UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OCT 25 2016

THE ADMINISTRATOR

The Honorable Rick Snyder
Governor of Michigan
P.O. Box 30013
Lansing, Michigan 48909

The Honorable Karen Williams Weaver
Mayor of Flint
1101 South Saginaw Street
Flint, Michigan 48502

Dear Governor Snyder and Mayor Weaver:

An important step in providing a safe and long term drinking water system for the citizens of Flint is the decision on the future primary source of that drinking water. As you both know, decisions surrounding the selection of a new water source are complex and challenging. We are encouraged by the progress to date in the quality of the water sourced and treated by the Great Lakes Water Authority (GLWA) and currently being delivered by the City. Now that the City has proposed to switch to purchasing water from the Karegnondi Water Authority (KWA) and treating it using the City's existing Water Treatment Plant (Plant), EPA is reiterating that it is necessary to thoroughly analyze and plan for all of the components needed to successfully accomplish such a switch and to keep all parties, including the public, well-informed throughout the transition process.

MDEQ identified implications of the City's decision to receive and treat raw water from KWA in the enclosed September 26, 2016 letter. In order for this switch to succeed, there are many actions that are necessary, including:

- Construction of the three-mile connector pipe to supply raw water to the Plant must be completed (estimated in the letter to be ready by April 2017);
- A complete evaluation of the Plant must be made and upgrades must be implemented;
- A backup water source must be chosen and capability must be established;
- Studies regarding the effectiveness of corrosion control for the new source water must be completed and evaluated;
- The Plant must be operated by personnel capable and qualified in treating raw water; and
- Once the raw water supply, back-up water source, and plant upgrades are completed, the Plant will need to be operated for a sufficient performance period so that the residents and regulators can be assured before the switch occurs that safe drinking water will be reliably delivered.

Funding is currently available through the Michigan Drinking Water State Revolving Loan Fund (DWSRF) to support these actions. It is important to note, however, that the Safe Drinking Water

Act requires that DWSRF recipients demonstrate that they have sufficient technical, managerial, and financial capacity to effectively deliver safe water. For a state to award DWSRF funds, the recipient must complete pre-construction activities (such as planning and design, environmental review, and a prioritization of potential capital improvement projects), and must demonstrate the appropriate level of financial management capacity to successfully implement the project. Procuring consulting services to complete pre-construction activities as well as identifying an individual responsible for managing these funds will help accelerate the construction of capital infrastructure improvements. The State will need to work closely with the City to provide clarity on and support for meeting these requirements. We note as well that these same requirements would have to be met in order for the State to award any further DWSRF funding that may be made available pursuant to pending legislation in Congress.

In addition to the identification of necessary funding, each of these actions also face a tight time deadline. The construction schedule highlighted above must provide adequate time for full-scale operational testing, and delays in any aspect cannot compromise this essential testing period. As a result of the City's sale of 9 miles of its existing drinking water pipeline that delivers Detroit (GLWA) water to Flint, the City must complete all of the above actions before October 2017, when Flint will no longer have access to the 9-mile pipeline. The timeline identified in MDEQ's letter is an ambitious one and we expect that the City and State are currently pursuing alternatives to provide a contingency in the event that these actions cannot be completed by October 2017.

We are pleased to see the recognition that a successful transition can only be achieved by the State, the City and Genesee County working closely together to develop the necessary expertise and financing options, and we look forward to your continued progress on this matter. Please do not hesitate to contact me with any questions relating to this letter. In addition, your staff may always contact Mark Rupp, Deputy Associate Administrator for Intergovernmental Relations at rupp.mark@epa.gov or (202) 564-7178.

Sincerely,

Gina McCarthy

Enclosure

cc: Mr. Keith Creagh
Director, Michigan Department of Natural Resources

Mr. Nick Lyon
Director, Michigan Department of Health and Human Services

Mr. Mark Valacak
Health Officer, Genesee County Health Department

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING

RICK SNYDER
GOVERNOR

C. HEIDI GRETHER
DIRECTOR

September 26, 2016

VIA E-MAIL

The Honorable Karen Williams Weaver
Mayor of Flint
1101 South Saginaw Street
Flint, Michigan 48502

Dear Mayor Weaver:

In a letter dated September 2, 2016, the United States Environmental Protection Agency (USEPA) urged the city of Flint (City) to make a final source water decision. That letter included estimated time lines associated with three possible source water decisions, which were:

1) The City treats raw water from the Karegnondi Water Authority (KWA);
2) The City receives treated water from Genesee County; and,
3) The City continues to receive treated water from the Great Lakes Water Authority (GLWA).

