



**Office of the Interim
Chief Executive Officer**
735 Randolph Street, Suite 1900
Detroit, Michigan 48226

May 25, 2022

The Honorable
Board of Directors
Great Lakes Water Authority

RE: Interim CEO's Report – May, 2022

Dear Chairperson Quadrozzi and Directors:

I would like to start my report by highlighting some important developments related to the Highland Park bad debt recovery issue. I believe these are positive steps of engagement to work toward a resolution in this important matter.

On May 10th, the Wayne County Circuit Court issued its Opinion and Order requiring Highland Park to resume minimum payments to GLWA of 65 percent of its water and sewer collections and pay GLWA “for every month it has not deposited such finds into the parties’ escrow account.” We then, received a letter from Governor Whitmer urging GLWA to apply a portion or all of the \$25 million of American Rescue Plan Act (ARPA) dollars that GLWA received from the State to the Highland Park matter, specifically, to roll back the FY 2023 bad debt expense recovery. In our response to Governor Whitmer, we thanked her for her engagement and the State’s allocation of \$25 million of ARPA funding, and noted that I would consult with you, GLWA’s Board of Directors, to consider the Governor’s suggestion.

As you know, recruitment has been a high priority for GLWA. Recently Public Affairs partnered with Organizational Development to develop a recruitment video series. The series will feature various team members throughout the organization and showcase specific roles related to recruitment efforts. Team members on the video share their experiences working at GLWA, their pride for what they do, and a little bit about their journey in the water and wastewater sectors. I’m pleased to share the first video in this series with you. You can watch the video by clicking [HERE](#).

Staying on the focus of recruitment, Organizational Development has developed a summer internship program. To date, six interns have already accepted positions; two will support the General Counsel’s office as legal interns, while four will support Capital Improvement Planning and Water and Wastewater Operations Teams as engineering interns.

I’d like to recognize Chief Operating Officer – Water and Field Services Cheryl Porter for her participation in a special media event related to National Drinking Water Week. Cheryl led a tour of the Water Works Park Water Treatment Facility for local news station Fox2 News. During her interview and tour, she shared the important steps of the water treatment process which provide safe and healthy drinking water to our member communities.

Cheryl's efforts are a great example of GLWA's commitment to transparency and public education. You can watch the video which aired on Fox2 News during Drinking Water Week by clicking [HERE](#).

Finally, I want to congratulate Capital Improvement Planning Director Dima El-Gamal for her recent accolade. Dima was the recipient of the Wayne State University College of Engineering's 2022 Distinguished Alumni Award for the Civil and Environmental Engineering Department. She received the award during WSU's College of Engineering Hall of Fame Induction Ceremony earlier this month.

PLANNING SERVICES

Asset Management Group (AMG)

The Asset Management Group is making significant progress towards the finalization of both the Water Asset Management Plan (WAMP) and the Wastewater Asset Management Plan (WwAMP). These plans provide a comprehensive look at all water and wastewater assets, their condition, risk, criticality, lifecycle costs, preventative maintenance, and replacement strategies. One of several major features of these asset management plans is the development of tactical recommendations. These tactical recommendations prioritize initiatives that are planned to occur over the three-year life of the plan and systematically drive progress toward asset management maturity in both water and wastewater. With the completion of these plans in June 2022, the final tasks under the Asset Management Planning contract with our consulting partner, Jacobs, will be complete.

GLWA's Linear System Integrity Program (LSIP) is continuing to progress with assistance from our consultant, HDR of Michigan. This program is focused on improving the reliability of our water transmission and wastewater collection systems. The goal of the program is to proactively assess GLWA's water transmission mains and wastewater interceptor system and renew as necessary, to reduce the impacts of failures and increase reliability of our linear assets.

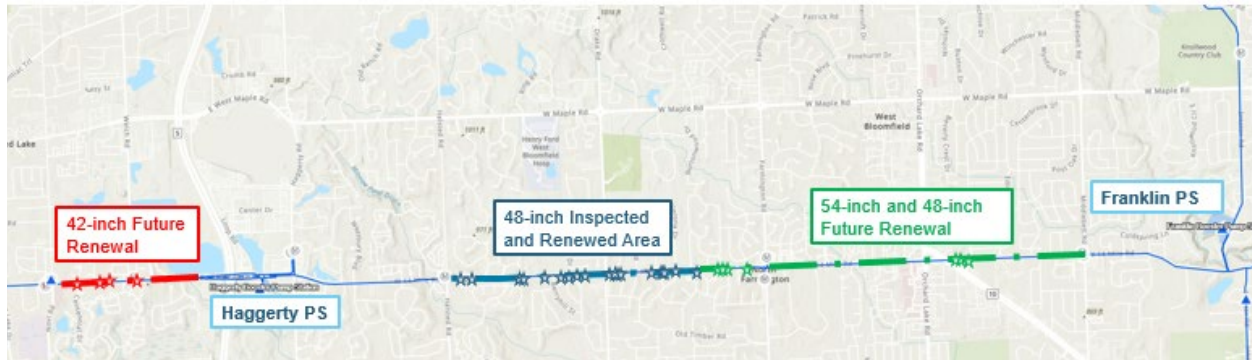
Simultaneously, with the development of the LSIP framework, GLWA and HDR are planning a design of additional renewals along the 14 Mile Road pipeline. The 14 Mile Road and Drake transmission main break that occurred last fall on Prestressed Concrete Cylindrical Pipe (PCCP) provided the opportunity to renew 18 distressed pipe segments, however the results of the 2019 condition assessment along the 14 Mile Road transmission main indicated other areas of distress within the PCCP and, given the recent failure and reinspection of a portion of this main, confirmed these results.

PLANNING SERVICES (continued)

As such, GLWA has determined it is prudent to plan renewals prior to the installation of the 14 Mile Road loop project slated for completion in early 2024.

Two separate shutdowns are under consideration this fall. The first is a portion of 42-inch watermain that will be taken out of service as part of 14 Mile Road loop Phase 1 between Haggerty Pump Station and Decker Road. When this pipe is taken out of service this fall, the renewal of 10 pipe segments is planned to occur.

14 Mile Transmission Main

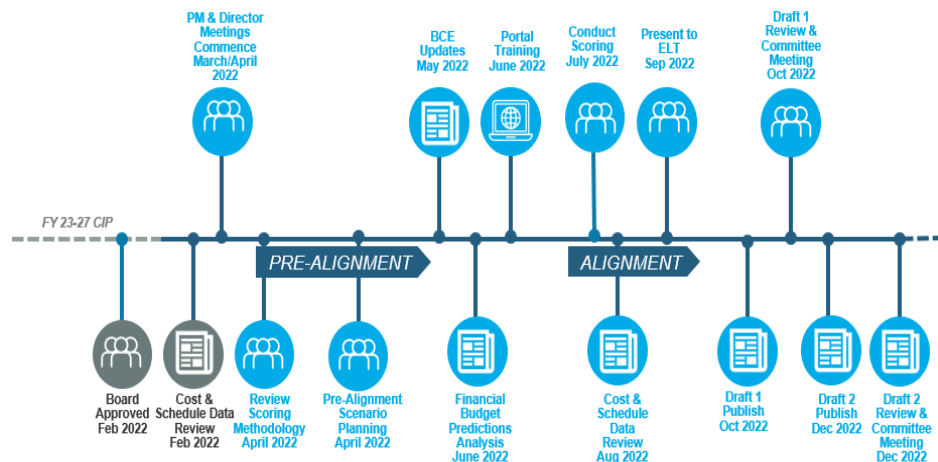


The second is planned to occur immediately following the first renewal and consists of a larger shutdown area from Franklin Pump Station to just west of Drake Road consisting of four 48-inch pipe segments and 700 feet of 54-inch. These renewals are currently being planned and will be coordinated with member partners throughout the summer.

