

STATE OF MICHIGAN

WORK PLAN FOR
LOCAL ASSISTANCE FOR CAPACITY DEVELOPMENT SET ASIDE
GRANT YEAR 2023
FISCAL YEAR 2024

Background

40 CFR Part 35, State and Local Assistance, Subpart L Drinking Water State Revolving Funds (DWSRF) were established to “. . . ensure that each State’s program is designed and operated in such a manner as to further the public health protection objectives of the Safe Drinking Water Act (SDWA). . .” (§35.3500). To achieve the objective of improved public health protection, §35.3535(e) allows a State to use up to 15 percent (15%) of its capitalization grant allotment to assist in the development and implementation of local drinking water protection initiatives and other State programs. Specifically, Subrule (iv) allows a State to provide technical and financial assistance to public water systems as part of a capacity development strategy.

Goal

Provide direct technical assistance to public water supplies (PWS) to enhance and maintain their technical, managerial, and financial (TMF) capabilities.

Funds Requested

A table is attached that shows the **projected** balances remaining in the Local Assistance for Capacity Development (LA-CD) Set Aside for the open grant years and the amount requested in the grant year (GY) 2023 application. Please note that these projected balances are estimates calculated from actual and projected expenditures. They do not reflect amounts that may or may not have been drawn on the grants yet by staff in the Michigan Department of Environment, Great Lakes, and Energy (EGLE) Finance Division. Also, it is important to note that projected expenditures do not reflect any federal sequestrations or unknown state funding reductions that may occur.

From the 2023 Base DWSRF grant, EGLE is requesting \$563,350 from the LA-CD Set Aside authorized under Section 1452(g)(2) of the federal SDWA for LA-CD work. This level is approximately five percent (5%) of the 2023 grant amount of \$11,267,000. From the 2023 DWSRF General Supplemental grant, EGLE is requesting \$1,116,714 for the LA-CD Set Aside. This level is 2.32 percent (2.32%) of the 2023 grant amount of \$48,042,000. Therefore, EGLE is requesting a total for \$1,680,064 for LA-CD.

Funds will be expended from the oldest open GY first.

Full-Time Equivalents

In fiscal year (FY) 2024, approximately 9.1 full-time equivalents (FTE) in the Drinking Water and Environmental Health Division (DWEHD) will be supported with funding provided by the LA-CD Set Aside funds for an approximate total cost of \$1,371,064. Specific activities that these FTEs perform are detailed below. This figure includes salary and wages, fringe benefits, and travel costs incurred to perform work tasks and professional development. The figure does not include other expenses such as supplies, materials, information technology, and telecommunications equipment and support.

Program Work

The FTEs funded by this Set Aside are responsible for providing direct technical assistance to PWS to enhance and maintain their TMF capabilities. Specific duties include:

- Assisting PWS in acquiring and maintaining TMF capacity as outlined in Michigan's Capacity Development Strategy for Public Water Systems.
- Receiving and reviewing monitoring data and making associated compliance determinations in a consistent and coordinated manner. Educating water supplies about proper sampling methodologies and timely and complete submittal of data to ensure that any exceedances are addressed.
- Providing guidance to assist supplies in preparing required reports to ensure that they meet regulations.
- Conducting sanitary surveys within the required timeframes.
- Providing assistance to water supplies to maintain compliance with the Michigan Safe Drinking Water Act, 1976 PA 399, as amended (Act 399) and assist them in returning to compliance when not in compliance.
- Conducting plan reviews for source changes and significant changes in treatment and water supply improvements.
- Performing source water assessments at Community Water Supplies (CWS).
- Providing one-on-one technical assistance and consultation with water supply personnel to assist in the understanding of, and compliance with, state and federal requirements.
- Reviewing asset management plans, general plans, reliability studies, distribution system material inventories, and engineering studies to assure regulatory compliance and optimum performance.
- Providing cross connection control guidance and training and continuing to assist CWS with the development of residential cross connection programs.
- Exploring innovative methods to reach water supply owners and operators to promote greater long-term compliance, including the use of videos on YouTube and quarterly webinars which include live question and answer segments.
- Providing reminder communications to PWS for compliance activities.
- Providing extensive training for new and existing staff, including continuing the successful "Rule School" series which provides an in-depth review of the Act 399 Rules, a routine series of analyst training, and an extensive training series on engineering topics. These trainings, in addition to outside training for staff, are positively impacting the consistency and technical expertise available to the regulated community.
- Provide "small system" training that is specifically geared toward privately-owned CWS with a population of 3,300 or less.

