MICHIGAN DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY

DRINKING WATER STATE REVOLVING FUND

Intended Use Plan - Fiscal Year 2025

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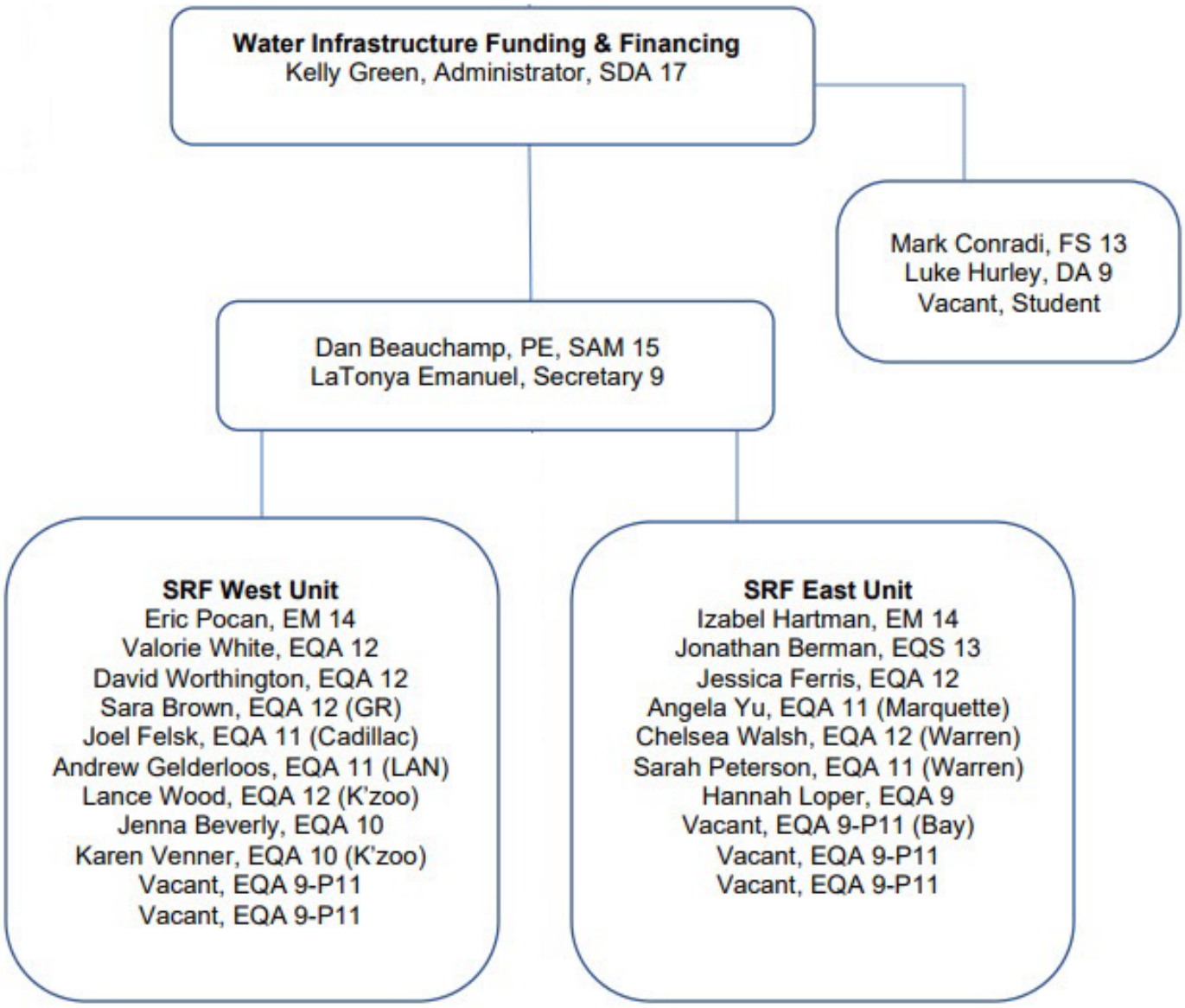
Water Infrastructure Funding and Financing Section

Michigan's Water Infrastructure Funding and Financing Section (WIFFS) within the Finance Division of the Department of Environment, Great Lakes, and Energy (EGLE) assists municipalities in their efforts to protect public health and the environment through the administration of low interest loans and grants and by providing project support and outstanding customer assistance. Information on Michigan's DWSRF can be found at Michigan.gov/DWSRF.



Drinking Water State Revolving Loan Fund Overview

The DWSRF low interest loan program was established via the Safe Drinking Water Act (SDWA) Amendments of 1996. The DWSRF is a program to assist public water systems in financing the costs of replacement and repair of drinking water infrastructure to protect public health and achieve or maintain compliance with the SDWA requirements.

Congress appropriates funding for the DWSRF annually. EPA awards capitalization grants from those Congressional appropriations to each state for their DWSRF based upon an allocation formula determined from the most recent Drinking Water Infrastructure Needs Survey. In accepting the award, States are required to provide a 20% match.

The SDWA places an emphasis on preventing contamination rather than a reactive approach. Central to this is the development of state prevention programs including, source water protection, capacity development, and operator training and certification. To fund these programs, the SDWA allows the creation of four set-aside accounts. States may take up to 31% of their annual capitalization grant as set-asides. The remaining balance after taking the set-asides, plus the State's match, is placed into a dedicated revolving loan fund. This fund provides loans to water systems for eligible infrastructure projects. As water systems repay their loan, the repayments and interest flow back into the dedicated fund and can be used to make new loans.

Michigan's DWSRF program has awarded over $2 billion to 465 drinking water projects across the state since 1998. Of that, over $159 million has been awarded as principal forgiveness (PF), or as loan dollars not required to be paid back. PF dollars greatly assist communities with affordability issues. However, they do not revolve back into the program and thereby reduce fund growth.

As required by the SDWA, Michigan, prepares this Intended Use Plan (IUP) to identify the DWSRF loan projects that will utilize the funds available in a given fiscal year (FY) as well as the set-asides. This IUP includes the project priority list for FY2025 projects. The capitalization grant used for Michigan's FY2025 projects are from EPA's FY2024 budget, or any prior capitalization grants that may still be open. As a result of federal appropriations to Michigan, EGLE's capitalization grant for FY2025 projects is $10,634,000.

The work of WIFFS staff to assist applicants through the financing and environmental review process while assuring state and federal laws are met is an invaluable resource to Michigan's residents. The DWSRF program continues to contribute vastly to the protection of public health across the state.

This IUP is required by EPA to apply for all FY24 federal grants including the capitalization grant and the Bipartisan Infrastructure Law grants as detailed in the following section.

Federal Bipartisan Infrastructure Law

Bipartisan Infrastructure Law

On November 15, 2021, the Infrastructure Investment and Jobs Act was signed into law. Referred to as the Bipartisan Infrastructure Law (BIL), it included an appropriation to the EPA to strengthen the nations drinking water and wastewater systems. A sizeable portion of BIL dollars are disbursed through the DWSRF.

The BIL provides three federal grants to Michigan through the DWSRF: the DWSRF Supplemental Grant, the DWSRF Emerging Contaminants Grant, and the DWSRF Lead Service Line Replacement Grant. These grants will be awarded to states annually through 2026. Table 1 below illustrates Michigan's allocation of BIL for FY2025 projects. BIL language requires each grant allocation provide additional subsidization as follows:

- DWSRF Supplemental: 49% additional subsidization.
- DWSRF Emerging Contaminants (EC): 100% (minimum 25% of funds must go towards disadvantaged communities or public water systems serving fewer than 25,000 people) additional subsidization.
- Lead Service Line Replacement (LSLR): 49% additional subsidization.