Capital Improvement Planning Group (CIP)

The CIP Team engaged in discussions and evaluations related to project cost and schedule updates. The Team’s goal is to better align projects with delivery goals.

Last month, the CIP Team continued to hold meetings with project managers leading water and wastewater projects to refine project budgets and schedules and support streamlining the FY 24-28 CIP development schedule. The schedule is shown below:



PLANNING SERVICES (continued)

The CIP Team also continued their change management efforts related to new CIP Delivery Roles and Program Management Plan implementation. Furthermore, the team actively engaged in resume reviews and held interviews to fill current vacancies in the program (Controls Manager, Schedule/Budget Management Professionals, etc.)

Lastly, the CIP Team, in collaboration with the IT Team, launched efforts related to Project Management Information System (PMIS) contract review to support the negotiations with Kahua (the PMIS selected vendor). The team is engaging in internal scope and contract review meetings lead by the IT Team on a bi-weekly basis and in negotiation meetings with the Kahua team.

Systems Planning Group

The Member Outreach Team is planning to begin offering some in-person meetings in the summer months. A general guideline for hybrid meetings is in development and will be sent with meeting invitations. As always, we will remain flexible to the changing needs and concerns of the region and make adjustments as needed.

Charges Work Group

The general Charges Work Group has reconvened and met on March 31 and then again on April 6. These meetings are aimed at reviewing water charge methodology and wastewater project cost allocation. GLWA also provided an update on matters related to Highland Park bad debt.

Water Analytical Work Group (AWG)

The Water Analytical Work Group meeting on April 26 featured a presentation on highlights from the 14 Mile Main Break After Action Report, GLWA's linear system integrity program and renewal approaches for transmission mains. In preparation for warmer summer months, Systems Analytics and Meter Operations Manager, Chandan Sood, gave an overview

of Wholesale Automated Meter Reading (WAMR) alerts, which provide Member Partners hourly and daily notifications of changes in flow or pressure. To help Member Partners manage usage and avoid contract exceedances, GLWA will send a weekly email notice to all WAMR users whose demands reach or exceed 90% of their contract peak hour or max day limits during the 2022 peak season of June through September. Biren Saparia from GLWA's Systems Control team gave an overview of GLWA's 2021 pressure compliance in the water system.

2019 Action Plan



- ◆ Expedited pipeline contract to build redundancy
- ◆ Repairs scheduled after loop complete
- ◆ Emergency contingency plans developed in case of failure



PLANNING SERVICES (continued)

In 2021, the target compliance goal was met January - October, however, pressures were outside compliance range in November and December for some communities that were impacted by the 14 Mile main break in late October.

Watershed Hub Work Group

On April 27, the Watershed Hub Work Group convened to debrief the group about meetings that occurred with county decision-makers regarding the investigational grab sampling program. The team is planning for similar conversations with the One Water Partnership Co-Chairs and Regional Collaboration Group (RCG). The group also reviewed the timeline and status of the work related to Michigan Department of Environment, Great Lakes, and Energy grant that is funding the design of the program. Finally, Lynne Seymour, Assistant Chief Engineer for the Oakland County Water Resources Commissioner's Office, provided an update on work they are leading with SEMCOG to support communities in fulfilling their MS4 reporting requirements.

Participant Benefits

Will identify the most egregious E. coli sources - which are manageable

Will allow communities to target/prioritize their permit requirements. Examples:

- Stormwater permittees: IDEP investigations, TMDL sampling
- Wastewater permittees: Manage more wet weather flows?
- Collection system permittees: Inspections and maintenance

Will allow communities to prioritize infrastructure issues for future funding

One Water Co-Chairs

One Water Co-Chairs met on April 28 to discuss the selection of a permanent GLWA CEO, issues related to customer bad debt, ongoing major projects and to plan for the June 2nd One Water Partnership meeting. Co-Chairs also learned about the proposed regional investigational grab sampling program in development, expressing support for GLWA to explore potential options for funding the program.

Regional Collaboration Group (RCG)

On April 29, the RCG convened to hear about the updated design of the investigational grab sampling program and to understand the value of a regional program that leverages GLWA as its hub. They expressed support for GLWA to explore potential options for funding the program. They also learned about the success of the Long Term CSO Control Plan team's model calibration.

PLANNING SERVICES (continued)

System Analytics & Meter Operations (SAMO)



The SAMO Group continues progress on the wholesale water meter pit rehabilitation and meter replacement program. The first project of this program started in November 2018. The scope of work includes construction work at 58-meter pits that have metering and/or meter pit condition concerns. Last month, coordination meetings were held with the City of Flint, City of Melvindale, City of

Rochester Hills, and the City of Southgate. The planned work has been completed at 49 of the meter pit locations and is underway at another two locations. The group is working on scope development for the second contract of the program. This contract will provide metering and instrumentation upgrades and complete meter pit rehabilitation at 60 additional meter pit facilities. This contract will also provide as needed corrective and emergency maintenance for the remaining metering facilities. The design drawings and contract specifications for the new project are being finalized, as well as, initiating the procurement process.

The Group continues its progress on the sewer meter upgrade and replacement program. The meters at system sewer meter locations DT-S-3, DT-S-7, and DT-S12 were upgraded. These meters measure the incremental flow for Detroit-Plus communities. Currently, the group is working on upgrading meters at two sewer meter locations (BC-S-2, and DN-S-8).

WASTEWATER OPERATING SERVICES

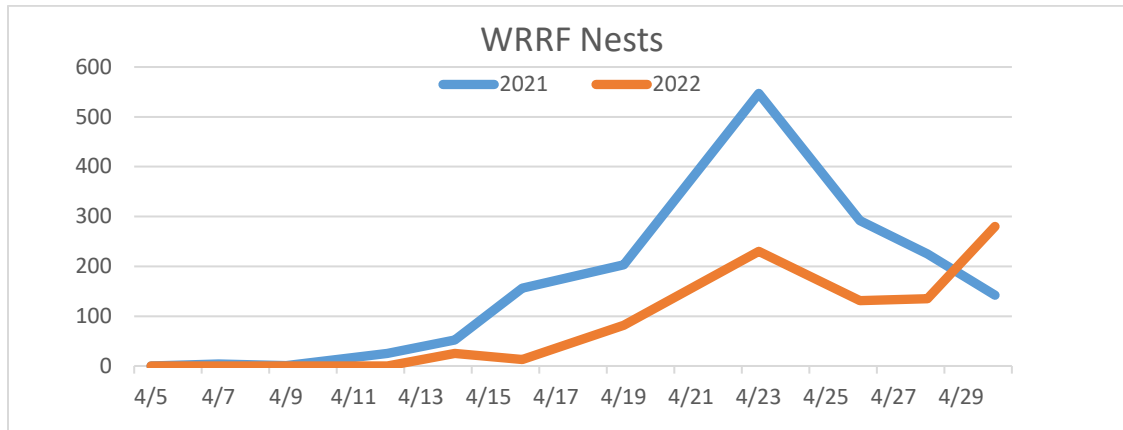
Wastewater Operations

Water Resource Recovery Facility (WRRF) operations complied with the Water Quality Standards for April 2022.

