752	96,521
Grand Total	$3,721,969	$547,906	$183,064	$136,583	$330,304

Great Lakes Water Authority
A2 - Wastewater System Construction Work-in-Progress (CWIP) FY 2026 Rollforward Summary By Jurisdictior
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Jurisdiction	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	CWIP Balance June 30, 2026
City of Detroit	$3,467,949	$292,180	$132,091	$130,975	$407,952
Mutiple Counties	487,856	193,408	59,805	72,123	244,949
Wayne County - Outside Detroit	147,365	5,261	1,325	567	5,828
Grand Total	$4,103,170	$490,850	$193,221	$203,665	$658,729

Appendix B - Construction Work-in-Progress Rollforwards

The purpose of the construction work-in-progress (CWIP) rollforward is to analyze the current year activity for each project in relation to the overall capital improvement program and total project portfolio. This provides insight into progress, cost patterns, and lifecycle considerations.

As part of the project lifecycle review, the Construction Accounting team identifies when projects should be capitalized. Projects are capitalized when they are fully complete or contain identifiable assets that have been placed into service. This ensures proper financial reporting and asset stewardship.

The following projects reached completion or readiness for use and were capitalized in Q4 FY2026:

PRJ-111011	LH WTP Pilot Plant D/B Services	PRJ-112006	NE WTP Flocculator Replacement
PRJ-114002	Springwells WTP Low and High Lift Improv	PRJ-115001	Yard Piping, Valves and Venturi Meters
PRJ-116005	Belle Isle Seawall Rehabilitation	PRJ-122004	96" Main Relocation,Isolation Valve Ins
PRJ-122005	Replacement Schoolcraft Water Main	PRJ-122013	14 Mile Transmission Main Loop
PRJ-122020	Concord and Nevada Flow Control Valves	PRJ-122023	Adams Road Transmission Main
PRJ-132007	Energy Mgt:Freeze Protection Pump Instal	PRJ-132010	Divison Valves at West Service Center
PRJ-170302	SW WTP SCADA System Critical Infrastruct	PRJ-170504	Repair of WTM, Valves, & Priority Repair
PRJ-170802	Reservoir Inspection, Design	PRJ-170901	Suburban Water Meter Pit Rehab
PRJ-211002	PC-795: Tooles: Pump Station 2 Improveme	PRJ-211005	Pump Station 2 Improvements Phase II:
PRJ-211008	Ferric Chloride Feed System Rehabilitati	PRJ-211011	WRRF PS1 Screening & Grit Improvements
PRJ-222001	Oakwood Relief Sewer Modification	PRJ-222002	CON-183: DB 223 Inland Waters:

The following projects reached completion or readiness for use and were capitalized in Q4 FY2026 (Continued):

PRJ-232001 Fairview Sewage Pumping Station Improvem
PRJ-232005 Freud Pump Station Improvements
PRJ-260201 CON-149: Inland: DRI Sec Insp, Eval, Des
PRJ-260505 Rehabilitation of Outfalls - Phase IV
PRJ-260510 Conveyance System Repairs – Outfalls
PRJ-260621 Conner Creek Berm Improvements
PRJ-260802 2022 WRRF Roof Improvements Project
PRJ-260901 Rehab HAZMAT Facility at WRRF
PRJ-260902 Renovation of 4th Floor
PRJ-260905 WRRF Plumbing Shop Rehab
PRJ-277001 Baby Creek-Outfall Improvements

As of June 30, 2026, **$330.3 million** is in CWIP for the Water System, as shown in A1 – Water – CWIP Rollforward by Jurisdiction.

As of June 30, 2026, **$658.7 million** is in CWIP for the Wastewater System, as shown in A2 – Wastewater – CWIP Rollforward by Jurisdiction.

The order of these appendices on the subsequent pages are in ascending order by Project Category followed by CIP project number.

Great Lakes Water Authority
B1 - Water System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations and Other Activity through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Field Services - Water	587,351	224,892	34,660	34,025	202,150	56,767	261,406	318,173	54%
Programs									0%
Programs - Water	542,942	75,382	57,838	41,064	32,774	83,671	85,346	169,017	31%
Systems Control Center	760,507	64,382	949	3,576	54,032	13,926	54,062	67,988	9%
Water Treatment Plants & Facilities	1,797,791	183,251	89,617	57,918	65,230	175,939	220,182	396,122	22%
Programs - Centralized Services	33,378								0%
Grand Total	$3,721,969	$547,906	$183,064	$136,583	$354,185	$330,304	$620,996	$951,299	26%

Great Lakes Water Authority
B2 - Wastewater System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations And Other Activity Through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
CSO Facilities	$264,828	25,901	$12,079	$10,283	5	$36,180	$394	$36,574	14%
Field Services - Wastewater	212,086	94,585	32,345	40,146	750	133,981	750	134,731	64%
Programs	574,821	207,078	53,556	39,954	26,879	220,153	70,243	290,396	51%
Systems Control Center	625,160	32,229	25,092	21,536	263	53,501	51,081	104,582	17%
Water Resource Recovery Facility	2,426,275	131,057	70,148	91,745	7,888	214,914	54,253	269,167	11%
Grand Total	$4,103,170	$490,850	$193,221	$203,665	35,785	$658,729	$176,720	$835,449	20%

Great Lakes Water Authority
B3 - Water System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations and Other Activity through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Field Services - Water	122004	96-inch Main Relocation, Isolation Valves Installations, and New Parallel Main	239,332	119,900	27,066	28,742	108,274	40,369	108,422	148,791	62%
	122005	Replacement Schoolcraft Watermain		(0)		25	25	(0)	16,972	16,972	0%
	122006	Transmission System Water Main Work-Wick Road Parallel Water Main	26,251	5,500				5,500	20,751	26,251	100%
	122007	Design and Construction of a new Newburgh Road 24" Main along Newburgh Road between Ch	27,216	325	193	62		387		387	1%
	122013	Lyon Township Transmission Main Extension Project	115,337	93,826		118	93,826	118	111,337	111,455	97%
	122016	Downriver Transmission Loop	97,138	3,966	5,007	37		4,003		4,003	4%
	122017	7 Mile/Nevada Transmission Main Rehab and Carrie/Nevada Flow Control Station	13,161	0				0	3,898	3,898	30%
	122019	Jefferson Main Replacement	43,136	1,374		17		1,391		1,391	3%
	122020	Concord and Nevada Flow Control Valves	8,594		781	359	7	352	7	359	4%
	122021	Grosse Pointe Woods - HW: Harper Woods 24" Main	7,077		776						0%
	122023	Adams Road Transmission Main	10,110		837	20	18	2	18	20	0%

