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GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LANSING



C. HEIDI GREETHER  
DIRECTOR

VIA E-MAIL

TO: Senator Arlan Meekhof, Senate Majority Leader  
Senator Jim Ananich, Senate Minority Leader  
Representative Tom Leonard, Speaker of the House  
Representative Sam Singh, House Minority Leader  
Ellen Jeffries, Director, Senate Fiscal Agency  
Mary Ann Cleary, Director, House Fiscal Agency

FROM: Amy Epkey, Administration Deputy Director

DATE: June 11, 2018

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

In accordance with Section 302 of Part 2, Provisions Concerning Appropriations, 2017 PA 33, attached is the Department of Environmental Quality's (DEQ) report on Water Infrastructure Improvements for the Nation Act.

If you need further information, please contact Eric Oswald, Director, Drinking Water and Municipal Assistance Division, at 517-284-6544; or you may contact me at 517-284-5002.

Attachment

cc/att: Al Pscholka, Director, State Budget Office  
Darin Ackerman, Governor's Office  
Angela Ayers, Governor's Office  
Josh Sefton, Senate Fiscal Agency  
Austin Scott, House Fiscal Agency  
Jacques McNeely, State Budget Office  
Jennifer Harrison, State Budget Office  
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Aaron B. Keatley, Chief Deputy Director, DEQ  
Sarah M. Howes, Legislative Liaison, DEQ  
Eric Oswald, DEQ  
Sonya Butler, DEQ

**Water Infrastructure Improvements for the Nation (WIIN) Act**  
**City of Flint Legislative Report**  
**May 2018**

**Overview**

Early in 2017, Michigan applied for and was awarded WIIN grant funds of \$100 million from the U.S. Environmental Protection Agency (EPA). The state provided the matching funds of \$20 million. The purpose of WIIN funds is to address lead and other contaminants in drinking water, including the repair and replacement of public and private drinking water infrastructure. WIIN funds are reimbursed as evidence is presented for eligible activities; WIIN funds are disbursed on a reimbursement basis after work is performed. As of May 29, 2018, a total of \$22 million has been spent of the \$120 million.

The city of Flint originally requested to allocate the funding as follows:

- Service line replacement: \$40 million
- Distribution system/transmission main improvements: \$10 million
- Meter replacement: \$10 million
- Water treatment plant improvements: \$58.5 million
- Corrosion control plans and asset management: \$1.5 million

The EPA has requested additional details from the city of Flint before funds can be used for water treatment plant improvements. The city of Flint is in the design stage of the distribution system/transmission main improvements project.

An approved allocation of WIIN funds and the associated match was made to the following projects:

- Lead service line replacement: \$40 million (\$20 million federal, \$20 million state match)
- Contractual services for corrosion control plans and an asset management program: \$1.5 million

This quarterly report will provide an update on reimbursement requests that have been submitted for the following:

**Lead Service Line Replacement**

The following table contains information on the lead service line project started in May 2017. While over 6,074 service lines have been replaced in Flint, including 5,380 lead service lines as part of Phase IV of WIIN, through May 30, 2018, WIIN reimbursements have only been requested for 4,466 service lines. Construction related to service line removal for Phase IV has started again to meet contract obligations. Restoration work has restarted too now that the weather is warmer.

WIIN Act - City of Flint Legislative Report

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	5-31-17	8-31-17	11-30-17	2-28-18	5-31-18	Total
Requested for reimbursement*	\$0	\$3,055,462	\$8,447,149	\$5,857,611	\$4,650,443	\$22,010,665
Number of lead service lines reimbursed	0	666	1,697	1,101	1,002	4,466
Average cost per replacement	\$0	\$3,990	\$4,037	\$4,026	\$4,155	\$4,105
WIIN funds reimbursed	\$0	\$0	\$0	\$0	\$2,010,665	\$2,010,665
State match reimbursed	\$0	\$3,055,462	\$8,447,149	\$5,857,611	\$2,639,778	\$20,000,000
WIIN funds remaining for project	\$20M	\$20M	\$20M	\$20M	\$17,989,335	
Amount of state match remaining for project	\$20M	\$16,944,538	\$8,497,389	\$2,639,778	\$0	

\*Costs requested include construction, hydrovac work, and restoration.

**Contract Services**

The table below contains information on the corrosion control plan and asset management activities started in April 2017. This project is expected to be completed in September 2019.

	5-31-17	8-31-17	11-30-17	2-28-18	5-31-18	Total
Requested for reimbursement	\$95,094	\$97,878	\$0	\$243,095	\$330,160	\$766,227
WIIN funds used	\$95,094	\$97,878	\$0	\$243,095	\$330,160	\$766,227
State match used	\$0	\$0	\$0	\$0	\$0	\$0
WIIN funds remaining for project	\$1,404,906	\$1,307,028	\$1,307,028	\$1,063,933	\$733,773	\$733,773
State match remaining for project	\$0	\$0	\$0	\$0	\$0	\$0