Maintenance

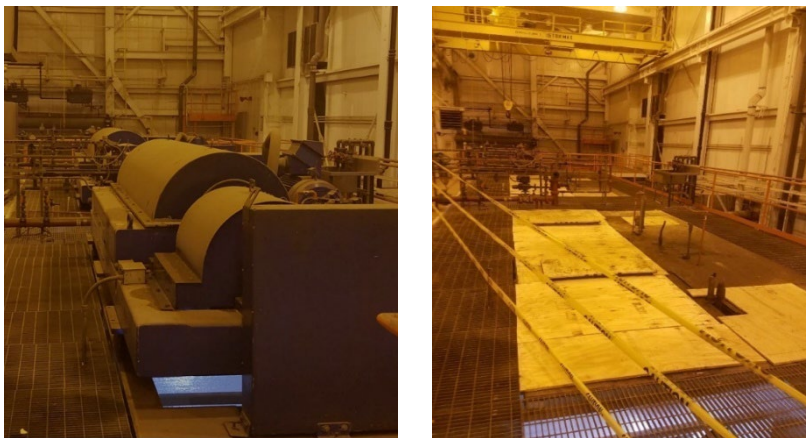
The Facilities Team's effort at seagull mitigation shows a decreased seagull nesting on WRRF operational plant grounds for April 2022 in comparison to prior years. The number of nests collected at the WRRF has been reduced by almost 50%. This data suggests that the falconry services we began using this year have been effective at limiting seagull nesting. We intend to continue utilizing falconry to mitigate the seagull infestation at the WRRF in the future. Note that all seagull mitigation efforts are performed in accordance with a US Department of Fish and Wildlife permit.

WASTEWATER OPERATING SERVICES



Seagull nest counts for April in the years 2021 and 2022

GLWA entered a sales contract with an outside entity to sell old Sharples centrifuge units located at the WRRF. One benefit of the sale is the large multipurpose footprint and the removal of the equipment left behind. With the assistance of GLWA Security, the Dewatering Team was tasked with orchestrating and supervising the removal of the Sharples units by the outside organization. Instead of the usual “recycle” process of disposing of this equipment as scrap metal, this novel “reuse” effort provided significantly more income to GLWA. This project provided a large footprint that can be utilized for other purposes in the future.



Before and after images of the Sharples centrifuge removal

WASTEWATER OPERATING SERVICES (continued)

The Primary Team has been actively working on improving the reliability of the grit collection equipment. Rehabilitation and modifications are being done to the grit collectors at Pump Station 1 and the bar racks at Pump Station 2. These efforts will improve the resiliency of the plant during normal and wet weather operations. Among the modifications made was the lengthening of the bucket pins for the grit collectors at Pump Station 1. These pins will last longer and hold the buckets firmly in place even after years of wear. This will help mitigate shearing pins due to loose buckets on the grit collectors. See picture: As the old pins wore, they were short enough to disengage from one end of the bucket. The new pins are long enough to ensure complete engagement regardless of how worn they are.

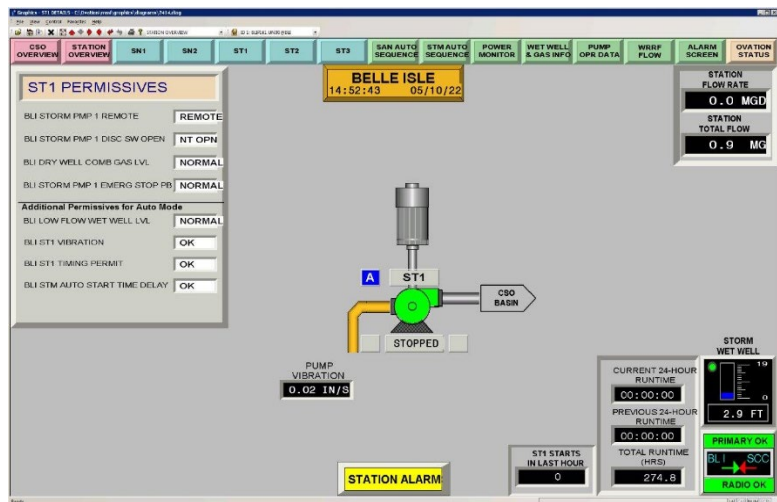


The Central Maintenance Team, in collaboration with DWSD, has moved forward with repairs to meter vaults servicing the WRRF. These meters had been out of service since before GLWA and required meters to be replaced with new meters to accurately record water usage. Meter vault A had 80-year-old pipes and valves that were replaced with new piping and valves along with a fresh coat of paint to ensure the longevity of the assets. New thrust blocks will be installed shortly to complete the rehabilitation effort. The picture shows Water Meter Pit A following rehabilitation.

Process Control Center (PCC)

Belle Isle CSO E-Stop Configuration

The PACS (Process Automation and Control Systems) Maintenance Team wired auxiliary contacts from the emergency stop button of three storm pumps at the Belle Isle CSO Facility into the Ovation System. Prior to this connection, operational personnel had no indication of the status of these switches or the unavailability to start them from the Ovation Control System. The PACS Infrastructure Team configured the Ovation System logic and graphics to incorporate the addition of the emergency stop points.



WASTEWATER OPERATING SERVICES (continued)

New Email Server

The Team set up an email server on the process network that enables outgoing emails to securely pass through a data diode to the business network. This email server can be used to send out scheduled and triggered reports from many of the applications that reside on the Operational Technology network including Ovation.

Laboratory

LIMS (Laboratory Information Management System) enhancement development is underway:

- 1) Interface to upload data directly into LIMS has been completed for Mercury instrumentation.
- 2) Interface to upload data directly into LIMS for Inductively Coupled Plasma metals scans has been completed.
- 3) Interface for gas chromatographic instrumentation used for PCBs (polychlorinated biphenyl compounds) is in development.
- 4) Interface for gas chromatographic instruments used to perform organic chemical scans is in development.
- 5) Development of “real-time” sampling board to support compliance with the NPDES permit is in development.

Training for chemists on seven new methods was completed in April 2022, enabling the Lab to address increased volumes over the next couple of months. Zone captains were trained to perform audits for maintenance of 5S systems.

Industrial Waste Control (IWC)

GLWA’s NPDES permit requires a periodic review of the legal authority used for enforcement of the approved Industrial Pretreatment Program. Modifications of the legal authority were approved by the GLWA Board on November 13, 2019. Before we can submit this change in legal authority to EGLE, we must obtain a concurring resolution from our 78 constituent municipalities. As of April 30, 2021, we have received all completed resolutions except for Highland Park. A complaint was filed in the Michigan 3rd Circuit Court - Wayne County on April 21, 2022, for injunctive relief against the City of Highland Park.

A Unilateral Administrative Order was issued on December 4, 2020, to businesses and landowners residing within the City of Melvindale and designated as sources of PFAS (Per-and-polyfluoroalkyl substances) compound contamination. Users were to complete their plans and/or terminate their stormwater discharges. Revised versions of the Administrative Consent Orders have been circulated with two parties, and a third party submitted a Stormwater Permit Application in April 2022.

WASTEWATER OPERATING SERVICES (continued)

We submitted the third annual PFAS Program report due to Michigan EGLE on April 30, 2022. To date, 18 industrial users have installed treatments for PFAS compounds. We have observed a reduction in the concentration of PFOS (Perfluoro-octane sulfonic acid) discharged from the WRRF during 2021. The next report is due on November 1, 2022, for the January to June 2022 period.

Engineering & Construction

Design Engineering

The Design Engineering Team is working on the following projects:

Job Order Contract (JOC) 68, Contract 2100319 – B-House Reducer and Flowmeter Replacement. This project will be repurposed. There is a B-House associated with each of the Secondary clarifiers (25 total). The original project attempted to repair several problems within each of the B-Houses on a piece-meal basis. Problems included: leakage through a concrete wall, as well as a 48-inch, cracked pipe at the inlet side; corroding steel pipe increaser (48” x 72”) and leakage from concrete at the outlet side; and lack of flowmeter electronics; etc. Out of the 25 B-Houses, repairs were undertaken on more than 50% of the B-Houses in recent years, but the problems resurfaced in many. GLWA took a closer look at original construction documents and determined that the B-House walls lack sufficient reinforcement at the openings and will require proper treatment other than just replacement work or patching of leaks. A new Task Order Engineering Services (TOES) 26T, Contract 2100319 – B-House Upgrades replaces this current JOC 68, Contract No. 2100319 to procure consultant services to investigate and recommend appropriate repair.