Great Lakes Water Authority
B3 - Water System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations and Other Activity through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Field Services - Water	122026	West 14-Mile 48"/54" Transmission Main Emergency Improvements				4,646		4,646		4,646	0%
Field Services - Water Total			587,351	224,892	34,660	34,025	202,150	56,767	261,406	318,173	54%
Programs	260510	Conveyence System Rehabilitation - Outfalls									0%
Programs Total											0%
Programs - Water	170300	Water Treatment Plant Automation Program	23,317								0%
	170302	SW WTP SCADA Improvements	8,267	9,279	124	370	9,649		9,649	9,649	117%
	170304	WWP WTP SCADA Upgrade		651				651		651	0%
	170305	WWP SCADA Network Upgrade	7,542								0%
	170306	SPW SCADA PLC Network Upgrade	6,780		3,825	429		429		429	6%
	170400	Water Transmission Improvement Program	32,175								0%
	170500	Transmission System Valve Assessment and Rehabilitation/Replacement Program	59,296		2,735						0%

Great Lakes Water Authority
B3 - Water System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations and Other Activity through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Programs - Water	170503	Transmission System Valve Assessment and Rehabilitation/Replacement B	16,167	2,094	5	2		2,097	14,054	16,150	100%
	170504	Repair of WTM, Valves, & Priority Repair	18,602	9,972	3,869	2,761	8,649	4,084	8,649	12,733	68%
	170506	Water Transmission Main, Valves, & Other	15,165	790	3,306	(141)		650		650	4%
	170600	Water Transmission Main Asset Assessment Program	40,459		1,611						0%
	170601	Linear System Integrity Program	29,507	2,604	43	1,162		3,765		3,765	13%
	170602	36" 24 Mile Rd. Transmission Main Condit	23,081	20,325	18,370	812		21,137		21,137	92%
	170603	Transmission Main Condition Assessment	7,077		6,101						0%
	170604	96-inch Transmission Main Condition Assessment	12,132								0%
	170607	42", Tyler-North, Van Buren Two				219		219		219	0%
	170608	14 Mile Road Emergency Response & Condition Assessment				17,930		17,930		17,930	0%
	170609	Pipe Group 394, 42-Inch, Marquette, Garden City Condition Assessment				15		15		15	0%

Great Lakes Water Authority
B3 - Water System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations and Other Activity through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Programs - Water	170610	TOA 13 - PICA's HEX-EMIT Pilot Project				123		123		123	0%
	170611	TOA 16 - Welded Steel Pipe Leak Detection				58		58		58	0%
	170801	Reservoir Inspection, Design and Rehabilitation	25,384						25,265	25,265	100%
	170802	Reservoir Inspection, Design	55,682	21,097	13,623	14,278	9,769	25,606	15,311	40,917	73%
	170803	Reservoir Inspection, Design, and Construction Mangement Services Phase III	78,849	10		85		95		95	0%
	170900	Suburban Water Meter Pit Rehabilitation and Meter Replacement Program	43,901								0%
	170901	Suburban Water Meter Pit Rehabilitation and Meter Replacement		4,708			4,708		12,411	12,411	0%
	170904	Phase II Wholesale Water Meter Pit Rehab	15,859	3,853	4,206	2,959		6,813	7	6,820	43%
	170906	Repurpose Abandoned Meter Pits	2,520								0%
	170907	GLWA New Water Master Meter FL-01 Vault Upgrade and Rightsizing	2,520		19						0%
	171500	Roof Replacement - Var Facilities Program	15,948								0%

Great Lakes Water Authority
B3 - Water System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations and Other Activity through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Programs - Water	171502	Lake Huron and Southwest Roof Replacement	2,710								0%
Programs - Water Total			542,942	75,382	57,838	41,064	32,774	83,671	85,346	169,017	31%
Systems Control Center	132007	Energy Management: Freeze Protection Pump Installation at Imlay Pumping Station	5,268	5,309		2	5,311		5,311	5,311	101%
	132010	West Service Center/Duval Rd Division Valve Upgrades	47,782	46,934	343	191	47,125		47,125	47,125	99%
	132012	Ypsilanti PS Improvements	42,756	2,572			1,596	975	1,596	2,572	6%
	132014	Adams Road Booster Pumping Improvements	61,759	102				102		102	0%
	132015	Newburgh BPS	62,734	2,466	276	1,251		3,718	30	3,748	6%
	132016	North Service Center BPS Improvements	251,994	6,569	330	2,132		8,701		8,701	3%
	132018	Schoolcraft BPS	24,691								0%
	132019	Wick Road BPS - Switchgear	24,780	65				65		65	0%
	132020	Franklin BPS - Isolation Gate Valves	60,918	95				95		95	0%

Great Lakes Water Authority
B3 - Water System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations and Other Activity through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Systems Control Center	132021	Imlay BPS - Replace VFDs, Pumps & Motors	137,968	270				270		270	0%
	132022	Joy Road BPS - Replace Reservoir Pumps	39,857								0%
	232001	Fairview Pumping Station - Replace Four Sanitary Pumps									0%
	232005	Freud Pump Station Improvements									0%
Systems Control Center Total			760,507	64,382	949	3,576	54,032	13,926	54,062	67,988	9%
Water Treatment Plants & Facilities	111001	Energy Management: Lake Huron Water Treatment Plant Low Lift Pumping Improvements	150,515	6,599	13,178	2,151		8,750		8,750	6%
	111006	Replacement of Filter Instrumentation and Raw Water Flow Metering Improvements at Lake	78,142	6,438	21,196	9,915		16,353		16,353	21%
	111008	LHWTP Architectural Programming - Lab	782								0%
	111009	Lake Huron WTP-35 MGD HLP, Flow Meters	31,223	16,092	7,501	2,880		18,972		18,972	61%
	111010	Lake Huron Water Treatment Plant - Filtration and Pretreatment	58,639								0%