Additional subsidization will be awarded to applicants in the form of loan principal forgiveness as illustrated on Attachment 1.

With this IUP, EGLE will apply for 100% of the available BIL dollars from EPA for this fiscal year. Any BIL dollars remaining unallocated at the conclusion of FY2025 will be carried forward and allocated to projects in FY2026. Carry over dollars will be allocated prior to any new allotments. EGLE is allocating carry over BIL dollars not used in FY2024 and awarding them to FY2025 projects.

The BIL allows the use of up to 31% of the grants as set-asides. The categories of set-asides are aligned with the traditional DWSRF grant, are tracked on a per grant basis, and must be used to address needs in the category they are taken. For example, set asides taken from the EC grant must be used to address eligible emerging contaminant activities. EGLE is utilizing $1,300,000 of BIL LSLR set asides. Set-aside workplans are completed and managed by EGLE's Drinking Water and Environmental Health Division and can be found on the DWSRF website.

If a state does not apply for funds under a BIL category, EPA can reallot those funds to other states. Michigan will apply for 100% of reallotment dollars available. These fall into the DWSRF EC (100% forgiveness) and DWSRF LSLR (49% forgiveness) categories as illustrated in the following table.

Table 1. Fiscal Year 2024 BIL Allocation

Appropriation	Grant Allocation	Amount of Additional Subsidization
DWSRF Supplemental	$52,446,000	$25,698,540
DWSRF Emerging Contaminants	$17,433,000	$17,433,000
DWSRF Lead Service Line Replacement	$61,916,000	$33,335,190

Emerging Contaminants

The BIL EC funds must be used for eligible DWSRF projects with the primary purpose to address emerging contaminants in drinking water. The funds must focus on projects addressing perfluoroalkyl and polyfluoroalkyl (PFAS) substances or any contaminant on EPA's Contaminant Candidate Lists. Additionally, grant funds under this category are not subject to state matching requirements of the SDWA. As previously discussed, 100% of the Emerging Contaminant Grant must be provided as additional subsidization to applicants. EGLE awarded these funds to eligible applicants in priority order. Projects on the PPL receiving these BIL dollars are PFAS related projects. EGLE provided 100% forgiveness equivalent to the eligible PFAS portion of the proposed project up to a maximum forgiveness of $20 million. This project (Kalamazoo) is illustrated on Attachment 1.

Lead Service Line Replacement

The BIL LSLR funds must be used for lead service line replacement work and associated activities directly connected to the identification, planning, design, and replacement of lead service lines. Projects must be DWSRF eligible and full replacement of a lead line must occur in accordance with Michigan's Lead and Copper Rule. Under EPA's updated guidance issued in FY2024, only service lines that are lead or galvanized lines known to be connected to lead, are eligible for BIL LSLR funding. Attachment 1 includes two LSLR columns, BIL LSLR Eligible Costs and Non BIL LSLR Eligible Costs. The dollar amounts in each column were provided to EGLE by the applicants as their best estimate for work either eligible for BIL funds or not. These amounts are subject to change as projects move forward and further details on water system materials type are identified.

EPA grant funds under this BIL appropriation are not subject to state match requirements. In addition, BIL requires states to provide 49% of the grant as additional subsidization to applicants that meet the state's disadvantaged community criteria. Michigan is applying these funds to lead service line replacement projects as principal forgiveness as illustrated on Attachment 1.

Build America, Buy America (BABA) Act

On November 15, 2021, the Infrastructure Investment and Jobs Act (IIJA), Pub. L. No. 117-58, which includes the Build America, Buy America Act (BABA). Pub. L. No. 117-58, §§ 70901-52, was signed into law strengthening Made in America Laws. The law requires that no later than May 14, 2022, 180 days after the enactment of the IIJA, the head of each covered Federal agency shall ensure that "none of the funds made available for a Federal financial assistance program for infrastructure, including each deficient program, may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States." This expands domestic sourcing requirements to include all steel, iron, manufactured products, non-ferrous metals, plastic, and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables), glass (including optic glass), lumber, and drywall used in infrastructure projects for federal financial assistance programs must be produced in the United States. The Made in America Office at the Office of Management and Budget (OMB) has developed overarching implementation guidance: Additional information from EPA and the waiver process is posted to their BABA website.

State LSLR + WM Grant

As part of PA 119 of 2023, $8,601,300 in state funds was approved for allocation to projects undertaking LSLR and associated activities. Additionally, PA 121 of 2024 allocated an additional $35,300,000 in state funds to LSLR and associated activities.

These dollars are illustrated on Attachment 1 under State LSLR + WM Grant. Any funds remaining in this category after end of FY2025 will be carried over to future years.

Michigan's DWSRF Program

Multi Step Application Process

The purpose of the multiple step application process is to first determine if the borrower qualifies to receive funding under the DWSRF program and asses the eligibility of the proposed projects. This process operates to assist applicants through any significant hurdles that may exist in securing permits, environmental clearances, and understanding DWSRF laws and policies. The first step in the process is to submit to EGLE an electronic Intent to Apply (ITA) form found on Michigan.gov/DWSRF. This ITA process allows for better tracking of applicant needs and better processing and outreach by staff. Additionally, it allows for earlier coordination with the Michigan Finance Authority (MFA) which operates as EGLE's DWSRF partner in managing fund dollars.

The MFA requires a municipal obligation (bond note or evidence of debt issued) under the Shared Credit Rating Act for an amount up to the loan amount, including all principal forgiveness amounts. Awarded grant dollars operate entirely through EGLE and do not need to be included in the MFA's required bond. The MFA purchases the applicant's local bond to effectuate the DWSRF loan.

Priority Ranking System

New state DWSRF legislation was enacted and FY2025 projects are now utilizing the new scoring criteria as described on EGLE's SRF Overburdened Community Definition and Scoring Criteria website. Projects are scored and thereby prioritized by EGLE's Drinking Water and Environmental Health Division. Individual project scores can be found and reviewed on the Detailed Project Scoring Summary Report.

The PPL will be updated as changes occur such as projects dropping or shifting funding years. Applicants should not expect to increase their loan amounts or grant/forgiveness amounts if actual project costs come in higher than estimated. EGLE understands the tough economic variables occurring and will make every attempt possible to finance projects allowing flexibility in timing and cost overruns. There may be instances where loan dollars can exceed the PPL estimates however, EGLE reserves the right to lock loan, grant, and forgiveness amounts into what is illustrated on the Final PPL due to limited resources. While the overall awarded principal forgiveness percentage is based on total estimated project costs, a large amount of the available forgiveness or grant dollars are directly related to LSLR activities. Therefore, if an applicant reduces or drops their estimated LSLR work from what is illustrated on the Final PPL, the associated forgiveness/grant amount may be reduced or eliminated completely.

Project inclusion on the PPL indicates an applicant has submitted a final project plan with an estimated dollar amount that was scored and ranked by EGLE. There is no actual or implied guarantee that being listed on the PPL will constitute a commitment of financial assistance from the DWSRF. All program requirements must be satisfied, and applicable permits issued before a binding commitment can be offered and a loan or grant issued.