- Provide emergency response training to DWEHD staff, with subsequent follow-up to water supplies.
- Participate in regional and national workgroups to learn and share initiatives and initiatives which assists Michigan in TMF capacity building, including the Association of State Drinking Water Administrators Security Committee and the United States Environmental Protection Agency (USEPA) Region 5 Operator Certification/Capacity Development Workshop.
- Increasing resilience at small systems serving fewer than 3,300 who are not subject to the America's Water Infrastructure Act, Emergency Response Plan (ERP) and Risk and Resilience Assessment (RRA) requirements, by promoting training and continuing education credits for completion of ERPs and RRAs through technical assistance providers.
- Contribute to the Michigan Section American Water Works Association's (AWWA) quarterly newsletter, Water Works News. The newsletter is distributed to members and all CWSs, including approximately 700 privately-owned CWSs, that might not otherwise receive drinking water-related information.

Studies for the city of Muskegon Heights (\$300,000)

The city of Muskegon Heights was issued a significant deficiency in early 2023 for insufficient TMF capacity. The resulting enforcement agreement with the city requires two studies to be completed. The first is a comprehensive alternatives study to examine the costs of all water supply options including regionalization and consolidation options. Once that study is completed it needs to be shared publicly and the city needs to vote on which alternative is best. The second study needed is to identify the TMF capacity necessary to support the selected alternative and the plan to achieve the capacity. Set Aside funds are being used to fund these studies to be performed by a qualified third-party consulting firm.

Financial Adequacy of New PWS

The DWEHD will incur costs for determining if new CWS meet the financial adequacy requirements of the program. In addition, the DWEHD will continue to explore innovative ways to increase capacity development work at small PWS systems – both CWS and Noncommunity Water Supplies.

Field Analysis Equipment (\$6,000)

The DWEHD will train staff and continue to purchase field test kits, pressure monitoring equipment, and flow testing equipment for district staff to use in calibration, technical assistance, and training of PWS staff.

Technical Assistance Reference Materials (\$3,000)

The DWEHD will continue to invest in multi-user site licenses for updated AWWA industry standards and manuals of practice for staff to use as reference materials. The DWEHD will also continue to purchase current versions of engineering and water supply reference books, plumbing codes, and other industry standards. These reference materials will be used by staff when developing training materials and providing technical assistance to PWS.

Agency Responsibilities

DWEHD Administration Section staff will process payments for approved invoices and track all grant expenditures. They will also track total expenditures from the Set Aside. Finally, the EGLE Finance Division will request draws from the capitalization grant for the expenditures processed by the DWEHD Administration Section.

Schedule

This work plan covers the period from October 1, 2023, to September 30, 2024.

Evaluation Process

DWEHD staff will assess the work progress and work products with grant recipients and other contractors no less than every six (6) months during the contract period. Final payment is dependent upon full completion of contract commitments.

At the beginning of each calendar year, DWEHD employees, under the direction of their supervisor, must create performance objectives. These objectives may correlate to tasks and special projects included in the Set Aside work plans. Employees are expected to demonstrate progress in accomplishing the desired outcomes throughout the year. All DWEHD managers meet with their staff periodically to discuss available metrics, current workload, and what shifts, or task prioritization may be needed. State will inform the USEPA of changes to the work described in the work plans.

Progress Reports

At the end of each FY, the DWEHD will submit an activity report to the USEPA listing activities and expenditures from the LA-CD.

Local Assistance for Capacity Development Set Aside Projected Expenditures and Balances Remaining Grant Years 2019-2023						
Grant Year	Grant Number	GRANT NAME	Date Awarded	Amount Awarded	Projected Amount to be Expended by September 30, 2024	Projected Balance Remaining on September 30, 2024
2019	975487-19	BASE	10/01/2019	\$2,701,000	\$2,701,000	\$0
2020	975487-20	BASE	10/01/2020	\$1,351,450	\$1,351,450	\$0
2021	975487-21	BASE	10/01/2021	\$1,890,280	\$1,890,280	\$0
2022	975487-22	BASE	09/30/2022	\$1,720,200	\$1,720,200	\$0
2023	PENDING	BASE	PENDING	\$563,350	\$563,350	\$0
2023	PENDING	SUPPLEMENTAL	PENDING	\$1,116,714	\$1,116,714	\$0