Great Lakes Water Authority
B3 - Water System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations and Other Activity through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Water Treatment Plants & Facilities	111011	Lake Huron WTP Pilot Plant	3,157	4			4		3,080	3,080	98%
	111012	LHWTP-Flocculation Improvements	49,345	1,984	3,850	4,121		6,105		6,105	12%
	111013	LH WTP Fireloop & Plant Water Improvements	10,055	4		(4)		0		0	0%
	112003	NE WTP High Lift Pumping Electrical	171,676	562				562		562	0%
	112006	Northeast Water Treatment Plant Flocculator Replacements	13,463	7,221	2,301	3,205	8,393	2,033	8,393	10,427	77%
	112007	NE WTP Structural Repair of Slab and Bea	6,685	251	2,166	1,382		1,633		1,633	24%
	112008	Northeast WTP Filter Replacement	94,631	267	3,841	5,640		5,907		5,907	6%
	112009	Northeast Sedimentation Basins Sludge Processing Facility		439		46		485		485	0%
	113003	Replacement of Butterfly Valves	162,110								0%
	113007	Architectural and Building Mechanical	8,641	4		3		7		7	0%
	113009	SW WTP Flight and Chain Upgrades	5,127	4,079		971		5,050		5,050	98%

Great Lakes Water Authority
B3 - Water System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations and Other Activity through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Water Treatment Plants & Facilities	113010	SW WTP Flocculation Improvements	22,225	34	1,191	46		80		80	0%
	114002	Springwells Water Treatment Plant - Low Lift and High Lift Pump Station	315,778	55,873	16,403	6,858	4,448	58,283	22,001	80,284	25%
	114005	Springwells WTP Admin Building Improvements	7,138	1,321				1,321		1,321	18%
	114008	1930 Sedimentation Basin Sluice Gates, Guides & Hoists Improvements at Springwells WTP	13,225						13,202	13,202	100%
	114010	Yard Piping Improvements	218,615	1,811				1,811		1,811	1%
	114011	Steam, Condensate Return, and Compressed Air Piping Improvements at Springwells WTP	28,364	2,356			2,356		26,712	26,712	94%
	114017	Springwells Water Treatment Plant Flocculator Drive Replacement	27,831	3,211	6,013	7,035		10,246	11,961	22,206	80%
	114018	Springwells Water Treatment Plant - Service Building Electrical Substation and Miscellaneous Improvements	2,341								0%
	115001	Yard Piping, Valves and Venturi Meters Replacement at Water Works Park	56,073	46,516	2,748	1,531	47,951	96	52,025	52,121	93%
	115005	WWP WTP Building Ventilation Improvements	16,999	15,814		1,064		16,877		16,877	99%

Great Lakes Water Authority
B3 - Water System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations and Other Activity through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations and Other Activity	Life to Date Activity through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Water Treatment Plants & Facilities	115006	Water Works Park Site/Civil Improvements	5,896								0%
	115007	Water Works Park High Lift Pumping Station Modernization	115,090								0%
	115009	Water Works Park Sedimentation Basins Structural Upgrades	16,846								0%
	116002	Pennsylvania, Springwells and Northeast Raw Water Supply Tunnel Improvements based on	98,757	10,295	8,053	11,067		21,362	80,730	102,091	103%
	116005	Belle Isle Seawall Rehabilitation	2,191	2,078			2,078		2,078	2,078	95%
	116006	Belle Isle Intake System Rehabilitation and Improvements	2,222			6		6		6	0%
	116007	System Electrical Power Improvements	4,010		1,174						0%
Water Treatment Plants & Facilities			1,797,791	183,251	89,617	57,918	65,230	175,939	220,182	396,122	22%
Programs - Centralized Services	381000	Energy Management: Electric Metering Improvement Program	10,110								0%
	383300	Masonry Replacement and Rehabilitation Program	23,268								0%
Programs - Centralized Services Total			33,378								0%
Grand Total			$3,721,969	$547,906	$183,064	$136,583	$354,185	$330,304	$620,996	$951,299	26%

Great Lakes Water Authority
B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations And Other Activity Through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
CSO Facilities	270001	Pilot CSO Netting Facility	$37,937	$99	$1,027	$1,000		$1,098		$1,098	3%
	270002	Meldrum Sewer Diversion and VR-15 Improvements	9,354	3		46		49		49	1%
	270003	Long Term CSO Control Plan	9,576								0%
	270004	Oakwood Lieb CSO Facility Improvement	59,536	6,458	2,393	6,085		12,543		12,543	21%
	270006	Control System Upgrades - Baby Creek/Belle	20,856	3,282	3,294	606		3,888		3,888	19%
	270007	Disinfection System Improvements at CSO	16,530	95	843	432		527		527	3%
	270008	Flushing System Improvements at Conner Creek and St. Aubin CSO Facilities	7,070								0%
	270009	Site Improvements at St. Aubin, Belle Isle, and Baby Creek CSO Facilities	1,390	8		30		37		37	3%
	270010	HVAC Improvements at Puritan Fenkell and Seven Mile CSO Facilities	6,629	30	462	189		219		219	3%
	270011	HVAC Improvements at Conner Creek and Belle Isle CSO Facilities	5,804								0%
	270012	Control System Upgrades at Conner Creek, Oakwood, and Puritan Fenkell CSO Facilities	1,675								0%