For inclusion on the FY2025 PPL, ITA forms were due to EGLE by November 1, 2023, with final planning documents submitted by June 1, 2024. The ITA form includes project information such as overview of project scope, estimated costs, and estimated date of construction.

Engineering Review

Projects that are considered for funding undergo programmatic and technical review of planning and design documents such as engineering reports and plans and specifications to ensure they follow state and federal regulations. Project alternatives are reviewed including the cost and effectiveness of feasible options including operation and maintenance costs.

Environmental Review

An Environmental review is required for all DWSRF projects. EGLE WIFFS staff review every project for impacts to various water, land, and flora/fauna species. A Finding of No Significant Impact or a Categorical Exclusion should be determined on all DWSRF projects prior to any construction activities taking place. Should a FNSI not be able to be issued, the Department may undertake further review through issuance of an Environmental Impact Statement. If project work is added or changed during the project due to unforeseen conditions and was not included as part of the original project scope additional environmental reviews may be required and/or funding may be reduced or delayed.

Loan Issuance

An approvable loan application must include:

- Signed milestone schedule.
- Complete DWSRF application including Parts I-III.
- Detailed project description, cost breakdown, and schedule.
- Financial documentation demonstrating ability to repay the loan.
- Any necessary executed intermunicipal service agreements.
- An approved planning document.
- Set of approved plans and specifications including construction permit(s) if required.
- Resolution from the applicant designating a project representative and approving the project scope after a local public hearing/meeting.

A project notice to proceed must be issued within 60 days of loan closing unless an extension request has been approved by WIFFS. Project construction activities should be complete within three years of loan award with project initiation occurring unless otherwise approved by WIFFS.

Construction Monitoring

Projects are required to be built according to the approved plans and specifications and that they adhere to any covenants in their loan agreement including American Iron and Steel (AIS), Davis Bacon, and Build America, Buy America (BABA) compliance where applicable.

Any changes from the original design need to be reviewed via Change Order or Amendment. Once approved, the project budget is revised to reflect the change when applicable.

Program Marketing and Outreach

WIFFS has subject matter experts housed in nearly all EGLE's district/field offices. WIFFS presents at virtual and in person events in collaboration with Michigan chapters and regional water organizations. Social media, website development, and email blasts also serve to market the DWSRF program. In addition, EGLE meets with the regional Environmental Finance Center,

US Department of Agriculture – Rural Development, Rural Community Assistance Program, American Council of Engineering Companies, and numerous other local stakeholder Non-Governmental Organizations to collaborate funding sources and message program updates.

Long-Term Program Goals

The DWSRF program operates as a public health protection program and in such maintains long-term goals to ensure the State is meeting the Safe Drinking Water Act and EGLE's mission to protect and maintain safe drinking water. DWSRF long-term goals include:

- Maintain the fiscal integrity of the fund to ensure it remains viable and self-perpetuating including harmonizing additional subsidization funds and revolving loan funds to safeguard the DWSRF fund. When additional subsidization and/or set-aside dollars increase, dollars revolving back into the fund are reduced thereby limiting fund growth.
- Maintain and refine procedures to prevent fraud and ensure a system of checks and balances.
- Target outreach to communities that have never utilized the DWSRF and increase geographic diversity in the use of the DWSRF funds.
- Maintain and develop relationships with long-term borrowers and other funding and financing agencies and organizations to ensure resources are distributed in a holistic and efficient manner.

Short-Term Program Goals

The DWSRF upholds short-term goals to continually improve and evolve the program to better meet water quality needs around the state. DWSRF short-term goals include:

- Introduce and maintain a new data system for tracking DWSRF projects and related state grant programs.
- Assist applicants listed on the annual PPL in meeting DWSRF requirements to successfully close on a loan.
- Apply for all DWSRF federal grants and ensure requirements of the grant terms and conditions are met including Michigan's ARP funds.
- Assist disadvantaged applicants in upgrading or improving their drinking water infrastructure to maintain compliance with the SDWA.

Programmatic Requirements

Disadvantaged Community

EPA defines a disadvantaged community in DWSRF as the entire service area of a public water system that meets affordability criteria established by the State. Disadvantaged communities may be afforded additional subsidization or extended loan terms.

Michigan's affordability criteria, referred to as a disadvantaged community determination, was updated for FY2024 projects and is described on EGLE's SRF Overburdened Community Definition and Scoring Criteria website. The disadvantaged criteria includes two tiers, overburdened communities and significantly overburdened communities. An applicant is required to have a disadvantaged calculation completed every fiscal year if seeking qualification under this program.

Attachment 1 illustrates applicants that have qualified as either overburdened or significantly overburdened. Additional priority points of 20 for overburdened or 25 for significantly overburdened (out of 100 total) are awarded based on this status.

The DWSRF PPL allocates financing and funding to 31 projects, all of which qualify as disadvantaged.

Additional Subsidization

Two distinct and additive subsidy authorities are included in the traditional capitalization grant for Michigan's FY2025 projects. Under the congressional additional subsidy authority, states must provide 14% ($1,488,760) of their annual capitalization grant from EPA as additional subsidization to eligible recipients. Secondly, under the Safe Drinking Water Act (SDWA) Disadvantaged Community Additional Subsidy Authority, states must use at least 12% ($1,276,080), but not more than 35% ($3,721,900) of the capitalization grant as additional subsidization to state-defined disadvantaged communities. Michigan is planning to award all additional subsidization as principal forgiveness to disadvantaged communities in FY2025. Principal forgiveness allows applicants to forgo loan repayment for the portion of their loan that is forgiven, thereby operating like a grant.

The table below illustrates the traditional DWSRF capitalization grant and associated additional subsidy amounts for FY2025 projects.

Table 2 Capitalization Grant Additional Subsidy Allocation

Capitalization Grant	Required 14% Congressional Subsidy	SDWA Subsidy	Total Traditional Subsidy in 2025
$10,634,000	$1,488,760	$3,008,341	$5,000,000

BIL Additional Subsidy

As mandated under the BIL, 49% of funds from the DWSRF Supplemental grant, 100% of funds under the EC grant, and 49% of funds under the LSLR grant must be awarded as additional subsidy. These BIL subsidies will also be awarded to applicants in the form of loan principal forgiveness. Table 1 illustrates the total subsidy being awarded under BIL. In some instances, there is not enough traditional loan or BIL supplemental loan dollars to award to projects to fund/finance 100% of project costs. In these occurrences, only grant or forgiveness dollars have been allocated to a project requiring an applicant to fund the remaining project costs from sources outside of DWSRF. Attachment 1 illustrates the total dollars that are estimated to be awarded in FY2025.

Project Priority List

Using a combination of principal forgiveness, state grant funds, DWSRF BIL, and traditional loan dollars, WIFFS is planning to award $498,720,600 to 31 projects on the FY2025 PPL. The methodology listed below was used to distribute funds for FY2025. Funds were allocated in priority order.

- Significantly Overburdened applicants are awarded 40% grant/forgiveness up to a maximum of $10,000,000.
- Overburdened applicants are awarded 20% grant/forgiveness up to a maximum of $10,000,000.
- One exception being the sole EC project within the fundable range, which is awarded 20% of BIL EC PF up to a maximum of $20,000,000.