Contract 2000917 – Refractory Inspection and Repairs. Authorization for repair work on Multiple Hearth Incinerators (MHI) #13 and #14 have been completed to get them ready for a stack test scheduled for July 2022. Repair work on MHI #11 will be carried out under the soon to be advertised Contract 2003056.

Construction Engineering



The Construction Engineering Team is working on the following projects:

CIP 211008, Contract 2002190 – Rehabilitation of Ferric Chloride Feed System at PS-1 and Complex B Sludge Lines. The work under this contract is 21% complete.

WASTEWATER OPERATING SERVICES (continued)

The contractor has 95% of lighting replacement within PS-2 completed and is continuing preparation of the chemical feed room for painting, process piping, and pump skids. The contractor is 75% complete with the yard piping between PS-2 and the primary clarifier pipe gallery, with new instrumentation and control duct banks being constructed. The contractor will continue with mainline chemical feed piping in the pipe gallery and PS-1. Ovation control panels (Remote I/O, Remote Operator Station) and feed skids are being fabricated off-site for delivery to WRRF. The picture above shows the installation of access pull-boxes and casing for the chemical feed line towards the primary pipe gallery.

CIP 216006, Contracts 1903601 and 1903598. GLWA retained CDM Smith (Engineer) and the Christman Company (Construction Manager) under two separate contracts for engineering and construction management services for the assessment and rehabilitation of the underground utilities at the WRRF. The project focuses on the plant's nine utilities: potable water, secondary water, screened final effluent, natural gas, compressed air, steam, sewer, and electrical conduits (high voltage, low voltage).

The Engineer provides engineering services to review existing as-built information, identify condition assessment (CA) of utilities, develop a CA plan, assess condition data, develop a basis of design report (BODR), recommend system improvements, and design recommended improvements selected by GLWA.

The Construction Manager (CM) will be procuring surveyor, excavation, contractor, and testing services and managing fieldwork during the condition assessment phase (study phase). The CM will also conduct rehabilitation and replacement work of selected utilities as identified in the condition assessment and BODR.

The project has four phases: the study phase (condition assessment), preliminary design phase (30% design drawings), final design phase (100% design drawings), and construction phase. The study phase has been completed and we are currently in the preliminary design phase.

Below is a typical condition assessment for pipe thickness using ultrasonic testing and electromagnetic acoustic transducer methods (other types of condition assessment include CCTV of pressure pipe, visual inspection, soil corrosivity, surveying, CCTV of sewer lines and cleaning, and leak detection). The photo shows test locations on 36" screened final effluent steel pipe to determine the remaining thickness and data collected from the test.

WASTEWATER OPERATING SERVICES (continued)

Summary of Thickness Results

Location No.	Location (in)*	Presumed Normal (in)	3 o'clock	6 o'clock	9 o'clock	12 o'clock	Notes
1	Segment middle	0.375	0.329	N/A	0.335	0.334	12% wall loss
2	Segment middle	0.375	0.312	0.365	0.328	0.343	17% wall loss
3	Segment middle	0.375	N/A	N/A	N/A	N/A	No access
4	Segment middle	0.375	0.333	0.343	0.325	N/A	13% wall loss

Notes:

- 1) UT = Ultrasonic Testing
- 2) * Measurement from the datum line
- 3) EMAT = Electro-Magnetic Acoustic Transducer

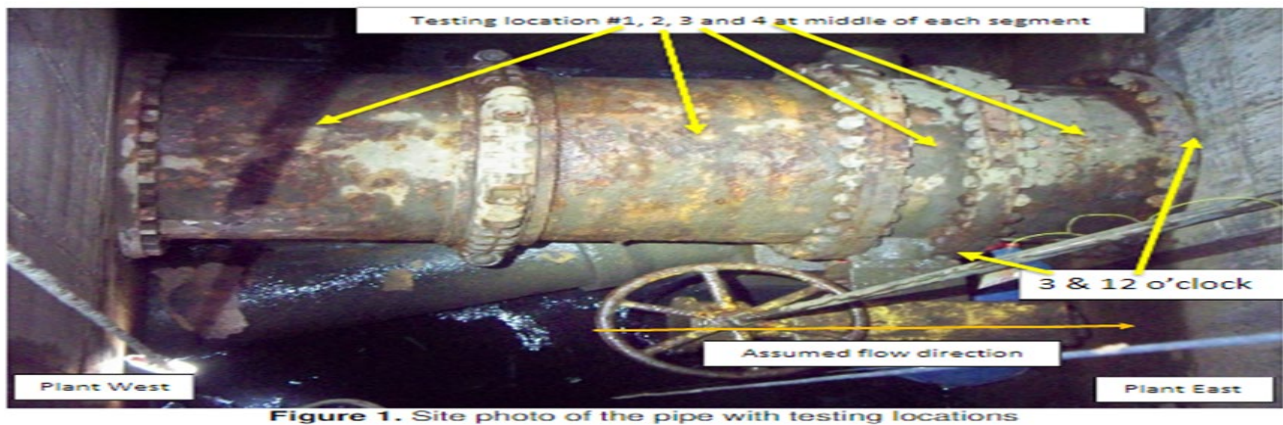


Figure 1. Site photo of the pipe with testing locations

JOC Task 70, Contract 2102646 - Complex A Gallery SFP-2 Pump Replacement. The scope of work for this task includes providing a new pump, motor, local control panel, variable speed drive (VFD), valves, and wiring to replace the existing pump in Complex A. There is also additional work to install a 3-inch drain line on both Sludge Storage Tank No.'s 5 and 6 fill piping. This project is in the initial construction phase. The picture shows the existing SFP-2 pump and motor.



CSO Control Program

The CSO team is working on the following projects:

CIP 260614, Contract 1902224 – CSO Facilities Structural Improvements Program. Work is beginning to ramp up. Sludge and debris are being removed from the Baby Creek Influent area to facilitate inspection and repairs.

WASTEWATER OPERATING SERVICES (continued)

CIP 260618, Contract 2003330 – Oakwood HVAC Improvements. Some of the HVAC equipment for this project is currently experiencing pandemic-related delays. This has resulted in the schedule of work being delayed by approximately eight weeks at this time. The project is still anticipated to complete by September 2022.

CIP 260612, Contract 2004666 – Conner Creek Dike Improvements. The wall was substantially completed in April 2022. Finishing touches are being made to the wall, traffic control has been removed, and restoration of the grass along the berm remains. The picture on the left is an aerialview of the finished wall looking toward the Detroit River. The picture on the right shows the completed wall and fencing looking south along Conner Creek with the Conner RTB up on the right.



CIP 270006, Contract 2200061 – CSO Facilities Improvements II. This project represents three previous CIPs combined into one single CIP.

Those were 260617 – St. Aubin Facility Improvements, 270005 – Safety and Architectural Improvements, and 270006 – Controls Improvements for Baby Creek, Belle Isle, and Conner Creek. This single CIP number now comprises all of these projects. It is anticipated to be advertised in mid to late May 2022 for design and construction assistance services.

CS-299 – CSO Facilities Assessment Project – This project is winding down and will be completed soon. The Schedule Replacement Plan (SRP) tool has been provided and reviewed with internal stakeholders. The SRP tool is a tool that can be leveraged for the rest of the organization in asset scheduled replacements.

Contract No. 2100136 – Hubbell Southfield hanger replacement. This project is in the submittal phase and currently, the stainless-steel hangers are being procured. Installation is anticipated to begin sometime in July / August of 2022.

WATER OPERATIONS

Springwells Water Treatment Plant

Low Lift Pump Drain Valves Replaced

Contract No. 1900134 “Springwells Water Treatment Plant Low Lift Pump Suction Gate Replacement” is the first contract under CIP 114002 “Springwells WTP Low-Lift and High-Lift Pump Station Improvements.” The gates and valves installed under this contract will be needed during later phases of the CIP when the existing Low Lift pumps are demolished and replaced.