Great Lakes Water Authority
B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations And Other Activity Through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
CSO Facilities	270013	Facility Improvements at Puritan Fenkell and Seven Mile CSO Facilities	902								0%
	270014	Convert to Complete Capture Basin CSO Fa	4,482								0%
	273001	Hubbell Southfield CSO Facility Improvement	64,243	5,261	1,325	567		5,828		5,828	9%
	273002	CSO Hubbell Southfield VR· 8 Gate Improvements	1,786								0%
	277001	Baby Creek Outfall Improvements Project	16,313	10,666	2,735	1,329	5	11,990	394	12,384	76%
	277002	Baby Creek CSO Facility Influent Flushing System	745								0%
CSO Facilities Total			264,828	25,901	12,079	10,283	5	36,180	394	36,574	14%
Field Services - Wastewater	222001	Intercommunity Relief Sewer Modifications in Detroit Oakwood District	87,934	15,306	22,987	30,692	668	45,330	668	45,998	52%
	222002	Detroit River Interceptor Evaluation and Rehabilitation	119,603	77,029	8,294	8,329	82	85,276	82	85,358	71%
	222008	North Interceptor East Arm (NIEA)	4,550	2,250	1,064	1,125		3,375		3,375	74%
Field Services - Wastewater Total			212,086	94,585	32,345	40,146	750	133,981	750	134,731	64%

Great Lakes Water Authority
B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations And Other Activity Through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Programs	260201	Conveyance System Interceptor Rehab	39,032	19,906			19,906		38,448	38,448	99%
	260204	Energy Services for Rehabilitation of Conveyance Sewer System	54,394	38,662	10,454	5,400		44,062		44,062	81%
	260205	NWI Outfall Rehabilitation	9,348	6,923		1		6,924		6,924	74%
	260206	Conveyence System Rehabilitation - Interceptors	39,837	10,754	9,282	160		10,914		10,914	27%
	260207	Rehabilitation of Woodward Sewer System	22,925	19,593		80		19,673		19,673	86%
	260209	Sewer Repair Contract - As Needed	14,965	7,863	5,245	11,794		19,658		19,658	131%
	260210	Linwood/Lonyo/Ashland/2nd Ave/Shiawassee	43,326	2,178	2,240	3,838		6,016		6,016	14%
	260211	Sewer Repair Contract II	6,066	6	2,368	32		38		38	1%
	260505	Rehabilitation of Outfalls - Phase IV		4			4		5,713	5,713	0%
	260508	B-39 Outfall Rehab	10,984	10,461				10,461		10,461	95%

Great Lakes Water Authority
B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations And Other Activity Through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Programs											
	260509	B-40 Outfall Rehab		113				113		113	0%
	260510	Conveyence System Rehabilitation - Outfalls	25,252	11,093	7,277	2,706	153	13,645	153	13,799	55%
	260614	CSO Facilities Structural Improvements	16,664	14,541	855	911		15,453		15,453	93%
	260618	Oakwood HVAC Improvements	6,211						6,211	6,211	100%
	260619	Control System Upgrade At St. Aubin, Lieb and 7 Mile	7,974	5,582	776	2,404		7,986		7,986	100%
	260621	Connor Creek Berm Improvements		2			2		2,247	2,247	0%
	260622	CSO Facilities Emergency Generator Improvements	1,223						1,110	1,110	91%
	260623	Baby Creek Screen Rehabilitation	2,275	1		(1)			2,277	2,277	100%
	260624	Baby Creek Chemical Tansk Replacement (TOE) T2-43 Replacement - Installation	5,150	1,420	3,250	2,653		4,073		4,073	79%
	260701	Conveyance System Infrastructure Improvements	58,453	46,535	5,196	6,254		52,789		52,789	90%

Great Lakes Water Authority
B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations And Other Activity Through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Programs	260800	WRRF Roof Replacement Program	14,862								0%
	260802	2022 WRRF Roof Improvements Project	4,751	3,995	331	164	4,159		4,159	4,159	88%
	260803	WRRF Roof Improvements - Phase II	3,532		134						0%
	260900	WRRF Facility Optimization Program	85,935		68						0%
	260901	Rehab. Hazmat Facility at WRRF	3,857	6		83	89		3,807	3,807	99%
	260902	WRRF Renovation of 4th Floor	3,552	16			16		3,568	3,568	100%
	260903	WRRF Front Entrance Rehab.	7,583		1,573	2,599		2,599		2,599	34%
	260904	WRRF 3rd Floor Renovation	9,390	196	3,818	626		822		822	9%
	260905	WRRF Plumbing Shop Rehab	2,688	2,421		128	2,549		2,549	2,549	95%
	261000	WRRF Rehabilition of Secondary Clarifiers	39,337								0%

Great Lakes Water Authority
B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations And Other Activity Through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Programs	261001	Rehabilitation of Secondary Clarifiers	35,256	251	688	122		373		373	1%
Programs Total			574,821	207,078	53,556	39,954	26,879	220,153	70,243	290,396	51%
Systems Control Center	232001	Fairview Pumping Station - Replace Four Sanitary Pumps	44,742	4			4		44,718	44,718	100%
	232002	Connor Creek Pump Station Improvements	348,099	14,522	7,601	4,996		19,518	6,104	25,622	7%
	232005	Freud Pump Station Improvements	150,983	17,702	17,492	16,540	259	33,983	259	34,242	23%
	233003	Rouge River In-system Storage Devices	81,336								0%
Systems Control Center Total			625,160	32,229	25,092	21,536	263	53,501	51,081	104,582	17%
Water Resource Recovery Facility	211002	Pump Station No. 2 Pumping Improvments	4,002	758	4	6	764		3,440	3,440	86%
	211005	Pump Station No. 2 Improvements	86,034	1,608	1,782	74	1,653	30	1,653	1,682	2%
	211006	Pump Station No. 1 Improvements	114,108	43,354	13,383	18,465		61,819		61,819	54%