EGLE reserves the right to limit grant, principal forgiveness, and loan dollars to the amounts identified on the Final PPL. All activities greater than $50,000 require an executed contract solicited using competitive bidding unless otherwise approved by EGLE. While the overall awarded principal forgiveness percentage is based on total estimated project costs, a large amount of the available forgiveness or grant dollars are directly related to LSLR activities. Therefore, if an applicant reduces or drops their estimated LSLR work from what is illustrated on the Final PPL, the associated forgiveness/grant amount may be reduced or eliminated completely.

WIFFS will focus staff resources on awarded projects identified on the PPL. **Applicants are expected to execute a milestone schedule with their WIFFS project manager no later than December 13, 2024. Failure to do so may result in the applicant's project being bypassed and associated funds awarded to the next available project. Failure to comply with dates established on a milestone schedule may also result in a project being bypassed and loss of allocated funds.**

In summary, EGLE's available funds for FY2025:

Table 3 Proposed Total FY2025 Funds for DWSRF Applicants

Allocation	Amount
DWSRF Loan	$280,800,000
DWSRF Principal Forgiveness	$5,000,000
BIL DWSRF Supplemental Loan	$38,980,554
BIL DWSRF Supplemental Principal Forgiveness	$36,712,040
BIL DWSRF Emerging Contaminants Principal Forgiveness	$22,152,890
BIL DWSRF LSLR Loan	$43,706,853
BIL DWSRF LSLR Principal Forgiveness	$43,241,877
State LSLR + WM Grant	$43,901,300
Total	**$514,495,514**

Davis Bacon Act

Under regulations in 29 CFR 5.5, EPA must ensure that fund recipients are subject to the Davis Bacon provisions. Additionally, compliance with the Davis Bacon Act is required for all ARP funded projects. Therefore, all projects on the DWSRF list, regardless of funding source, are required to comply with the Davis Bacon Act. Applicants are required to submit a certification of compliance with each disbursement request.

American Iron and Steel

All projects receiving DWSRF base and BIL dollars are required to comply with the American Iron and Steel provision unless a waiver from EPA has been granted.

Equivalency Projects

Equivalency projects are defined within the SRF programs as a select group of loans whose sum is equal to the amount of the capitalization grant which are required to meet certain federal requirements. They must meet the federal crosscutter, single audit, Disadvantaged Business Enterprise, Signage, and FFATA reporting requirements. The addition of Build America, Buy America (BABA) has also been added this year. States are required to meet equivalency projects under both the base DWSRF and the BIL. Signage requirements will be met via EGLE's Water Infrastructure Financing Dashboard displayed on the DWSRF public website. The table below includes projects that are proposed as equivalent during FY2025. The final list of entities

that comply with these requirements will be included in the FFATA Reporting and the FY2025 Annual Report.

Table 4 Proposed Equivalency Projects

Applicant	Federal Equivalent Amount
City of Battle Creek	$24,575,000
City of Kalamazoo	$110,265,000
Detroit Water and Sewerage Department	$25,290,000
Detroit Water and Sewerage Department	$21,483,938
City of Grand Rapids	$20,192,000
Oakland County	$17,928,914

EPA Data System

WIFFS agrees to enter data into the EPA's data system on a minimum quarterly basis as loans are issued.

Fund Financial Management

Source and Allocation

Due to an increase in program demand, in FY2020 EGLE began operating the DWSRF as a leveraged program. The state will sell revenue bonds that are secured by federal and state assets. Bond issuance costs are covered by the bonds sold and thus are not identified as direct administrative expenses of the DWSRF. Project costs of the local units of government are reimbursed from the bond issues. For borrowers who are non-municipal entities, limitation on private activity from tax-exempt issues require EGLE and MFA to fund private water suppliers from funds other than tax-exempt revenue bonds. There are no private, non-municipal water suppliers on the FY2025 PPL.

Michigan is required to provide a 20% state match to the traditional DWSRF capitalization grant as well as a 20% match of the BIL general supplemental. No state match is required to receive the BIL Emerging Contaminant or LSLR grants. General fund dollars are available for both match requirements this year. Any excess match funds available in FY2025 may be carried over for the benefit of the fund and used for match requirements in future years.

EGLE uses a process to prescribe how available funds will be allocated between eligible recipients as follows:

- Identify borrowers ready to proceed with projects in FY2025.
- Determine amount of financing needed by applicants.
- Identify sources and amount of funds available to provide the requested assistance.
- Allocate dollars in priority order consistent with the terms of applicable funding sources.
- Negotiate a milestone schedule with fundable applicants.
- Determine final loan amounts based on as-bid dollars.
- Redistribute any remaining funds in future years if projects drop or costs come in lower than estimates. Determine if funds are available for any projects that may come in higher than PPL estimates.

DWSRF financial assistance to municipalities during FY2025 will consist of loans, grants, and principal forgiveness. All projects within the fundable range are anticipated to close loans in FY2025. Final binding commitment dates are subject to change based on the needs of applicants and any unforeseen conditions that may arise and will be established once milestone schedules are negotiated with applicants. WIFFS will offer seven loan closing dates throughout the calendar year. There will be two dates per quarter, except for quarter four, in which there will only be one loan closing in August. Final loan award amounts will be included in the DWSRF Annual Report.

The table below illustrates the sources and uses provided by Michigan Finance Authority.

Table 5 DWSRF Fund Sources and Uses

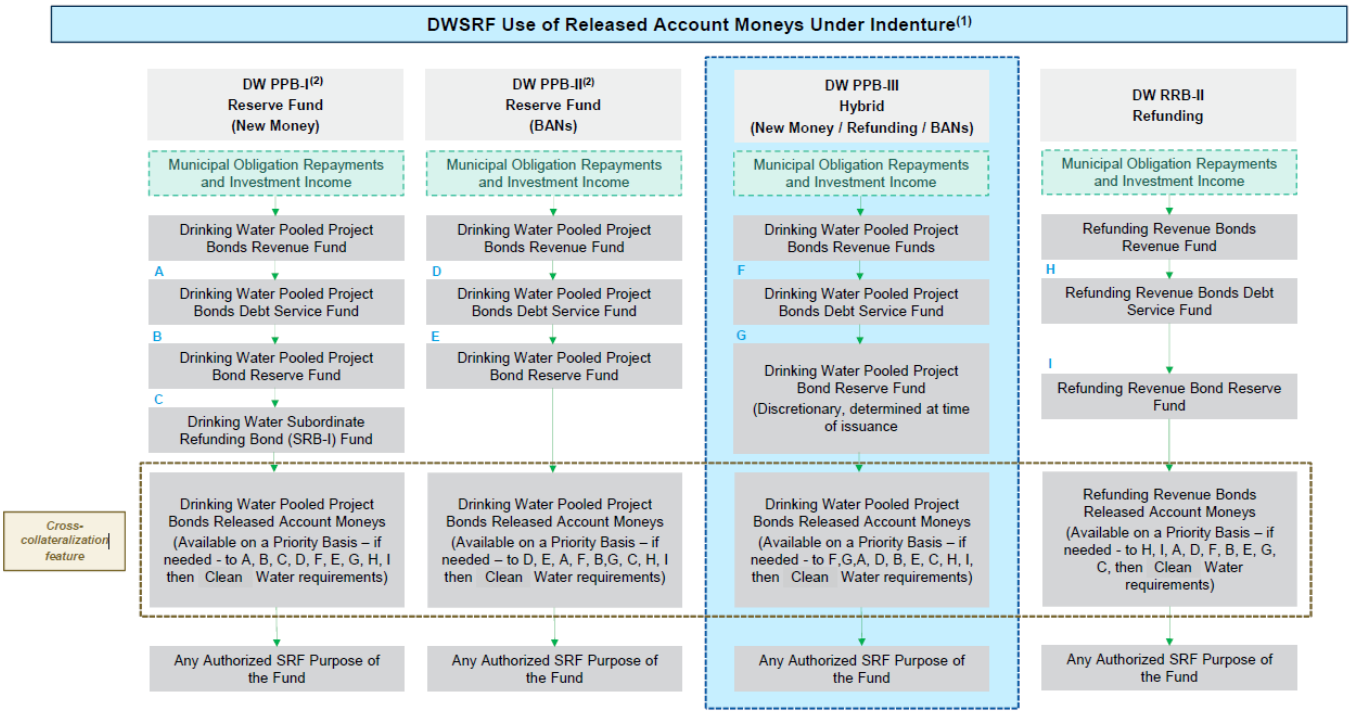
Sources as of Sept 30, 2024	Amount
Federal grants (FY24 cap grant + BIL)	$197,904,444
State Match	TBD
DWSRF Bond Proceeds	$0
Principal Repayments	$46,139,068
Interest Repayments	$12,729,366
Investment Earnings	$29,168,438
Other Sources	$163,735,757