New Low Lift suction isolation gate

Over the past two winter seasons, contracted divers have been in the Low Lift removing existing gate guides and frames and replacing with new. Once replaced with new guides and frames, the new isolation roller gates are installed to check for fit and any leakage.

At the very bottom of the Low Lift, each pump has a valve to drain the pump column. The existing valves are original to the 1930 construction of Springwells and cannot be reliably operated. With the new isolation gate in place, the pumps can be drained, and this valve replaced. To date, the valves have been replaced on half of the Low Lift pumps (Pumps 1, 2, 5, and 6).

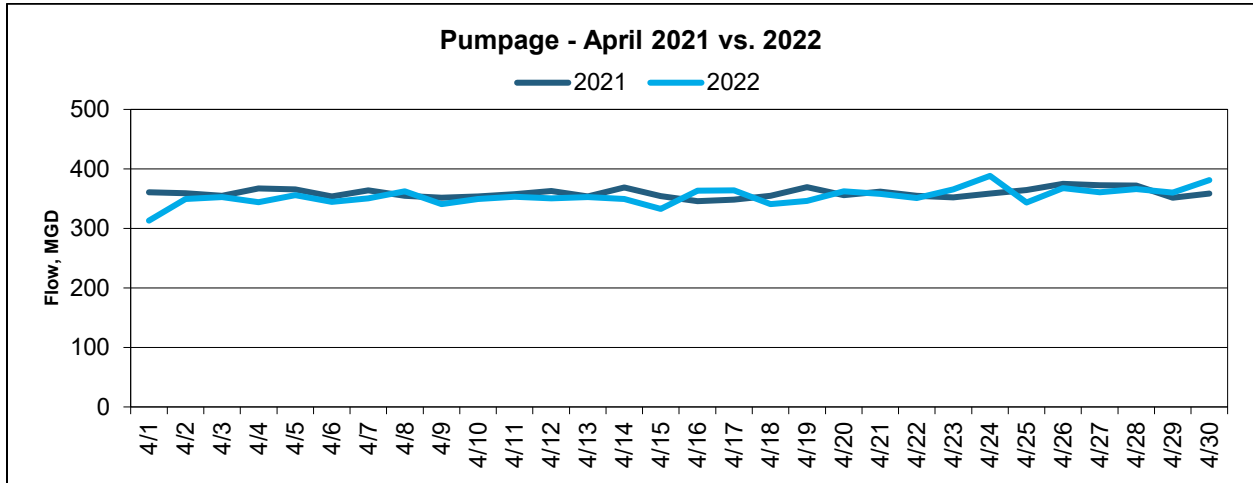


Existing (pictured left) and new (pictured right) drain valves. Main valve is 10-inch, secondary valve is 2-inch.

WATER OPERATIONS (continued)

Systems Control Center (SCC)

April 2022 pumpage was 1.4% less than April 2021



Engineering

Project Spotlight

Contract Nos. 1900744 and CS-151A

Project Manager: John McCallum

The Reservoir Rehabilitation Program, which includes CIP 170800 Contract Nos. CS-151A and 1900744 has completed another three reservoirs this Spring. The newly completed reservoirs are Springwells No. 2, Lake Huron No. 1, and Southwest No.3. This completes 7 out of the 10 reservoirs under these contracts. An additional reservoir will be completed in the fall of 2022.

The GLWA Board recently approved Contract No. 2100236 for engineering and construction phase support services for another 15 reservoirs. This summer will be very busy with the contractor and GLWA Engineering performing exterior inspections for the Water Works Park Water Treatment Plant reservoirs, Northeast Water Treatment Plant reservoirs, and 10 booster stations.

This will assist GLWA in developing a future construction package to continue with the rehabilitations going forward.

WATER OPERATIONS (continued)



Pictured left to right:

- 1. Deteriorated and structural steel copula steel Southwest Reservoir No. 2 prior to rehabilitation*
- 2. New structural steel supporting venting copula, Southwest Reservoir No. 2*



Pictured left to right:

- 1. Construction of new bird/bug screening at the Southwest Reservoir No. 2*
- 2. Engineer and contractor inspecting the newly completed bird/bug screens at Southwest Reservoir No. 2*

INFORMATION TECHNOLOGY

In the past month, the IT Security Team has proactively blocked or thwarted 17,856 spam messages, 4,054 spoofed messages and 2 viruses. Additionally, 1,316 phishing attempts have been caught and 301 malware attempts have been blocked.

INFORMATION TECHNOLOGY (continued)

The Enterprise Resource Planning (ERP) project team is spending the months of April and May in implementation partner-led readiness activities. The team has learned the basics of the Workday ERP system, including finance, payroll, and HR functions. The team has also learned what project activities they will be responsible for and how those activities will be carried out.

Finally, the project team leads are getting more in-depth training about the specific workstreams they will be leading. The official project kickoff is targeted for the first week in June.

The IT Security and Infrastructure Teams in conjunction with the IT Customer Service Delivery Team completed the implementation of Multi-Factor Authentication (MFA) for Office 365 which includes Outlook, Outlook Web App, OneDrive, and Teams. MFA is needed to strengthen GLWA's cybersecurity capabilities to protect against attacks and to verify the identities of GLWA team members when using these products.

The IT Customer Service Delivery Team along with the IT Project Management Office (PMO), the IT Infrastructure Team, and the Finance Team completed the creation and installation of 36 hoteling workstation cubicles in the Financial Services area at the Water Board Building. The culmination of the hoteling cubes supports the hybrid work environment and allows team members to efficiently share workspace.

Currently, the IT PMO is managing 23 active projects and is processing six project requests.

PUBLIC AFFAIRS

Final Reconstitution Etiquette Video

As GLWA team members began final reconstitution from our COVID-19 emergency response, Public Affairs worked with Interim CEO Suzanne Coffey to make sure they were greeted with a reconstitution etiquette reminder video. The video's purpose was to help team members feel more comfortable with coming on-site after more than two years, or for those who have been working on-site all along, feel more comfortable with coming back.

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



PUBLIC AFFAIRS (continued)

Recruitment Video

Public Affairs teamed up with Organizational Development to produce a new recruitment video. The video features one of our Apprenticeship Program graduates and explains the process you go through to become a GLWA team member. The video shows how working for GLWA brings a sense of pride in the work you are doing, not only for your family, but also for the community as a whole. This is just the first in a series of recruitment videos that are being produced. Stay tuned for more!

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



Internal Communications Survey

Public Affairs has launched GLWA's Fourth Annual Internal Communications Survey to learn how GLWA can improve the way we share information with team members. The survey was conducted in partnership with our research partner, FleishmanHillard.

All team member surveys will be kept confidential. Team members' identities and their individual survey answers will never be shared with GLWA. GLWA will be provided with a report that summarizes the survey responses but does not include team members' names so that we can use it to improve our communication efforts.

Effective communication is a crucial component for any successful organization, and we want to make sure every team member's voice matters. Getting honest feedback is the best way to improve.