Great Lakes Water Authority
B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations And Other Activity Through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Water Resource Recovery Facility	211007	Replacement of Bar Racks and Grit Collection System at Pump Station No. 2	243,125	14,314	6,502	38,414		52,728		52,728	22%
	211008	Rehabilitation of Ferric Chloride Feed systems at the Pump Station -1 and Complex B Sludge Lines	13,416	1		16		17	12,870	12,887	96%
	211009	Rehabilitation of the Circular Primary Clarifier Scum Removal System	23,230	643		19		663		663	3%
	211010	Rehabilitation of Sludge Processing Complexes A and B	14,104	94				94		94	1%
	211011	WRRF PS1 Screening and Grit Improvements	307,732	4,869	1,287	602	5,471		5,471	5,471	2%
	212008	WRRF Rehabilitation of Intermediate Lift	213,745	19,318	12,042	10,178		29,496		29,496	14%
	212009	WRRF Aeration Improvements 3 and 4	271,545								0%
	212010	WRRF Conversion of Disinfection of all Flow to Sodium Hypochlorite and Sodium Bisulfite	6,232								0%
	213006	Improvements to Sludge Feed Pumps at Dewatering Facilities	21,514	3,709	1,003	511		4,220		4,220	20%
	213007	Construction of the Improved Sludge Conveyance and Lighting System at the WWTP	25,524	871	574	142		1,013	22,912	23,925	94%

Great Lakes Water Authority
B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2026 Rollforward
Unaudited Activity For the Fiscal Quarter Ended June 30, 2026
(in thousands)

Project Category	Project	Project Name	Project Plan Estimate	CWIP Balance July 1, 2025	FY 2026 Board Approved CIP	FY 2026 Activity through June 30, 2026	FY 2026 Capitalizations And Other Activity Through June 30, 2026	CWIP Balance June 30, 2026	Life to Date Capitalizations And Other Activity	Life to Date Activity Through June 30, 2026	Life to Date Activity / Total Project Plan Estimate
Water Resource Recovery Facility	213008	Rehabilitation of the Wet and Dry Ash Handling Systems	7,189	151	342	26		178		178	2%
	213009	Phosphorous Recovery Facility at the WWRF	908,270	539	1,602	957		1,495		1,495	0%
	216004	Rehabilitation of Various Sampling Sites and PS# 2 Ferric Chloride System at WWTP	7,963						7,907	7,907	99%
	216006	Rehabilitation of the Screened Final Effluent (SFE) Pump Station and Secondary Water System	38,010	22,473	9,817	7,437		29,910		29,910	79%
	216008	Rehabilitation of Screened Final Effluent (SFE) Pump Station	106,554	8,802	18,378	11,172		19,974		19,974	19%
	216011	WRRF Structural Improvements	13,978	9,551	3,431	3,208		12,759		12,759	91%
	216012	WRRF Research Facility									0%
	216013	WRRF Emergency Procurement of Transformers A&B				518		518		518	0%
Water Resource Recovery Facility			2,426,275	131,057	70,148	91,745	7,888	214,914	54,253	269,167	11%
Grand Total			$4,103,170	$490,850	$193,221	$203,665	35,785	$658,729	$176,720	$835,449	20%

GLWA Great Lakes Water Authority

Financial Services
Audit Committee Communication

Date: October 23, 2026

To: Great Lakes Water Authority Audit Committee

From: Matthew S. Lane MPA, Charges Outreach and Modeling Manager

Re: Max Day - Peak Hour Annual Report 2026

Background: Each year, following the designated peak season of June 1 to August 31, the Great Lakes Water Authority (GLWA) reviews the daily water system pumpage and reservoir data to determine the System Maximum Day (Max Day) and the hourly water system pumpage and reservoir data to determine the System Peak Hour (Peak Hour). The GLWA Water Analytics, Planning & Metering team and the Charges Outreach & Modeling team conduct this review in parallel and compare data to help ensure accuracy and completeness.

Once the Max Day and Peak Hour are determined and verified, the teams review daily and hourly performance for all Member Partners on the water model contracts as of that date to evaluate compliance with the values set forth in the Exhibit B of each Member Partner's model contract, which defines projected annual volumes, minimum annual volumes, pressure ranges and maximum flow rates. The teams complete this analysis using the wholesale master meter data available in GLWA's Wholesale Automated Meter Reading (WAMR) portal.

For this report, all measurements are reflected as millions of gallons per day or MGD.

Analysis: Based on the system pumpage and reservoir analysis completed for 2026, the System Max Day and Peak Hour are as follows:

2026 GLWA System Max Day

- July 01, 2026
- 610 MGD (531 MGD in 2025)

2026 GLWA System Peak Hour

- 5:00 A.M. – 6:00 A.M. EST
- 671 MGD (601 MGD in 2025)

It should be noted that there were no max day or peak hour exceedances for 2026.

Chart 1 below provides an illustration of demand patterns compared to overall system capacity. It identifies the number of days above threshold amounts of pumpage in MGD, showing the reduced use of system capacity over time. Total GLWA water system capacity is 1,720 MGD (or 1.7 billion gallons per day).