On September 6, 2016, you and other representatives from the City presented the final source water selection plan to me and representatives from the USEPA, the Michigan Department of Environmental Quality (MDEQ), and the Governor's Office. Specifically, the plan for primary water source is to receive raw water from the KWA and treat it using the City's existing Water Treatment Plant (WTP). The proposed backup water source plan is to construct a raw water reservoir to supply the WTP in the event the KWA raw water line was temporarily out of service. One of the factors in making this decision expressed during the meeting was the City's desire to have an autonomous water supply. The City also expressed their need for additional financial resources to carry out their plan.

The time line associated with this decision is dependent on a number of factors, including the construction of the three-mile connector pipe to supply KWA raw water to the WTP so that adequacy of treatment can be demonstrated before the WTP supplies finished water to the public. Paragraph 60 of the USEPA's Order issued on January 21, 2016, requires this "performance period," which is estimated to take three to six months. Further, Paragraph 60 requires the City to submit a written plan for their new water source and to offer the opportunity for public comment on that plan. The City's plan also included requests for funds to evaluate necessary upgrades to the WTP. This evaluation would need to be performed by a consulting engineering firm. The time lines associated with processing public comments on the plan, issuing a Request for Proposal, and then completing the WTP evaluation are uncertain at this time.

On September 9, 2016, representatives from the City and the State met with the Genesee County Drain Commissioner and his representatives to discuss the City's source water decision and any impacts on the estimated time lines for the City and Genesee County Drain Commission (GCDC).

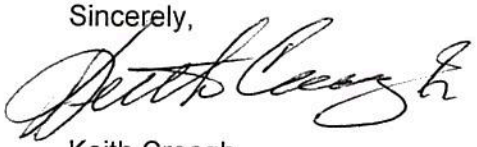
We were pleased to learn that the plans to construct the three-mile connector pipe are proceeding on schedule and the final route chosen will reduce its length and cost from earlier estimates. It is anticipated that this pipe will be ready to supply KWA raw water to the WTP by April 2017 so the City can then begin its three- to six-month performance period. We were also pleased to learn that Genesee County is currently conducting extensive pilot testing on the KWA raw water and is willing to share this testing data with the City. This data will assist the City in evaluating necessary upgrades to the WTP and preparing for their full-scale performance period.

The GCDC is planning to have their new WTP ready to supply finished water to their customers by October 2017 using the existing 72-inch transmission line currently supplying finished water to the City from the GLWA. When the GCDC begins using the 72-inch line, the City will no longer have access to finished water from the GLWA as a primary or backup water source. Therefore, we were very pleased to learn that the GCDC is willing to enter into discussions with the City about the GCDC furnishing finished water to the City in a short-term, emergency situation. We encourage the City and GCDC to begin this dialogue immediately as it appears a raw water reservoir for backup supply to the City could not be constructed by October 2017.

Paragraph 60 of the USEPA's Order requires that the City demonstrate technical, managerial, and financial capacity to meet Safe Drinking Water Act requirements. Operating a water system that treats raw water requires a higher level of technical and managerial expertise than operating a water system that primarily distributes treated water. We are pleased that the City and the MDEQ have agreed on a plan for the City to develop this expertise, which will include operational, management, and training assistance to the City, using a combination of MDEQ staff and outside experts. The training portion of this plan is set to commence on September 27, 2016. Regarding financial capacity, the State of Michigan is committed to continuing to partner with the City to identify financing options.

Many thanks to you and your staff who have assisted in developing the City's source water plan. The MDEQ continues to be a full partner with the City and the USEPA, with its primary focus on ensuring a safe drinking water system for the residents of Flint.

Sincerely,



Keith Creagh
Director
Michigan Department of Natural Resources

cc: Brigadier General Mike McDaniel (Ret.), City of Flint
Mr. Sylvester Jones, City of Flint
Ms. JoLisa McDay, City of Flint
Mr. Mark Adas, City of Flint
Mr. Jeff Wright, Genesee County Drain Commissioner
Mr. Robert Kaplan, Acting Regional Administrator, USEPA, Region 5
Mr. Mark Pollins, USEPA
Mr. Richard Baird, Governor's Office
Ms. C. Heidi Grether, Director, MDEQ
Mr. Robert Wagner, Program Deputy Director, MDEQ
Mr. Bryce Feighner, MDEQ
Mr. George Krisztian, MDEQ