Future Bonds	TBD
Total Sources	**$449,677,073**
Uses for FY24 Expenses	**Amount**
Loan Assistance Disbursed	$201,281,326
Leveraged Bond Debt Service	$10,034,035
State Match Bond Debt Service	$0
Administrative Expenses	$314,780
Total Uses	**$211,630,141**

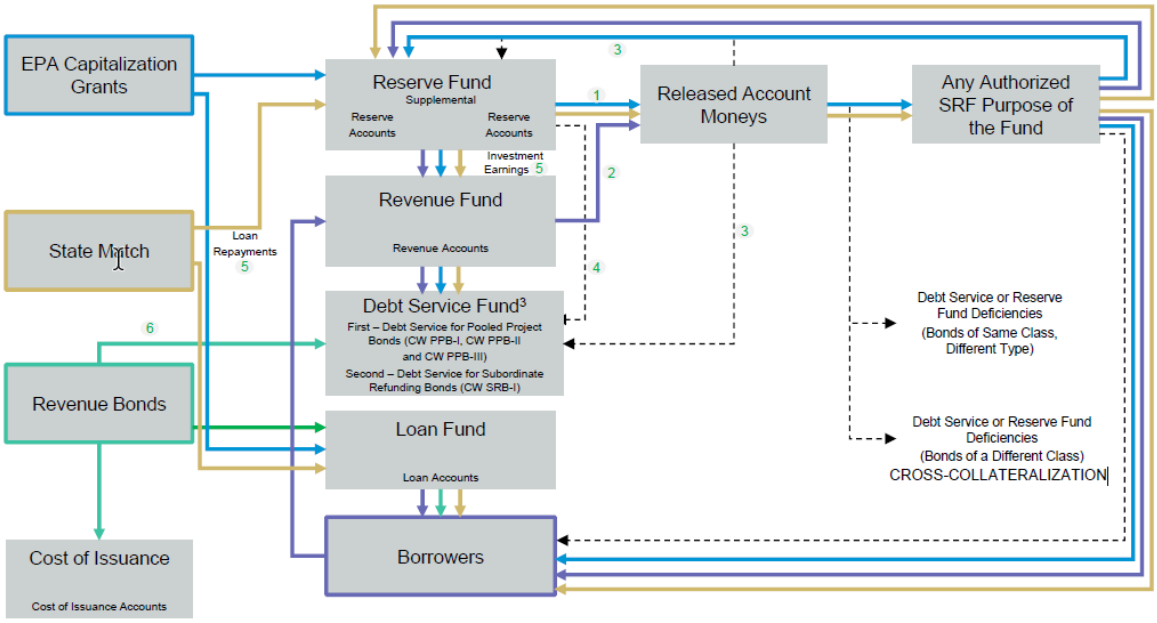
Cross Collateralization

The DWSRF and CWSRF are cross-collateralized and have been from the outset. Below are flow charts illustrating the process.

Drinking Water Use of Released Account Moneys Under Indenture



Clean Water and Drinking Water SRF - Flow of Funds[1,2]



(1) Reserve Fund moneys in excess of the Reserve Account Requirement are released as principal on Bonds is paid
(2) Revenue Fund moneys released in order of priority at any time following Sufficiency Calculation
(3) Released Account moneys available first for any Debt Service Fund Account deficiencies and second for any Reserve Fund Account deficiencies
(4) Reserve Fund moneys that are not Released Account moneys only applied to fund Related Debt Service account deficiencies after available Related Revenue Account and Released Account Moneys are used
(5) Interest repayments on Related Loans and Investment earnings on the Loan Account and the Reserve Account first transferred to the Revenue Account for the Related State Match Bonds (none currently issued) and then to the Related Revenue Account. Principal repayments on Related Loans only transferred to the Related Revenue Account
(6) Accrued interest and capitalized interest, if any (initially deposited to the Revenue Fund)

Transfer Authority

In accordance with the Safe Drinking Water Act and the SRF funds transfer provisions, Michigan can transfer an amount up to 33% of the DWSRF program capitalization grant to the CWSRF program or an equivalent amount from the CWSRF program to the DWSRF program. No funds were transferred from either program during this period.

Interest Rates

Along with the potential for principal forgiveness, low interest rates remain an advantage to municipalities when seeking assistance from the DWSRF. Interest rates are established annually by EGLE's Director and based on the demand for financing in the coming year, anticipated future demand, consideration of market rates, and evaluation of additional costs to borrowers for program participation. FY2025 interest rates have been established as follows:

Table 6 Interest Rates

Term	App	Rate
20 Year	N/A	2.50%
30 Year	N/A	2.75%
20 Year	Overburdened	2.00%
30 Year	Overburdened	2.00%
40 Year	Overburdened	2.00%
20 Year	Significantly Overburdened	1.00%
30 Year	Significantly Overburdened	1.00%
40 Year	Significantly Overburdened	1.00%

Administrative Costs

To administer the program, WIFFS is using the authority granted to utilize the 1/5th of 1% of total net position, or $1,765,258.

Set-Asides

Set-Aside workplans when complete will be located on the DWSRF website or can be obtained by contacting Dana DeBruyn whose contact information can be found at the end of this document.

Public Review

A public hearing on the FY2025 draft IUP was held September 17, 2024. Comments received from the public are included in Attachment 2 of this IUP.

Scoring is completed by the department's Drinking Water and Environmental Health Division. Set asides are also administered by the Drinking Water and Environmental Health Division.

Origination of Documents

The Finance Division of EGLE is responsible for issuing the DWSRF IUP and its accompanying information.