Chart 1: Historic Max Day & Peak Hour

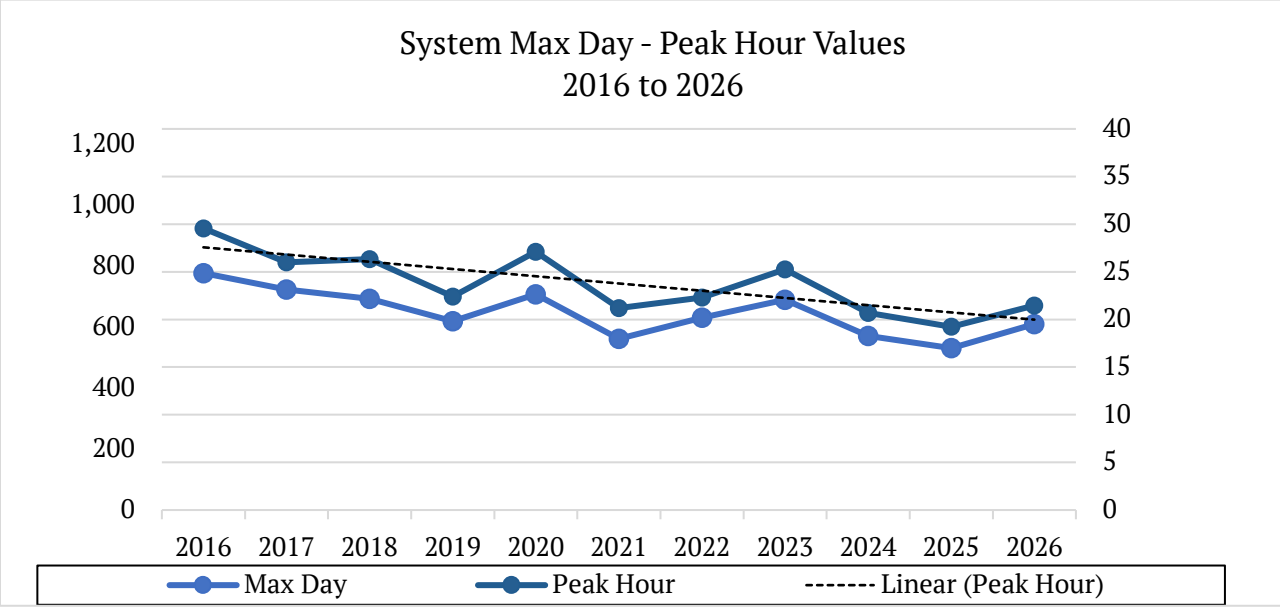


Chart 2: Historic Wholesale Pumpage

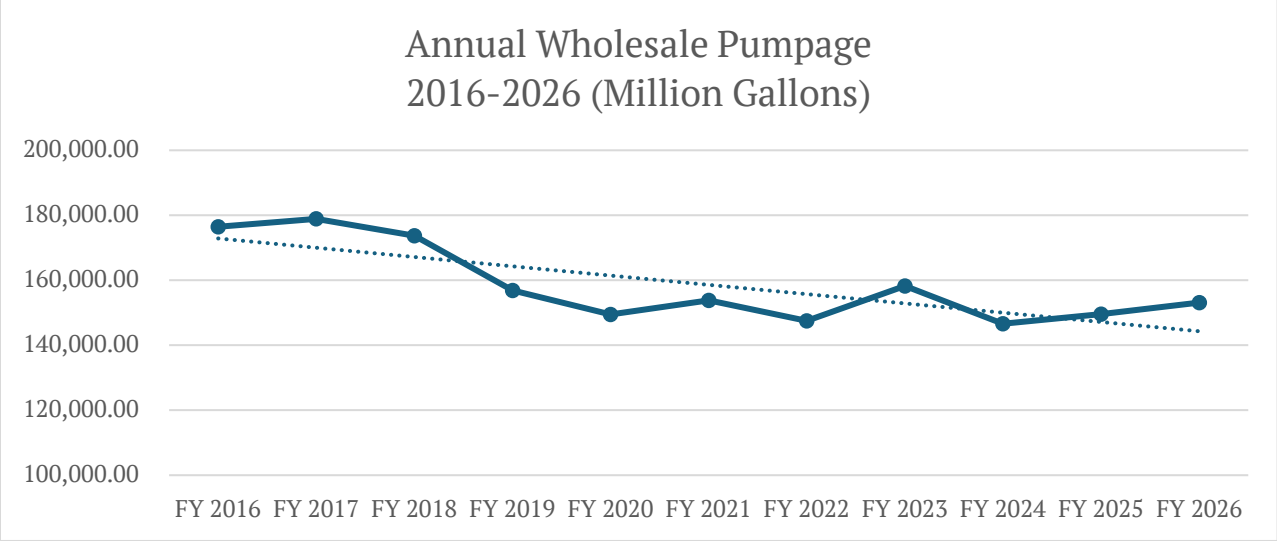
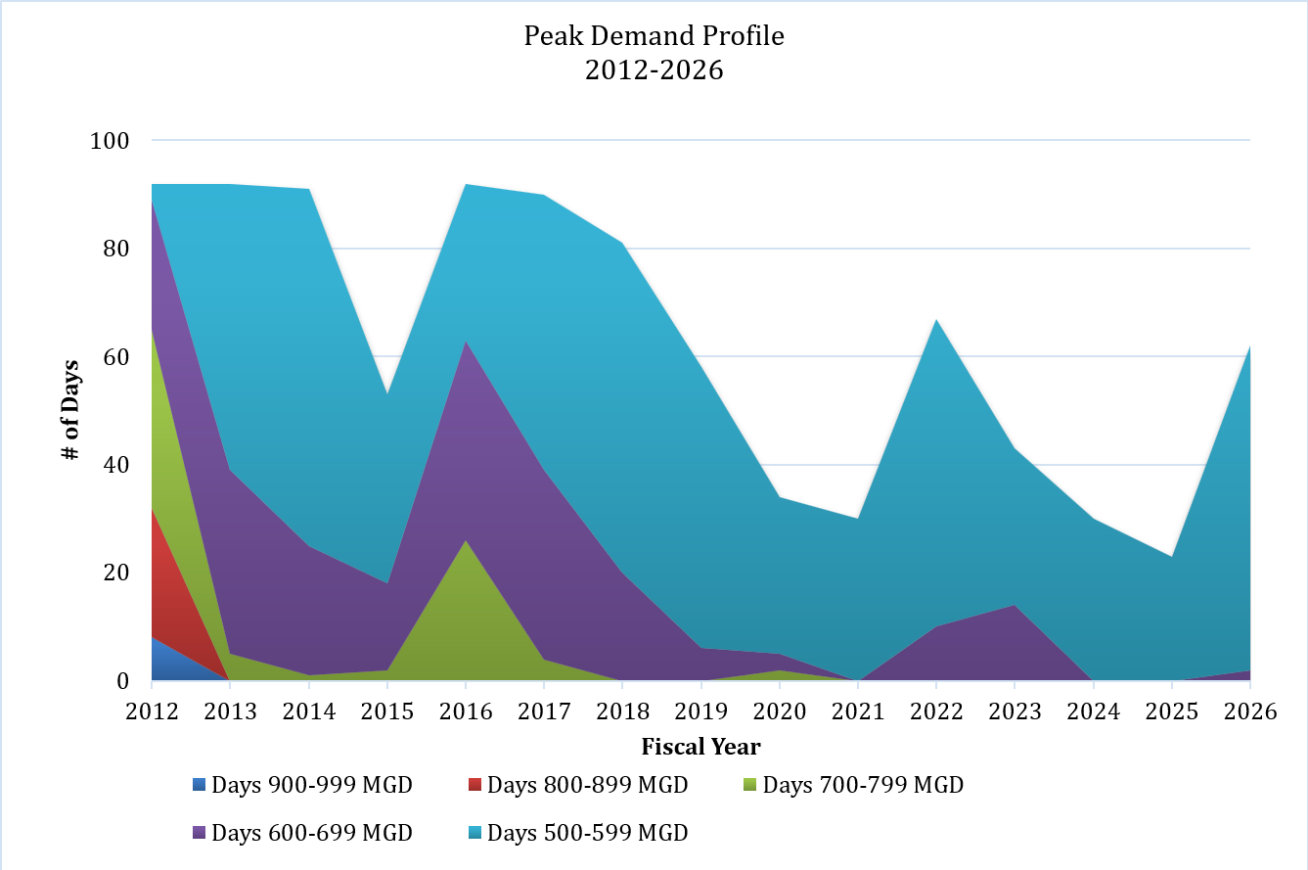