PUBLIC AFFAIRS (continued)

WEF Conference Tour

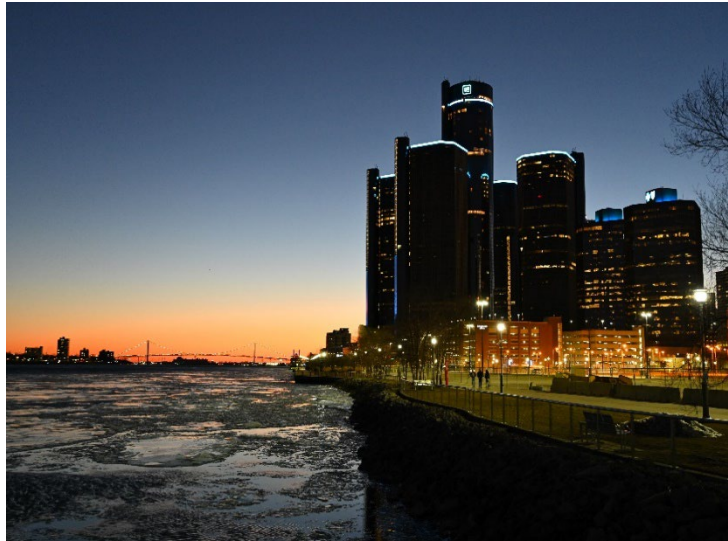
The Water Environment Federation (WEF) had its annual conference on April 19 – 22, 2022 at Huntington Place in Detroit. GLWA was a significant part of the WEF agenda because 20 conference attendees from all over the country and Canada visited our Conner Creek CSO as a part of the program.

They received a comprehensive presentation from Director of Engineering for Wastewater Chris Nastally and a tour of the facility by CSO Treatment Facilities Operations & Maintenance Manager David McCord, as well as a GLWA-branded token of appreciation for visiting. Public Affairs, Planning Services and Security and Integrity team members assisted in this effort.

Drinking Water Week Photo Contest

Public Affairs held its annual Drinking Water Week Photo Contest in May. Team members voted on 24 great submissions to determine which photo was the Best WATERful Landscape Photo.

After all the votes were tallied, Information Technology Infrastructure Administrator Randy Arellano’s photo titled “Sunset on the Riverwalk” was named the winner.



Wastewater Operations EICT-E Frank Czyz won second place with his image titled “Clean water + happy trees = fresh air!” (shown below)



PUBLIC AFFAIRS (continued)

What is AMSO Video



Asset Management is at the core of what GLWA does, and it is part of our organization's DNA. Public Affairs worked with Interim CEO Suzanne Coffey to produce a video that helps new team members better understand what asset management is and explain the function of asset management in our organization. This video helps to drive home the importance of being good stewards of the physical assets for which GLWA is responsible. You can watch the video by clicking [HERE](#).

Water Warrior Banners

Public Affairs has worked to have new Water Warrior banners placed on the front gates of all our facilities, including our five Water Treatment Facilities and the WRRF. After more than two years in the elements, it was time for a refresh!

SECURITY AND INTEGRITY

The Hazmat Unit coordinated and completed a total of 444 hours of training during the month.

The Security and Integrity Group continues to participate in the regular Emergency Operations Center's ongoing COVID-19 Pandemic briefings.

The Group has completed planning for an upcoming table-top emergency preparedness exercise at WRRF on May 25.

Lastly, the group is entering its final phase of completing GLWA's backup fusion center at Water Works Park.

ORGANIZATIONAL DEVELOPMENT

Performance

Apprenticeships

EICT-E: Apprentices continued their Related Training Instruction through Detroit Electrical Industry Training Center.

ORGANIZATIONAL DEVELOPMENT (continued)

Maintenance Technician: Apprentices continued their Related Training Instruction through Henry Ford College.

Water Technician: Three new water technician apprentices were added during April. Interviews continued throughout April. The first cohort is enrolled in their first class at Macomb Community College.

IT Apprentice: GLWA partnered with Apprenti, an intermediary, to hire an Application Analyst Apprentice. The apprentice is currently completing their 12-week information technology Related Training Instruction. The individual is scheduled to onboard with GLWA on May 31, 2022. The apprenticeship is one year.

During April, the Performance Team:

- Attended and shared information on GLWA’s apprenticeships at River Rouge High School’s Information Session,
- Attended and interviewed apprentice candidates at Oakland Community College’s Pre-Apprenticeship Graduate Job Fair, and
- Virtually attended and shared information with pre-apprentice candidates at Focus: HOPE.

Internship

GLWA has six candidates who have accepted internship opportunities with GLWA. Two interns will support the General Counsel’s office as legal interns. Four interns will support Capital Improvement Planning and Water and Wastewater Operations teams as engineering interns. Two interns are scheduled to onboard on May 31, 2022.

Talent Management

Staffing

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

Number of New Hires	19
Number of Separations	25
Total Staffing - Regular FTEs (YTD)	955

ORGANIZATIONAL DEVELOPMENT (continued)

Benefits/Wellness

May is Mental Health Awareness Month

GLWA has connected team members to mental health benefits available through our Employee Assistance Program (EAP) and our Blue Cross Blue Shield of Michigan (BCBSM) and Health Alliance Plan (HAP) medical plans. Additionally, team members had the opportunity to participate in the following:

Wellness Wednesdays

Blue Cross Blue Shield of Michigan hosted four virtual meditation webinars, including Belief in Self, Ocean Breathing, Relaxing Sounds of Water, and Easing the Mind.



The Importance of Sleep

Dr. Mairav Cohen-Zion and the National Wellness Institute facilitated this discussion on the purpose and importance of sleep, the causes of unhealthy sleep, the consequences to our physical and mental health, common types of sleep issues, and ways to improve our sleep.

Transformation Thursday and Drop 5 Challenge Community

Blue Cross Blue Shield of Michigan hosted four virtual wellness webinars on the following topics: Maternal Health, Eliminate External Validation, The Animal Connections, and the Critical Role of Friendships in Health and Longevity.

Financial Wellness

MissionSquare Retirement Plan Specialists hosted education sessions, on-site, virtual webinars and one-on-one consultations were held at our Water Resource Recovery Facility



ORGANIZATIONAL DEVELOPMENT (continued)

Training

During the month of **April**, **174** GLWA team members completed **seven** non-safety courses and **17** safety courses.

FINANCIAL SERVICES AREA

April 2022 Audit Committee Recap

- ✓ The most recent Audit Committee meeting was held on Friday, April 22, 2022. The GLWA Audit Committee binders are publicly available at www.glwater.org The meeting included the following topics.
- ✓ Presentation of a recommended External Audit Firm based on the request for proposal (RFP) process completed and a request to recommend their appointment to the GLWA Board of Directors.
- ✓ Interviews with Underwriting Firms under consideration for Senior Manager on a 2022 GLWA revenue bond transaction.
- ✓ A request to recommend to the GLWA Board of Directors approval of a resolution to adopt FY 2023 Clean Water Revolving Fund (CWSRF) project plans presented for funding consideration.
- ✓ Review of the January 31, 2022, Monthly Financial Report (Executive Summary attached).
- ✓ A monthly update on the Business Inclusion and Diversity (B.I.D.) program.
- ✓ Discussion regarding the Quarterly Construction Work in Progress (CWIP) report through December 31, 2021.
- ✓ Circulation of the latest Procurement Pipeline.

Affordability & Assistance Update



GLWA's Affordability & Assistance Manager, Madison Merzlyakov, attended the Michigan American Water Works Association (MI-AWWA) Water Affordability Summit in Lansing on Thursday, May 12, 2022. Nearly 40 representatives from across the state came together to discuss what can be done to support water affordability initiatives in Michigan. A six-month

webinar series leading up to the summit laid the foundation for a robust discussion to identify a path forward and the tools needed to continue moving towards a water affordability policy for Michigan. Recordings of the webinar series and materials from the summit will be available on the MI-AWWA site.

FINANCIAL SERVICES AREA (continued)

Vendor Outreach Update



On April 29, 2022, representatives from the GLWA Procurement Team, including Tina Clinkscales, Michael Lasley, and Megan Savage, attended the 13th Annual Michigan Public Purchasing Officers Association (MPPOA) Reverse Trade Fair in Grand Rapids, Michigan. The Reverse Trade Fair, which was held in-person at the Frederik Meijer Gardens and Sculpture Park, provided suppliers, contractors, and consultants with the opportunity to meet with

procurement professionals from around the state of Michigan. Procurement representatives from over 30 publicly funded agencies, including GLWA, staffed the tables while over 100 vendors seeking to do business with the public sector roamed the floors to meet with them. The event enabled procurement professionals to meet with a large variety of new vendors, while vendors had an efficient and cost-effective way to meet with numerous agencies in a single place during a single day – no vendor booth required!

