



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LANSING



LIESL EICHLER CLARK  
DIRECTOR

VIA E-MAIL

TO: Governor Gretchen Whitmer  
Members of the Michigan Legislature

FROM: Liesl Eichler Clark, Director 

DATE: March 1, 2019

SUBJECT: Report on the Use of the Groundwater Discharge Permit Fund

In accordance with Section 3124(5) of Part 31, Water Resources Protection, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, attached is the Department of Environmental Quality's (DEQ) report on the Use of the Groundwater Discharge Permit Fund for fiscal year 2018.

If you need further information, please contact Christine Alexander, Manager, Permits Section, Water Resources Division, at 517-243-4670; or you may contact me at 517-284-6710.

Attachment

cc/att: Chris Harkins, Director, Senate Fiscal Agency  
Mary Ann Cleary, Director, House Fiscal Agency  
Chris Kolb, Director, State Budget Office  
JoAnne Huls, Chief of Staff, Governor's Office  
Greg Bird, Legislative Director, Governor's Office  
Emily Laidlaw, Policy Director, Governor's Office  
Abbey Frazier, Senate Fiscal Agency  
Austin Scott, House Fiscal Agency  
Jacques McNeely, State Budget Office  
Jennifer Harrison, State Budget Office  
Aaron B. Keatley, Chief Deputy Director, DEQ  
Amy Epkey, Administration Deputy Director, DEQ  
Sarah M. Howes, Director of Policy and Legislative Affairs, DEQ  
David Fiedler, Regulatory Affairs Officer, DEQ  
Teresa Seidel, DEQ  
Christine Alexander, DEQ  
Lois Marinangeli, DEQ



MICHIGAN DEPARTMENT OF  
ENVIRONMENTAL QUALITY

## Legislative Report

# Groundwater Discharge Permit Fund

**Report Period:**  
**Fiscal Year 2018**

**Authority:**  
**MCL 324.3124(5)**

The activities discussed in this report represent the fiscal year (FY) 2018 activities performed in administering the Department of Environmental Quality's (DEQ) Groundwater Discharge Permit Program that were funded by the Groundwater Discharge Permit Fund.

Activity (a):

<u>Subactivity</u>	<u>Hours</u>	<u>FTE</u>
Compliance	5,442	2.6
Enforcement	544	0.3
Permit Issuance	<u>816</u>	<u>0.4</u>
Total	6,802	3.3

These figures are based on charges against the groundwater fees only. There were an additional 13.9 full-time equivalent (FTE) positions in FY 2018 in the Groundwater Discharge Permit Program that were not funded by the groundwater fees.

Activity (b):

Total applications received:	138
New use applications received:	44
Applications returned as administratively incomplete:	0

Activity (c):

Permits issued:	151
New use permits issued:	46
Applications denied:	0
Applications withdrawn:	5

Activity (d):

Percentage and number issued within 180 days:	79%; 119 of 151
Percentage and number of new use permits issued within 180 days:	87%; 40 of 46

Activity (e):

Number of inspections conducted at groundwater facilities:

Compliance evaluation (detailed) inspections:	367
Reconnaissance (general) inspections:	0
Termination and close-out inspections:	0

Activity (f):

Number of groundwater violation letters sent: 61

Activity (g):

Civil actions initiated: 0  
Civil actions completed: 1  
Number of contested case hearings initiated and resolved: 1  
Voluntary Agreements: 5  
Total fines and penalties collected: \$144,850

Activity (h):

1. S&P Management Administrative Consent Order (ACO)-000295, entered on October 27, 2017. This ACO required the repayment of avoided annual groundwater permit fees for FY 2017 and 2018 for a total of \$3,000. It also required compliance with the groundwater permit moving forward; payment of \$1,700 in partial reimbursement of escalated enforcement costs; and the payment of \$6,000 in civil fines.
2. Jack Brown Produce ACO-000296, entered on January 8, 2018. This ACO required construction of a new wastewater treatment system and compliance with the groundwater discharge permit. It also required the payment of \$1,140 in partial reimbursement of escalated enforcement costs; and the payment of \$50,000 in civil fines.
3. Andrews Estates Mobile Home Park (MHP) ACO-000337, entered on March 15, 2018. This ACO required the construction of a new wastewater treatment system and compliance with the groundwater discharge permit. It also required the payment of the avoided annual permit fees for 2017 and 2018 totaling \$3,000; payment of \$370 in partial reimbursement of escalated enforcement costs; and the payment of \$15,000 in civil fines.
4. Park Meadows Estates MHP ACO-000291, entered on August 20, 2018. This ACO required repair and replacement of necessary portions of the wastewater treatment system and compliance with the groundwater discharge permit. It also required the payment of \$1,640 in partial reimbursement of escalated enforcement costs; and the payment of \$59,850 in civil fines.
5. Elite Apple Land Company ACO-05290, entered on September 21, 2018. This ACO required the installation of a new wastewater treatment system and compliance with the groundwater discharge permit. It also required the payment of \$1,430 in partial reimbursement of escalated enforcement costs; and the payment of \$4,000 in civil fines.
6. Sandstone Management, LLC, Consent Judgment entered on August 15, 2018. This Consent Judgment required the construction of a new wastewater treatment system and compliance with the new groundwater discharge permit. It also required the payment of \$10,000 as a combined payment for partial reimbursement of escalated enforcement costs and civil fines.

Activity (i):

Number of groundwater complaints:

Received: 1  
Investigated: 0  
Resolved: 0  
Unresolved: 0

Activity (j):

Amount of revenue in the Groundwater Discharge Permit Fund at the end of FY 2018 was \$939,900.