Chart 3: Peak Demand Profile



As shown in Chart 3, GLWA has observed reduced demand levels over time. For example, in 2012 the peak demands were much greater and more frequent. In the most recent years, the demand profile shows lower and fewer peaks. We saw the peak demand fall below 600 MGD in 2024 and 2025. In 2026, peak daily demand was just over 600 MGD.

Budget Impact: None.

Proposed Action: Receive and file report.

Procurement Pipeline

Great Lakes Water Authority (313) 964-9157 www.glwater.org **September 2026 - Volume 85**

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

GLWA Launches New Brand Identity in Celebration of 10-Year Anniversary

As GLWA celebrates our 10-year operating anniversary, we are proud to introduce our new brand identity. Last month, GLWA officially launched a new logo, updated website, and updated mission and vision statements. This rebrand marks an important milestone – reflecting a decade of growth, learning, and service – and highlights the strong organization that we have become: future-focused, committed to transparency, and dedicated to earning and maintaining the public's trust. While our look is new, our purpose and commitment to the Michigan communities that we serve remain unchanged.

Why GLWA's new brand identity matters for the Vendor Community

GLWA's Vendor Community plays an essential role in delivering safe, high-quality water and wastewater services across the region we serve. GLWA's new brand both strengthens and supports how we work together by providing:

- A clearer expression of GLWA's values and long-term direction, helping Vendors better align with our strategic goals;
- A modern identity that reinforces public confidence in the shared work that we do;
- Updated mission and vision statements that offer a more precise guide when preparing proposals, designing solutions, or collaborating and partnering with GLWA.

As part of the new branding, the GLWA Vendor Webpage, which can now be found under the "Partnerships" tab, has been redesigned. All resources, forms, documents, and contact information remain available, just like before. We encourage Vendors to explore the updated page here, as well as GLWA's overall website here.

We extend our appreciation to the Vendor Community for your continued collaboration and support. As GLWA steps into its next decade of service, we look forward to building an even stronger, more transparent, and more impactful partnership with Vendors. Together we will continue to deliver safe, reliable water and wastewater services, protecting public health, and serving our member communities.

GLWA's 2026 Vendor Outreach Event

On October 29, 2026, GLWA will host its annual Vendor Outreach Event at Schoolcraft College. This half-day event will feature a keynote presentation by Kurt David on the workforce of the future and in-depth walkthrough of a successful GLWA project with insights from both GLWA team members and participating vendors. To register for the October 2026 event on Whova, please click here.

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 tips for submitting competitive bids or proposals responses for GLWA solicitations.

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 August 2026 Monthly Report, please click here.

What's Coming Down the Pipe?

Current Solicitations: Register in GLWA's Euna Procurement Portal for new solicitations. *Upcoming Procurements:* 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 September 2026

Category	CIP #	Description/Project Title	Budget Estimate
Water System (next four to nine months)			
Construction	111012	Lake Huron Water Treatment Plant Flocculation Improvements	$60,000,000
Wastewater Systems (next four to nine months)			
Construction	260803	WRRF Roof Improvements - Phase II	$3,000,000
Construction	261001	WRRF Rehabilitation of the Secondary Clarifiers Phase 1 (CMAR)	$30,000,000
Enterprise (next three months)			
Information Technology	O&M	Accounts Payable Automation Solution	$350,000
Water System (next three months)			
Design	112010	Northeast Water Treatment Plant Electrical System Replacement	$15,600,000
Professional Services	116101	Inspection of Raw Water Tunnels	$4,242,000
Construction	122020	Concord Nevada Flow Control Valves	$7,000,000
Wastewater (next three months)			
Design	211009	Rehabilitation of the Circular Primary Clarifier Scum Removal -	$1,800,000
Construction	232002	Conner Creek Sanitary Pump Station	$190,000,000
Design	261001	WRRF Rehabilitation of the Secondary Clarifiers Phase 1	$8,000,000
Construction	260206	Conveyance System Repairs	$14,179,550
Design	270002	Meldrum Sewer Diversion and VR-15 Improvements	$2,000,000
Projects moved to Procurement Team (Preparing for solicitation on Euna Procurement)			
Professional Services	O&M	Staffing Services	$500,000
Design	213008	WRRF Rehabilitation of Ash Handing Systems	$2,800,000
Information Technology	O&M	Shift Logs and Operational Rounds Solution (Software)	$600,000
Information Technology	O&M	Computer-Aided Dispatch Solution	$400,000
Professional Services	O&M	Boiler Operation and Maintenance	$800,000
Professional Services	O&M	Mechanical, Plumbing and HVAC Repair Services	$395,000
Professional Services	O&M	Alum sludge hauling	$1,391,144
Professional Services/ Construction	O&M	Personnel, Equipment Doors and Frames Corrective Maintenance Replacement Services	$510,000
Professional Services/Equipment	O&M	Installation and maintenance of security equipment and systems	$975,000

Vendors should continue to monitor Euna for solicitation updates.