Questions about the IUP may be directed to:

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Questions about Treasury related items may be directed to:

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Questions about project scoring may be directed to:

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MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

Attachment #1 Fiscal Year 2025 DWSRF Project Priority List

Project Number	Applicant	Project Scope	Project County	Total Priority Points	Population Served by Project	Total Loan Amount Requested	Cost per Population	Emerging Contaminant Costs	BIL LSLR Eligible Costs	Non BIL LSLR Eligible Costs	Overburdened Determination	DWSRF Loan	DWSRF PF	BIL Emerging Contaminant PF	BIL DWSRF Supplemental Loan	BIL DWSRF Supplemental PF	BIL DWSRF LSLR Loan	BIL DWSRF LSLR PF	State LSLR + WM Grant	Total PF/Grant*
7751-01	City of Muskegon Heights	WTP, LSLR, WM and Valve Rep	Muskegon	100	9,917	$ 16,420,000	$1,655.74		$ 7,950,000	$ -	Significantly Overburdened	$ 5,797,500				$ 2,672,500	$ 4,054,500	$ 3,895,500		$ 6,568,000
7710-01	City of Battle Creek	LSLR, WM, and Well Improvements	Calhoun	95	52,000	$ 24,575,000	$472.60		$ 2,600,000	$ -	Overburdened	$ 18,334,000				$ 3,641,000	$ 1,326,000	$ 1,274,000		$ 4,915,000
7866-01	City of Kalamazoo	PFAS Treatment, LSLR, and WM Rep	Kalamazoo	95	200,247	$ 110,265,000	$550.64	$ 97,264,000	$ 5,890,000	$ 7,110,000	Overburdened	$ 90,265,000		$ 20,000,000						$ 20,000,000
7729-01	YCUA (city only)	LSLR, WM Rep, Looping, Meters	Washtenaw	90	22,926	$ 3,030,000	$132.16		$ 124,000	$ -	Overburdened	$ 2,360,760				$ 545,240	$ 63,240	$ 60,760		$ 606,000
7717-01	City of Muskegon	LSLR, WM Rep and Looping	Muskegon	90	38,300	$ 13,985,000	$365.14		$ 10,710,000	$ -	Overburdened	$ 9,761,530				$ -	$ 1,426,470	$ 2,797,000		$ 2,797,000
7884-01	City of Dowagiac	New WTP, LSLR, WM Rep, Looping	Cass	90	5,943	$ 14,285,000	$2,403.67		$ 2,000,000	$ -	Overburdened	$ 10,408,000				$ 1,877,000	$ 1,020,000	$ 980,000		$ 2,857,000
7626-01	City of Harbor Beach	LSLR, WTP Storage, TM and WM Rep	Huron	90	1,604	$ 5,900,000	$3,678.30		$ 375,000	$ -	Overburdened	$ 4,528,750				$ 996,250	$ 191,250	$ 183,750		$ 1,180,000
7777-01	City of Hartford	LSLR, WM Rep, Looping, Meters, SCADA	Van Buren	90	2,080	$ 11,760,000	$5,653.85		$ 4,488,000	$ -	Significantly Overburdened	$ 4,767,120				$ 2,504,880	$ 2,288,880	$ 2,199,120		$ 4,704,000
7808-01	City of Evart	LSLR, WM Rep, Well and Tank Improvements	Osceola	90	1,742	$ 14,451,000	$8,295.64		$ 4,464,000	$ -	Significantly Overburdened	$ 5,161,600					$ 3,509,000	$ -	$ 5,780,400	$ 5,780,400
7869-01	City of Iron Mountain	LSLR, WM, and Looping	Dickinson	90	1,500	$ 13,300,000	$8,866.67		$ 4,600,000	$ -	Overburdened	$ 8,294,000				$ 406,000	$ 2,346,000	$ 2,254,000		$ 2,660,000
7870-01	City of Saginaw (City)	LSLR, WM Rep	Saginaw	90	940	$ 18,800,000	$20,000.00		$ 2,300,000	$ -	Significantly Overburdened	$ 10,107,000				$ 6,393,000	$ 1,173,000	$ 1,127,000		$ 7,520,000
7872-01	City of St. Louis	LSLR, WM and Valve Rep, Looping	Gratiot	90	333	$ 13,340,000	$40,060.06		$ -	$ 180,000	Significantly Overburdened	$ 8,004,000				$ 5,156,000	$ -	$ -	$ 180,000	$ 5,336,000
7880-01	City of Owosso	LSLR, WTP, WM and Well Improvements	Shiawassee	85	26,658	$ 11,620,000	$435.89		$ 900,000	$ -	Overburdened	$ 8,837,000				$ 1,424,000	$ 459,000	$ 441,000	$ 459,000	$ 2,324,000
7768-01	Mt. Pleasant	WTP Improvements and LSLR	Isabella	85	26,007	$ 13,100,000	$503.71		$ 47,500	$ 282,500	Overburdened	$ 10,480,000	$ 2,287,000						$ 333,000	$ 2,620,000
7681-01	City of Bay City	LSLR, WM, and Looping	Bay	85	33,644	$ 27,425,000	$815.15		$ 26,345,580	$ 327,980	Overburdened	$ 16,840,000	$ 585,000				$ 5,100,000	$ 4,900,000		$ 5,485,000
7771-01	City of Sault Ste. Marie	LSLR, MW Rep, Looping, Intake Protection	Chippewa	85	13,410	$ 16,885,000	$1,259.13		$ -	$ 1,254,774	Overburdened	$ 13,508,000	$ 2,128,000						$ 1,249,000	$ 3,377,000
7779-01	City of Galesburg	WM Rep, System Improvements	Kalamazoo	85	2,377	$ 3,260,000	$1,371.48		$ -	$ -	Overburdened	$ 2,608,000				$ 652,000				$ 652,000
7680-01	City of Hart	LSLR, WM Rep, Well System Improvements	Oceana	85	2,063	$ 3,655,000	$1,771.69		$ 1,421,000	$ -	Overburdened	$ 2,199,290					$ 724,710	$ 696,290	$ 34,710	$ 731,000
7887-01	GLWA/DWSD	LSLR, WM Rep	Wayne	85	13,495	$ 25,670,000	$1,902.19		$ 7,280,810	$ 380,000	Significantly Overburdened	$ -			$ 11,956,787	$ 6,052,403	$ 3,713,213	$ 3,567,597	$ 380,000	$ 10,000,000
7888-01	GLWA/DWSD	LSLR, WM Rep	Wayne	85	12,403	$ 25,540,000	$2,059.18		$ 6,881,981	$ 360,000	Significantly Overburdened	$ 9,036,302			$ 2,993,888	$ 2,571,767	$ 3,509,810	$ 3,372,171	$ 4,056,062	$ 10,000,000
7893-01	City of Hazel Park	LSLR, WM Rep, Looping	Oakland	85	4,913	$ 13,650,000	$2,778.34		$ 2,401,271	$ 9,066,729	Overburdened	$ 9,695,352					$ 1,224,648	$ 1,176,623	$ 1,553,377	$ 2,730,000
7867-01	City of Grand Rapids (City)	LSLR, WM Rep	Kent	85	6,376	$ 20,340,000	$3,190.09		$ 8,000,000	$ -	Overburdened	$ -			$ 12,192,000		$ 4,080,000	$ 3,920,000	$ 148,000	$ 4,068,000
7863-01	Oakland County (Pontiac)	LSLR, WM Rep	Oakland	85	5,278	$ 19,080,000	$3,615.01		$ 5,438,600	$ -	Overburdened	$ 652,435			$ 11,837,879		$ 2,773,686	$ 2,664,914	$ 1,151,086	$ 3,816,000
7659-01	Redford	LSLR, WM Rep, Looping	Wayne	85	3,700	$ 13,755,000	$3,717.57		$ 2,000,000	$ -	Overburdened	$ 9,984,000					$ 1,020,000	$ 980,000	$ 1,771,000	$ 2,751,000