Throughout the day, Tina, Mike, and Megan introduced vendors to the fundamentals of GLWA’s procurement process, including information on what GLWA procures and who should bid on open GLWA opportunities as well as how to create a vendor profile in GLWA’s Bonfire Procurement Portal, receive the monthly *Procurement Pipeline* vendor newsletter, and fulfill the requirements for GLWA’s Business Inclusion and Diversity (B.I.D.) Program. As always, GLWA welcomed the opportunity to meet with so many new and familiar faces within the Vendor Community and thanks the MPPOA for hosting the event.

Procurement Pipeline

The May Procurement Pipeline edition is attached. This month features helpful tips on reviewing the GLWA solicitation letter and instructions to vendors when considering a response to GLWA bid or request for proposal, information on how to set up a virtual vendor introduction meeting, a reminder regarding the information available in the monthly Interim Chief Executive Officer Monthly report, and a listing of upcoming solicitations.

The General Counsel's May 2022 Report is an attachment to the Interim Chief Executive Officer's Report.

Respectfully submitted,
Suzanne R. Coffey
Suzanne R. Coffey, P.E.
Interim Chief Executive Officer

SFM/dlr
Attachments

- January 2022 Executive Summary
- May 2022 Procurement Pipeline
- General Counsel May Report



Key Financial Metrics

The table below provides key report highlights and flags the financial risk of a budget shortfall by year-end as follows:

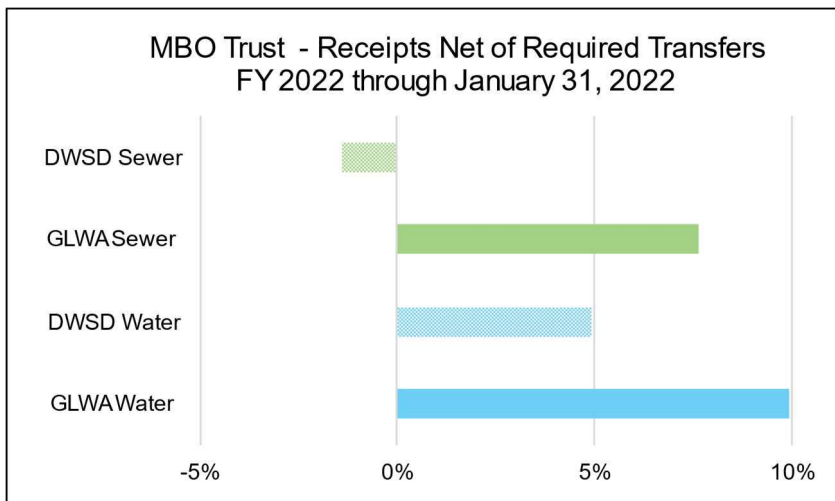
No Risk (green) - Potential (yellow) - Likely (red)

Each variance is monitored by the Great Lakes Water Authority (GLWA) management and, where appropriate, operating and/or budget priorities are re-evaluated. Budget amendments are prepared and presented quarterly based on most current information. To address the wholesale water revenue shortfall, a first quarter budget amendment was approved for \$2.4 million. Capital spend is less than the total CIP; an amendment is under consideration.

As of January 31, 2022					
Metric	FY 2022 Budget	FY 2022 Amended Budget	FY 2022 Actual	Variance from Financial Plan	Report Page Reference
Wholesale Water Billed Revenue (\$M)	\$196.6	\$194.2	\$192.4	-1%	48
Wholesale Water Billed Usage (mcf)	8,378,000	8,158,000	7,974,000	-2%	
Wholesale Sewer Billed Revenue (\$M)	\$158.3	\$158.3	\$158.3	0%	50
Wholesale Water Operations & Maintenance (\$M)	\$84.0	\$84.0	\$77.2	-8%	5
Wholesale Sewer Operations & Maintenance (\$M)	\$105.8	\$105.8	\$104.1	-2%	
Investment Income (\$M)	\$1.8	\$1.8	\$2.2	26%	37
Water Prorated Capital Spend w/SRA* (\$M)	\$78.8	\$78.8	\$95.0	21%	28
Sewer Prorated Capital Spend w/SRA* (\$M)	\$47.3	\$47.3	\$38.8	-18%	29

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

Master Bond Ordinance (MBO) Trust Net Receipts (page 53)



Net cash flow receipts remain positive for GLWA Water and Sewer. This means that all legal commitments of the MBO Trust and the lease payment are fully funded – and that positive cash flow is available for additional capital program funding in subsequent year(s). DWSD Water reports a surplus of \$2.8 million and

DWSD Sewer reports a \$2.3 million shortfall of net receipts over disbursements through January 2022. On August 26, 2021, the DWSD Board of Water Commissioners proactively adopted budget amendments to address potential shortfalls for FY 2022. These budget amendments are reflected in this January 2022 report. DWSD continues to monitor these balances and anticipates improved monthly receipts supplemented by tax lien collections will resolve the current Sewer shortfall before yearend.

The current DWSD loan receivable balance for fiscal year 2018 is \$3.5 million.

Budget to Actual Analysis (page 3)

- FY 2022 information includes the second quarter budget amendments which were approved by the Audit Committee on March 25, 2022 and pending approval by the GLWA Board on April 27, 2022.
- The total Revenue Requirements are on target through January 2022.
- The total Operations & Maintenance expenses are at 55.7% of budget through January 2022.

Basic Financial Statements (page 9)

- The Basic Financial Statements are prepared on a full accrual basis and reflect preliminary, unaudited results.
- Operating income for January 2022 is \$52.1 million for the Water fund (25.4% of total revenues) and \$79.8 million for the Sewer fund (28.8 % of total revenues).
- Water Net Position decreased by \$-2.7 million, and Sewage Disposal Net Position increased by \$2.7 million for the year to date through January 2022.

Capital Improvement Plan Financial Summary (page 27)

- Water systems exceed the 75% Capital Spend Ratio assumption.
- Sewer systems also exceed the 75% Capital Spend Ratio assumption.

Master Bond Ordinance Transfers (page 30)

- For January, transfers of \$13.6 million and \$17.6 million were completed for the GLWA Water and Sewer funds, respectively.
- Also for January, transfers of \$3.2 million and \$7.4 million were completed for the DWSD Water and Sewer funds, respectively.

Cash Balances & Investment Income (page 36)

- Total cash & investments are \$418 million in the Water fund and \$446 million in the Sewer fund.
- Total, combined, cumulative, FY 2022 investment income through January is \$2.2 million.

DWSD Retail Revenues, Receivables & Collections (page 41)

- Water usage through January 31, 2022 is at 109.44% and revenues at 100.57% of budget.
- Sewer usage through January 31, 2022 is at 104.91% and revenues at 100.25% of budget.
- Combined accounts receivable balances for the water and sewer funds report an increase of \$47.7 million over the prior year.
- Past dues over 180 days make up 66.0% 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 47)

- GLWA accounts receivable past due balance net of Highland Park is 9.53% of the total accounts receivable balance, with the majority of that balance related to one water account dispute currently under discussion.
- The Highland Park past due balance is \$52.4 million. It includes \$40.2 million for wastewater treatment services, \$1.8 million for industrial waste control services, and \$10.5 million for water supply services. Highland Park has not made a payment in FY 2022 through January 2022.