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

Procurement Pipeline

Great Lakes Water Authority (313) 964-9157 www.glwater.org **October 2026 - Volume 86**

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).

2026 Vendor Outreach Event Agenda

GLWA's 2026 Vendor Outreach Event will take place on October 29, 2026, at Schoolcraft College's Vistatech Center (18600 Haggerty Road, Livonia, Michigan). This half-day event will help both current and prospective vendors learn more about doing business with GLWA. Vendors are encouraged to pre-register thorough the Whova Registration Page. An overview of the 2026 agenda is included below.

7:30 a.m. Registration & Breakfast

Vendors are invited to enjoy breakfast and network with fellow attendees and GLWA team members.

8:30 a.m. Welcome

GLWA Chief Financial Officer & Treasurer Nicolette Bateson will welcome vendors and discuss the transition from Comerica to Fifth Third Bank.

8:40 a.m. Water Funding Task Force: *The Crisis Beneath Us*

GLWA CEO Suzanne Coffey and Public Sector Consultants Senior Vice President Maggie Palone will present on *The Crisis Beneath Us* – GLWA's landmark report on the estimated $85 billion dollars required to address Michigan's aging water and wastewater infrastructure.

9:20 a.m. Doing Business with GLWA

GLWA Procurement Director Sonya Collins will highlight the importance of vendor outreach and building relationships with the Vendor Community.

9:30 a.m. Ethics in Public Procurement

General Counsel Phyllis Hurks will discuss ethical standards in public procurement.

9:35 a.m. Networking Break & Resource Tables

Vendors may network with other attendees and GLWA team members, including GLWA's Executive Leadership Team (ELT). Resources tables will be staffed by GLWA team members from Procurement, Business Inclusion and Diversity, Accounts Payable, Affordability & Assistance, Construction Accounting & Reporting, and Organizational Development, as well as the Detroit Water & Sewerage Department (DWSD).

9:55 a.m. Water That Carries Us Forward: Building a Brand for the Future

GLWA Chief Public Affairs Officer Michelle Zdrodowski and Marketing Manager Stefanie Burns will present GLWA's new brand, logo, and website.

10:10 a.m. Cybersecurity: Best Practices & the Vendor Community

GLWA IT Security Analyst Adam Little will present cybersecurity best practices relevant to the GLWA Vendor Community.

10:20 a.m. Vendor Background Screening

GLWA Security & Integrity Captain Charnelle Sanders will introduce GLWA's new vendor background screening program.

10:35 a.m. Networking Break & Resource Tables

Vendors may network and visit resource tables.

10:50 a.m. A 360° Look at a Successful GLWA Project: Insights from Engineering, Construction, and Project Management

This session will feature a successful GLWA project from the perspective of both GLWA and participating vendors. Presentations will be delivered by Erich Kluhn (GLWA Life Cycle Project Manager for Water Operating Services), Brian Phillips, PE (Fishbeck Vice President/Senior Water & Wastewater Engineer), and Ken Swartz (F.H. Paschen Vice President).

11:50 a.m. Q&A and Wrap Up

An open Q&A session will be followed by concluding remarks from GLWA CFO Nicolette Bateson.

Additional questions about the 2026 event may be directed to GLWAVendorOutreach@glwater.org. We look forward to seeing you there!

Upcoming Solicitations October 2026

Category	CIP #	Description/Project Title	Budget Estimate
Water System (next four to nine months)			
Construction	111012	Lake Huron Water Treatment Plant Flocculation	$60,000,00
Wastewater Systems (next four to nine months)			
Construction	26080	WRRF Roof Improvements - Phase II	$3,000,000
Enterprise (next three months)			
Information Technology	O&M	Accounts Payable Automation Solution (Software)	$371,000
Water System (next three months)			
Design	112010	Northeast Water Treatment Plant Electrical System	$15,600,000
Professional Services	116101	Inspection of Raw Water Tunnels	$4,242,000
Construction	O&M	Imlay Station Retaining Walls Repair	$350,000
Supplies	O&M	Liquid Chlorine	$1,391,144
Wastewater (next three months)			
Study	211009	Rehabilitation of the Circular Primary Clarifier Scum Removal	$750,000
Construction	23200	Conner Creek Sanitary Pump Station	$190,000,0
Design & Construction	261001	WRRF Rehabilitation of the Secondary Clarifiers Phase 1	$8,000,000
Design	27000	Meldrum Sewer Diversion and VR-15 Improvements	$4,225,000
Professional Services	O&M	UPS Maintenance	$1,900,234
Projects moved to Procurement Team (Preparing for solicitation on Euna Procurement)			
Professional Services	O&M	Staffing Services	$500,000
Construction	26020	Conveyance System Repairs	$14,179,550
Design	213008	WRRF Rehabilitation of Ash Handing Systems	$2,800,000
Information Technology	O&M	Shift Logs and Operational Rounds Solution (Software)	$600,000
Information Technology	O&M	Computer-Aided Dispatch Solution (Software)	$400,000
Professional Services	O&M	Mechanical, Plumbing and HVAC Repair Services	$395,000
Professional Services	O&M	Alum sludge hauling	$1,391,144
Professional Services/ Equipment	O&M	Installation and maintenance of security equipment and systems	$975,000
Professional Services	O&M	Installation of equipment to support process cameras	$600,000

Vendors should continue to monitor Euna for solicitation updates.

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