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7544-01	City of St. Ignace	LSLR, WTP and WR Improvements	Mackinac	85	2,987	$ 14,000,000	$4,686.98		$ 230,000	$ -	Overburdened	$ 11,082,700					$ 117,300	$ 112,700	$ 2,687,300	$ 2,800,000
7845-01	City of Brown City	LSLR, WTP Filters, Meters, Looping	Lapeer	85	1,300	$ 7,415,000	$5,703.85		$ -	$ 800,000	Overburdened	$ 5,932,000							$ 1,483,000	$ 1,483,000
7520-01	City of Eaton Rapids	LSLR, WTP filters, WM Rep	Eaton	85	5,340	$ 33,810,000	$6,331.46		$ -	$ 3,250,000	Overburdened								$ 6,762,000	$ 6,762,000
7873-01	Village of Farwell	LSLR, WM Rep, Meters, WT Improvements	Clare	85	880	$ 5,830,000	$6,625.00		$ -	$ 48,000	Significantly Overburdened								$ 2,332,000	$ 2,332,000
7827-01	City of Gaastra	LSLR, WTP, SCADA, PS, Improvements	Iron	85	312	$ 2,500,000	$8,012.82		$ 220,000	$ 55,000	Significantly Overburdened	$ -					$ 220,000		$ 1,000,000	$ 1,000,000
7878-01	City of Lincoln Park	LSLR and WM Improvements	Wayne	85	1,386	$ 11,520,000	$8,311.69		$ 2,292,600	$ 1,710,228	Significantly Overburdened	$ -					$ 2,292,600		$ 4,608,000	$ 4,608,000
7892-01	City of Ecorse	LSLR, WM Rep and Upsizing	Wayne	85	1,205	$ 14,470,000	$12,008.30		$ 6,000,000	$ -	Significantly Overburdened	$ -					$ 212,000	$ 5,788,000		$ 5,788,000
7881-01	City of Escanaba	LSLR, WM Rep	Delta	85	2,799	$ 35,000,000	$12,504.47		$ 26,500,000	$ -	Overburdened									
7819-01	Village of Clifford	LSLR, WTP and Storage System Improvements	Lapeer	85	324	$ 6,500,000	$20,061.73		$ -	$ 60,000	Overburdened									
7879-01	City of Hamtramck	LSLR and WM Rep	Wayne	85	677	$ 18,600,000	$27,474.15		$ 5,604,000	$ -	Significantly Overburdened									
7805-01	Village of Kaleva	LSLR, WM and Storage System Improvements	Manistee	85	507	$ 13,930,000	$27,475.35		$ 3,272,000	$ -	Significantly Overburdened									
7876-01	City of Kingsford	LSLR, WM Rep and Looping	Dickinson	85	382	$ 12,560,000	$32,879.58		$ 1,992,000	$ -	Overburdened									
7883-01	City of Ithaca	LSLR, WM Rep and Looping	Gratiot	85	50	$ 2,245,000	$44,900.00		$ 104,000	$ 34,000	Overburdened									
7833-01	Lansing BWL	WTP, Wells, and MW Improvements	Ingham	80	274,286	$ 23,235,000	$84.71		$ -	$ -	Overburdened									
7897-01	Village of Shelby	LSLR and WM Rep	Oceana	80	1,964	$ 3,500,000	$1,782.08		$ 600,000	$ -	Significantly Overburdened									
7790-01	City of Imlay City	LSLR and WM Improvements	Lapeer	80	3,703	$ 9,440,000	$2,549.28		$ 3,594,000	$ -	Overburdened									
7896-01	City of Melvindale	LSLR, WM Rep Upsizing and Looping	Wayne	80	1,770	$ 7,335,000	$4,144.07		$ 2,640,000	$ 360,000	Significantly Overburdened									
7894-01	City of Garden City	LSLR, WM Rep and Upsizing	Wayne	80	1,103	$ 6,135,000	$5,562.10		$ 360,000	$ 240,000	Overburdened									
7828-01	City of Wayne	LSLR	Wayne	80	952	$ 5,985,000	$6,286.76		$ 5,386,500	$ 598,500	Overburdened									
7711-01	Village of Benzonia	LSLR, WM Rep, Looping and Storage	Benzie	80	551	$ 5,496,000	$9,974.59		$ 2,440,000	$ -	Overburdened									
7619-01	City of Sturgis	LSLR, MW Rep and Looping	St Joseph	80	271	$ 3,045,000	$11,236.16		$ 829,801	$ -	Overburdened									
7748-01	Royal Oak Twp.	WM Rep	Oakland	80	742	$ 8,680,000	$11,698.11		$ -	$ -	Significantly Overburdened									

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7815-01	City of Crystal Falls	LSLR and WM Rep	Iron	80	508	$ 6,085,000	$11,978.35		$ 1,922,440	$ -	Significantly Overburdened									
7801-01	City of Mt. Morris	LSLR and WM Rep	Genesee	80	1,215	$ 21,620,000	$17,794.24		$ 1,800,000	$ -	Significantly Overburdened									
7621-01	Village of Quincy	LSLR and WM Rep	Branch	80	100	$ 2,335,000	$23,350.00		$ 210,000	$ -	Overburdened									
7783-01	City of Caro	LSLR and WM Rep	Tuscola	75	5,029	$ 5,365,000	$1,066.81		$ 676,545	$ 274,275	Overburdened									
7865-01	City of Belding	LSLR and WM Rep	Ionia	75	5,938	$ 7,220,000	$1,215.90		$ 814,000	$ 1,000,000	Overburdened									
7816-01	City of Gladstone	WM Rep and Intake Protection	Delta	75	5,248	$ 7,930,000	$1,511.05		$ 47,725	$ -	Overburdened									
7791-01	City of Gladwin	LSLR, WM Rep, Valves and Hydrants	Gladwin	75	3,069	$ 4,724,000	$1,539.26		$ 137,170	$ -	Overburdened									
7795-01	City of Manistique	LSLR, WM Rep and Looping, TM and Meters	Schoolcraft	75	2,814	$ 6,725,000	$2,389.84		$ 3,115,809	$ -	Significantly Overburdened									
7742-01	City of Hudson	LSLR, WM Rep, Storage Improvements	Lenawee	75	2,415	$ 8,525,000	$3,530.02		$ 1,925,000	$ -	Overburdened									
7874-01	Village of Peck	WM Rep, Storage and Well Improvements	Sanilac	75	603	$ 3,050,000	$5,058.04		$ -	$ -	Significantly Overburdened									
7857-01	City of Caspian	WM Rep, Storage, PRV, Well and PS Improvements	Iron	75	805	$ 4,110,000	$5,105.59		$ -	$ -	Overburdened									
7861-01	City of Manton	LSLR, WM Rep, and Storage Improvements	Wexford	75	1,258	$ 6,500,000	$5,166.93		$ 5,278,100	$ -	Significantly Overburdened									
7770-01	City of Munising	LSLR	Alger	75	330	$ 2,105,000	$6,378.79		$ 2,105,000	$ -	Overburdened									
7826-01	Village of Alpha	LSLR, WM Rep, SCADA, and Well Improvements	Iron	75	129	$ 850,000	$6,589.15		$ 12,000	$ 216,000	Significantly Overburdened									
7646-01	Village of Newberry	LSLR, WM Rep, Storage and AMP	Luce	75	1,600	$ 11,000,000	$6,875.00		$ 5,250,000	$ -	Significantly Overburdened									
7754-01	Village of Hillman	New Wells, WM Rep, Storage Improvements	Montmorency	75	679	$ 6,800,000	$10,014.73		$ -	$ -	Significantly Overburdened									
7739-01	Carrollton Twp.	WM Rep	Saginaw	75	500	$ 5,200,000	$10,400.00		$ -	$ -	Significantly Overburdened									
7843-01	Village of Maple Rapids	LSLR and New Well	Clinton	75	573	$ 5,980,000	$10,436.30		$ 1,300,000	$ -	Overburdened									
7786-01	Village of Roscommon	LSLR, WM Rep, Well and Storage Improvements	Roscommon	75	981	$ 11,545,000	$11,768.60		$ 500,000	$ 1,000,000	Overburdened									
7834-01	Village of Akron	WM Rep, WTP and Storage Improvements	Tuscola	75	402	$ 13,200,000	$32,835.82		$ -	$ -	Overburdened									
7716-01	YCUA (townships)	LSLR, WM Rep, PS and Meter Improvements	Washtenaw	70	128,175	$ 16,515,000	$128.85		$ 165,000	$ -										
7822-01	Adams Township	New WM and Storage, WTP Improvements	Houghton	70	9,417	$ 8,000,000	$849.53		$ -	$ -	Overburdened									
7695-01	City of Northville	LSLR, WM Rep, PVR	Wayne	70	6,119	$ 9,335,000	$1,525.58		$ -	$ 84,000										
7799-01	City of Stanton	LSLR and WM Rep	Montcalm	70	1,348	$ 3,505,000	$2,600.15		$ 423,200	$ -	Overburdened									