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

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

Procurement Tip of the Month: Reviewing the Solicitation Cover and Instructions to Vendors

Carefully reviewing the Solicitation Cover and Instructions to Vendors is an important first step for Vendors interested in submitting a bid or proposal response to a GLWA solicitation. This document, included with every solicitation and available on the solicitation's Bonfire Project Page, outlines key information about the project and what Vendors can expect as they navigate through the GLWA procurement process. Read below to learn more about this important document.

Solicitation Cover – The Solicitation Cover provides a snapshot of the solicitation's key due dates and requirements as well as an overview of the project and its background. In addition, Vendors will find information on the following:

- ✓ Minimum qualifications;
- ✓ All required documents for the submission of a complete and responsive proposal;
- ✓ Evaluation criteria and scoring weights; and
- ✓ Appendixes summarizing additional requirements (if applicable) regarding a Vendor's technical work plan, experience and qualifications, and project team.

Instructions to Vendors – From advertisement to award, the Instructions to Vendors establishes the parameters by which Vendors must adhere in submitting a response to the GLWA solicitation. These parameters include:

- ✓ Monitoring the Bonfire Project Page for any posted addenda;
- ✓ Acquiring Security for the Solicitation (if applicable);
- ✓ Arranging Material/Equipment substitutes and "or-Equal" items;
- ✓ Securing Subcontractors for the performance of work as outlined in the solicitation documents;

- ✓ Modifying or withdrawing a solicitation response after it has been submitted; and
- ✓ Fulfilling GLWA's Conditions to Final Award.

Carefully reviewing the Solicitation Cover and Instructions to Vendors enables vendors to clearly understand what the project entails, what they are being asked to deliver, and the minimum qualifications required to deliver it. This, in turn, helps to ensure that qualified vendors can submit the best possible bid or proposal response to the GLWA solicitation. Any questions regarding the information contained within the Solicitation Cover and Instructions to Vendors must be directed to the GLWA buyer of record listed on the solicitation via the "Opportunity Q&A" tab in Bonfire.

Virtual Vendor Introduction Meetings

If you are interested in learning more about doing business with GLWA, contact us at GLWAVendorOutreach@glwater.org to schedule a virtual vendor introduction meeting. Topics include information on submitting a competitive bid or proposal to a GLWA solicitation, as well as the requirements for GLWA's Business Inclusion and Diversity (B.I.D.) Program.

Keeping up with GLWA

Our Interim Chief Executive Officer (ICEO) 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 April 2022 Monthly Report, please [click here](#).

What's Coming Down the Pipe?

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

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

Visit GLWA online!

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

Upcoming Solicitations May 2022

Category	CIP #	Description/Project Title	Budget Estimate
Water System (next four to nine months)			
Construction	170802	Reservoir Rehabilitation Construction Services Phase II at Waterworks Park, Northeast, and Booster Stations.	\$35,972,000
Construction	112003	Northeast WTP Medium Voltage Electrical System Improvements	\$20,000,000
Materials & Equipment	114002E-G	Springwells WTP Pumping Unit Procurement Package (Contracts E thru G)	\$50,000,000
Materials & Equipment	114002H-J	Springwells WTP Process Valve Procurement Package (Contracts H thru J)	\$14,000,000
Wastewater Systems (next four to nine months)			
Construction	260802	WRRF Roofing Improvements	\$1,600,000
Design	273001	Hubbell Southfield CSO Facility Improvements	\$9,500,000
Construction	232002	Freud Pump Station Improvements	\$75,000,000
Construction	O&M	Plumbing Shop Rehabilitation	\$1,500,000
Water System (next three months)			
Construction	114017	Springwells WTP 1958 Flocculator Replacements	\$22,000,000
Wastewater (next three months)			
Design-Build	212008	Aeration Decks 1 & 2 RFP (invite to RFQ selected teams only)	\$74,000,000
Construction	211006	WRRF Pump Station #1 Improvements	\$73,400,000
Construction	260903	WRRF Front Entrance Rehabilitation	\$3,300,000
Construction	O&M	Incinerator #11 Rehabilitation	\$1,200,000
Projects moved to Procurement Team (Preparing for solicitation on Bonfire)			
Design Build	270006	CSO Facility Control Improvements #2	\$3,305,000
Professional Services	O&M	SCADA System Professional Services	\$5,500,000
Engineering Services	260210	Rehabilitation of GLWA Sewers; Ashland Relief, Linwood, Lonyo, Second Avenue, and Shiawassee	\$6,900,000
Construction	114002B	Springwell's WTP Medium Voltage Electrical System Replacement	\$52,000,000
Construction	211006	Pump Station #1 Screenings Building HVAC Improvements	\$60,000,000

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

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



Office of the General Counsel

735 Randolph Street, Suite 1900
Detroit, Michigan 48226

Office of the General Counsel – May, 2022

- **COVID-19:** The Office supports GLWA’s response to the COVID-19 pandemic, including participating in GLWA’s COVID-19 Task Force, review of COVID-19 related laws, rules and public health orders.
- **Legislative Updates:** The Office is also monitoring infrastructure spending bills at the federal and state level.
- **Gordie Howe International Bridge:** GLWA submitted its relocation reimbursement request to MDOT and received MDOT’s response. GLWA is appealing MDOT’s decision.
- **June and July Rain Events:** The Office is providing legal support in response to the significant rain events in June and July. To date, 13 lawsuits were filed against GLWA related to the rain events, two lawsuits were filed in the past month.
- **Trenton Water Main:** The Office is negotiating the transfer of the 24-inch water main to GLWA.
- **Contract Negotiations:** GLWA will attempt to secure long term contracts with all communities that are not on the model contract. The Office is working with member partners to draft a new model sewer contract. Office staff completed the Designated Management Agreement with SEMCOG. The water contract negotiation team has started the 2022 contract alignment/reopener process for all 84 member partners plus Detroit. Negotiations started successfully on March 17, 2022 and continue through October.
- **Environmental and Workplace Safety Compliance:** The Office continues to work with the COO and team leaders from both the water and sewer systems to comply with regulations and to respond to any alleged violations.
- **Record Retention Policy:** The Office is drafting a record retention policy for GLWA.
- **Industrial Pretreatment Program:** The Office continues to work with the Industrial Waste Control (“IWC”) Group and external stakeholders on finalizing and implementing an updated IPP. To date, 99% of the communities have passed a concurring resolution and GLWA made a presentation to the City of Highland Park’s City Council, which is the only community that has not passed a concurring resolution.

GLWA filed a Complaint for Declaratory and Injunctive Relief to require Highland Park to adopt the concurring resolution on April 21, 2022. The Office also continues to provide assistance on PFAS and PFOS matters.

- **Real Estate:** The Office is negotiating easements related to support the Baby Creek CSO infrastructure improvement project. The Office is negotiating the acquisition of property for the Newburgh pump station. The Office is negotiating easements related to 96” watermain relocation and the Woodward Sewer Project.
- **Member Outreach:** The Office continues to be an active participant in Member Outreach sessions.
- **Main Relocations:** The Office continues to support water operations in its discussions with community stakeholders regarding water main relocations.
- **Civil Litigation and Arbitrations:** The Office continues to vigorously defend actions against GLWA, including a class action lawsuit regarding IWC charges. GLWA received a favorable ruling against Highland Park in the 2020 litigation and GLWA’s motion for an expedited hearing on the 2014 case was granted.
- **Labor Relations:** The Office continues to provide legal advice to Organizational Development on labor relations and employment matters.
- **Procurement:** The Office continues to assist GLWA’s Procurement Team negotiate contracts, change orders and amendments and interpret contractual provisions. The Office is also assisting with the Procurement Policy's Procedures and updating GLWA’s template contracts. The Office is part of a cross-functional team working to complete significant revisions to the GLWA construction contract, including consideration of using an entirely new contract format

- **Statistics:**

Contracts approved as to form:	39
Contracts drafted or revised:	114
Subpoenas/Information requests received:	9
Subpoenas/Information responded to:	8