



March 30, 2021

VIA E-MAIL

The Honorable Joe Biden
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear President Biden:

Congratulations for delivering swift passage of the American Rescue Plan Act. The \$360 billion it provides in direct aid to state and local governments is desperately needed and will help our states make transformational investments as we “build back better” for a prosperous, equitable, and sustainable future.

We greatly appreciate inclusion of water, sewer, and broadband infrastructure as allowable uses for the Act’s aid to state and local governments. As your administration continues to develop and pursue its policy agenda, we respectfully encourage you to continue your emphasis on modernizing America’s water infrastructure.

In our Great Lakes states and beyond, a comprehensive water infrastructure program—with federal, state, and local governments playing their roles in close coordination—will spur and complement progress on COVID-19 response, economic recovery, racial equity, climate resilience, and other top administration priorities.

The following provides a general overview of how major water infrastructure investments can support your policy agenda and serve your “build back better” vision. We would appreciate the opportunity soon to discuss with you and your team the most effective policies, programs, and funding levels for achieving those ends.

Most of America’s water infrastructure is underground. Its aging and decline over time has largely occurred out of public view. But in recent years, the failure to maintain and modernize our systems has become painfully apparent in our region.

- The Flint drinking water crisis epitomized the historic disinvestment in Black and brown communities, which left that former automotive powerhouse with a failing, oversized system and a shrinking rate base. The pandemic further spotlighted water affordability challenges for many such communities in our region that suffered disparate COVID-19 impacts in the face of significant residential water shutoffs that made following CDC handwashing guidelines challenging.
- Aging, inadequate wastewater and storm water infrastructure and increasingly frequent precipitation events are putting the residents and fresh waters of the Great Lakes Basin at risk. In Minnesota, that combination can be attributed to more than 200 annual releases to surface waters of partially treated or untreated wastewater that impacts downstream communities and aquatic life. The city of Centerville, Illinois, exemplifies many places in our region. Its residents face health concerns and property damage with each major rain because the community lacks the resources to either address chronic sewage overflows on its own or obtain financing from state revolving loan programs. Among many other impacts, these sewage overflows feed harmful algal blooms, like the one that developed near Toledo's drinking water intake in 2014 and threatened hundreds of thousands of Ohioans.
- Many of the thousands of dams in our region are past their prime and/or poorly maintained. Failure of privately-owned dams on the Tittabawassee River during a May 2020 storm led to massive flooding that threatened thousands of lives and caused an estimated \$175 million in private property damage in Midland County, Michigan.
- Watermain breaks also increase as infrastructure ages. These breaks compromise reliability and result in interruptions in service as well as the need to boil water. While no part of the country is immune to these consequences, cold winters put human health and safety at particular risk in our region.

Importantly, challenges like these are not limited to cities, suburbs, and towns with well-established, long-standing infrastructure systems. They transcend rural-urban and other geographic divides.

For example, Illinois has more than 200 “unsewered” communities that lack wastewater collection and/or treatment facilities—most of them documented as Environmental Justice communities by both race and income level. Many of these communities have a patchwork of decades-old underground “wildcat” pipes that illegally discharge to surface waters. While a lack of planning capacity is often a significant initial barrier for these communities, the biggest hurdle remains the lack of local revenue to invest in the construction—and long-term operations and maintenance—of modern collection and/or treatment facilities.

In another instance of water infrastructure falling outside of carefully managed and regulated systems, private septic systems are used to manage residential wastewater by roughly 30% of Michigan's households. Officials estimate that 10% or more of those systems are failing, and researchers have linked areas with high concentrations of private septic systems to human-sourced surface water pollution.

Residents with private drinking water wells are also exposed to health risks across the Great Lakes Basin. PFAS contamination of groundwater is a well-documented and highly publicized example. Our states have been among the nation's leaders in charting a strategic and aggressive response to that threat, but private well owners need greater assistance in identifying, monitoring, and addressing PFAS.

Nitrates are another mounting concern. In Wisconsin, for example, studies show nitrate contamination is increasing in extent and severity, leading to estimates that at least 10% of private wells in the state have high nitrate levels that researchers are investigating for links to neural tube birth defects. In some concentrated agricultural areas, such as highly cultivated areas in south central Wisconsin, an estimated 20-30% of private well samples exceed the maximum contaminant levels. Given Wisconsin Department of Natural Resources estimates that more than 40,000 (and maybe as many as 80,000) private wells may be impacted, the total projected cost of abandoning contaminated wells and replacing them with a new safe water supply exceeds \$440 million. To date, private well owners have spent more than \$9 million to replace wells with elevated nitrates. Importantly, Wisconsin also estimates 300 public water systems exceed the health standard for nitrate of 10 mg/L.

