



STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
LANSING

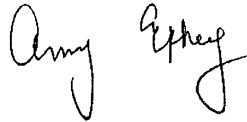


GRETCHEN WHITMER
GOVERNOR

LIESL EICHLER CLARK
DIRECTOR

VIA E-MAIL

TO: Senator Mike Shirkey, Senate Majority Leader
Senator Jim Ananich, Senate Minority Leader
Representative Lee Chatfield, Speaker of the House
Representative Christine Greig, House Minority Leader
Chris Harkins, Director, Senate Fiscal Agency
Mary Ann Cleary, Director, House Fiscal Agency

FROM: Amy Epkey, Senior Deputy Director 

DATE: June 12, 2020

SUBJECT: Water Infrastructure Improvements for the Nation Act – City of Flint
Legislative Report

In accordance with Section 302 of Part 2, Provisions Concerning Appropriations, of 2017 PA 33, attached is the Department of Environment, Great Lakes, and Energy's (EGLE) Water Infrastructure Improvements for the Nation Act – City of Flint Legislative Report.

If you need further information, please contact Kelly Green, Administrator, Water Infrastructure Financing Section, Finance Division, at 517-284-5409; or you may contact me at 517-284-5002.

Attachment

cc/att: Chris Kolb, Director, State Budget Office
Jennifer Flood, Legislative and Public Affairs Director, Governor's Office
Emily Laidlaw, Policy Director, Governor's Office
Josh Sefton, Senate Fiscal Agency
Austin Scott, House Fiscal Agency
Jacques McNeely, State Budget Office
Carly Kirk, State Budget Office
Liesl Eichler Clark, Director, EGLE
Aaron B. Keatley, Chief Deputy Director, EGLE
Sarah M. Howes, Legislative Liaison, EGLE
David Fiedler, Regulatory Affairs Officer, EGLE
Paul McDonald, EGLE
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Dale Shaw, EGLE
Kelly Green, EGLE
Eric Pohan, EGLE

Michigan Department of Environment, Great Lakes, and Energy
Flint Water Infrastructure Funding
As of May 29, 2020

In early 2017 the United States Environmental Protection Agency awarded Water Infrastructure Improvements for the Nation (WIIN) Act grant funds of \$100 million. In addition, the city of Flint (City) and State entered into a settlement agreement in late March 2017 to provide additional service line replacement funding. The following table summarizes the \$167 million available for the City to address infrastructure needs. To date, 52% of the funds are remaining.

Category	Budget	Amount Approved for Reimbursement to City	Balance	Percent Remaining	Revised Project Time Frame
<u>Federal WIIN Funds</u>					
Service line replacements	\$ 20,000,000	\$ 12,970,759	\$ 7,029,241	35%	May 2017 - Dec 2021
Secondary water source	\$ 9,163,300	\$ 671,989	\$ 8,491,311	93%	June 2020 - Jan 2021
Dort and Cedar storage/pumping	\$ 10,125,000	\$ 370,691	\$ 9,754,309	96%	June 2020 - TBD
Chemical feed building	\$ 3,400,000	\$ 497,536	\$ 2,902,464	85%	April 2020 - March 2021
Northwest transmission main	\$ 12,296,900	\$ 374,054	\$ 11,922,846	97%	TBD
Water main replacement	\$ 13,289,012	\$ 1,085,446	\$ 12,203,566	92%	Oct 2019 - Dec 2024
Meter replacement	\$ 18,460,000	\$ 2,746,617	\$ 15,713,383	85%	Oct 2019 - Jun 2021
Water quality monitoring	\$ 612,500	\$ 127,272	\$ 485,228	79%	Oct 2019 - Oct 2020
Local assistance/capacity development	\$ 2,653,288	\$ 2,059,449	\$ 593,839	22%	May 2017 - Dec 2019
Service line replacement contingency	\$ 10,000,000	\$ -	\$ 10,000,000	100%	May 2017 - Dec 2021
Total Federal Funding	\$ 100,000,000	\$ 20,903,813	\$ 79,096,187	79%	
<u>Other Funding</u>					
Service line replacement CHIP/DHHS	\$ 10,319,659	\$ 10,319,659	\$ -	0%	May 2017 - Sep 2019
Service line replacement State	\$ 56,700,000	\$ 49,221,924	\$ 7,478,076	13%	May 2017 - Dec 2021
Total Other Funding	\$ 67,019,659	\$ 59,541,583	\$ 7,478,076	11%	
Total Water Infrastructure Funding					
	\$ 167,019,659	\$ 80,445,396	\$ 86,574,263	52%	

The City reports that 25,409 lines have been excavated and 9,554 lines replaced as of March 20, 2020, indicating a 37.6% replacement rate. An average cost per line will be calculated upon completion of work and reimbursement of invoices.

CHIP/DHHS funds were available in fiscal year (FY) 2017, FY 2018, and FY 2019. These funds lapse each year and as a result, the City was only able to utilize \$10.3 million from this funding source. EGLE issued an amendment increasing the service line replacement grant by \$7.7 million to account for the lapsed CHIP dollars. This amendment is included in the "Service line replacement State" line above.