Through a partnership across all levels of government to repair, redesign, and modernize our drinking water, wastewater, and storm water systems, we can simultaneously address the challenges described above and make major strides in:

- **Getting Americans back to work**—not only upfront in replacing lead service lines and building state-of-the-art wastewater facilities (for example), but also on the back-end as we fill persistent shortages of qualified drinking water and wastewater operators. The U.S. Environmental Protection Agency estimates that every \$1 million invested in water infrastructure creates 15 jobs, while other studies have found multipliers of 3.68 jobs created for each new water infrastructure position filled and \$6 in economic return for each \$1 spent on water infrastructure.
- **Advancing environmental sustainability and climate resilience** by creating efficient, right-sized water systems that generate less waste and use less energy (or even use waste to generate clean energy like the recently completed Clinton River Water Resource Recovery Facility in Oakland County, Michigan). A new generation of smartly designed systems can also save lives and money by preparing communities to mitigate and manage impacts from extreme weather. Additionally, a comprehensive strategy that also encourages green infrastructure and other such co-benefit approaches can solve, not just treat, water quality problems, while also aiding decarbonization and climate resilience and reducing long-term repair and maintenance burdens associated with traditional “gray” infrastructure.
- **Addressing structural inequities** that have left the communities with the least resources per capita facing the greatest infrastructure burdens and enduring the most significant health challenges from obsolete systems. These include sometimes overlooked smaller Environmental Justice communities that serve modest-sized rate bases of low-income residents—a challenging combination when it comes to raising necessary resources for

significant infrastructure investments—as well as those that are “unsewered” and lacking modern systems to begin with. We have been pleased by your focus on these equity challenges in your national pandemic response plan and your decisive actions on climate and Environmental Justice. The same principles apply to water infrastructure.

Thankfully, significant investments are already delivering the above benefits in thousands of communities across the nation through the Clean Water and Drinking Water State Revolving Funds. However, while these proven financing programs annually deliver and leverage billions of dollars in support across all levels of government, greater funding is needed to meet the overwhelming need for investment. And the creation and expansion of tools like targeted long-term grants are required to provide relief for Environmental Justice and other communities that struggle to access state or federal funds.

As an illustration of the current investment gap, the Michigan 21st Century Infrastructure Commission conservatively estimated in 2016 that the state has an \$800 million annual hole in water and sewer infrastructure investments. Last year, the Whitmer Administration pulled together available financing tools into the *MI Clean Water Plan*. The result was a blueprint to assemble \$500 million in federal and state resources to incent local communities to make smart investments in projects they have put off or failed to fund without financial assistance.¹ While a sound approach and important start, that plan will leave the state well short of the identified need.

Similarly, Minnesota’s 2019 Wastewater Infrastructure Needs Survey estimates a cost of \$4.12 billion to address the state’s wastewater infrastructure deficiencies. On the drinking water side, demand for the state revolving fund has increased from \$607 million in 2018 to \$952 million in 2020.

In Wisconsin, \$60 million in federal funds are being awarded to communities to replace lead service lines, and another \$40 million in state funds has been requested as part of Governor Evers’ biennial budget. However, cost estimates to replace all lead service lines in Wisconsin are around \$2 billion. Until all plumbing materials containing lead are replaced, the risk of lead exposure from drinking water persists.

Given the myriad benefits water infrastructure investments can deliver—and the overall scale of the need which one national study estimates at \$2.2 trillion over the next 20 years—it is time to think big.

While water infrastructure is largely the purview of state and local governments, federal support, guidance, and help coordinating regional projects will be vital. We would appreciate the opportunity to discuss with you and your team the scale, scope, and contours of a major water infrastructure initiative that would exemplify your commitment to build back better.

¹ The program will strongly encourage wise regional planning and responsible rate design to ensure communities do not undercut their long-term return-on-investment by shortchanging ongoing operations and maintenance.

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Thank you for your time and attention. Please direct your response to Ms. Liesl Eichler Clark, Director of the Michigan Department of Environment, Great Lakes, and Energy. She can be reached at 517-284-6712 or ClarkL20@Michigan.gov .

Sincerely,



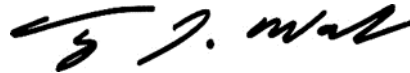
Governor Gretchen Whitmer
State of Michigan



Governor JB Pritzker
State of Illinois



Governor Tony Evers
State of Wisconsin



Governor Tim Walz
State of Minnesota

cc: The Honorable Michael Regan
Administrator, U.S. Environmental Protection Agency