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7675-01	City of Niles	LSLR	Berrien	70	1,050	$ 3,000,000	$2,857.14		$ 3,000,000	$ -	Overburdened									
7778-01	Village of Marcellus	WTP, WM, and Meter Improvements	Cass	70	1,074	$ 3,215,000	$2,993.48		$ -	$ -	Significantly Overburdened									
7889-01	Charter Twp. of Independence	VOCs, WM Rep	Oakland	70	2,526	$ 7,805,000	$3,089.87		$ -	$ -										
7773-01	City of Roseville	LSLR	Macomb	70	1,750	$ 6,700,000	$3,828.57		$ 6,697,788	$ -	Overburdened									
7706-01	Village of Schoolcraft	LSLR, WM Rep, Well Improvements	Kalamazoo	70	1,525	$ 9,520,000	$6,242.62		$ 2,669,769	$ 482,831										
7645-01	City of Pleasant Ridge	LSLR and WM Rep	Oakland	70	2,377	$ 27,130,000	$11,413.55		$ 7,345,000	$ -										
7749-01	City of Bangor	LSLR and WM Rep	Bay	70	90	$ 1,400,000	$15,555.56		$ -	$ 270,000	Overburdened									
7764-01	City of Hastings	LSLR and WM Rep	Barry	70	500	$ 8,140,000	$16,280.00		$ 129,340	$ 1,261,060	Overburdened									
7763-01	City of Saugatuck	LSLR, WM Rep, Well and Storage Improvements	Allegan	70	865	$ 16,040,000	$18,543.35		$ 4,237,000	$ 1,412,000										
7724-01	City of Omer	New WTP and New Storage	Arenac	70	260	$ 6,000,000	$23,076.92		$ -	$ -	Overburdened									
7797-01	Iron River Twp.	WM Rep, Valves and Storage Improvements	Iron	70	554	$ 20,645,000	$37,265.34		$ -	$ -	Overburdened									
7746-01	Houghton Township	WM Rep, Storage Improvements	Houghton	70	138	$ 6,700,000	$48,550.72		$ -	$ -	Overburdened									
7679-01	City of Holland	LSLR and WTP Improvements	Ottawa	65	59,224	$ 10,000,000	$168.85		$ 6,000,000	$ -										
7823-01	City of Houghton	WM Rep and Storage Improvements	Houghton	65	8,386	$ 3,900,000	$465.06			$ -	Significantly Overburdened									
7792-01	City of Iron River	WM and PRV Rep, Storage Improvements	Iron	65	3,410	$ 2,075,000	$608.50		$ -	$ -	Overburdened									
7654-01	City of Big Rapids	WM Rep, WTP Improvements	Mecosta	65	10,601	$ 8,090,000	$763.14		$ -	$ -	Significantly Overburdened									
7694-01	City of Davison	WM Rep, WT Improvements	Genesee	65	5,092	$ 5,200,000	$1,021.21		$ -	$ -	Overburdened									
7760-01	Village of Milford	LSLR, WM Rep, New TM	Oakland	65	6,366	$ 7,105,000	$1,116.09		$ -	$ 708,400										
7853-01	Village of Almont	LSLR, WM Rep, and WT Improvements	Lapeer	65	2,674	$ 3,500,000	$1,308.90		$ -	$ 100,000										
7781-01	Village of Sunfield	New Well	Eaton	65	538	$ 750,000	$1,394.05		$ -	$ -	Overburdened									
7813-01	Village of Holly	LSLR, WM Rep, WTP Improvements	Oakland	65	5,997	$ 11,475,000	$1,913.46		$ 1,160,000	$ -	Overburdened									
7787-01	Beecher MD	New WTP, WM Rep, and SCADA	Genesee	65	8,717	$ 19,915,000	$2,284.62		$ -	$ -	Overburdened									
7885-01	City of St Joseph	LSLR and WM Rep	St Joseph	65	1,830	$ 5,000,000	$2,732.24		$ 3,735,000	$ -										
7752-01	Ferndale	LSLR	Oakland	65	2,781	$ 12,000,000	$4,314.99		$ 12,000,000	$ -										
7858-01	Village of Carsonville	WTP and Well Improvements, WM Rep	Sanilac	65	472	$ 2,680,000	$5,677.97		$ -	$ -	Significantly Overburdened									
7796-01	Ontonagon	WM and Tank Rep	Ontonagon	65	1,441	$ 8,785,000	$6,096.46		$ -	$ -	Overburdened									
7494-01	City of Grosse Pointe Park	LSLR and WM Rep	Wayne	65	2,045	$ 12,670,000	$6,195.60		$ 2,400,000	$ -										
7831-01	Village of Edmore	LSLR, WM Rep, Well and Storage Improvements	Montcalm	65	1,210	$ 10,290,000	$8,504.13		$ 2,404,080	$ 2,276,640	Overburdened									
7638-01	Bangor Twp.	LSLR and WM Rep	Bay	65	465	$ 4,705,000	$10,118.28		$ -	$ 855,600										
7877-01	City of Mt. Clemens	LSLR and WM Rep	Macomb	65	425	$ 5,000,000	$11,764.71		$ 960,000	$ -	Overburdened									
7678-01	Flat Rock	WM Rep	Wayne	65	389	$ 4,775,000	$12,275.06		$ -	$ -	Overburdened									

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7683-01	Albee Township	Distribution Expansion	Saginaw	65	365	$ 5,165,000	$14,150.68		$ -	$ -										
7812-01	City of Three Rivers	LSLR and WM Rep	St Joseph	65	840	$ 14,585,000	$17,363.10		$ 288,750	$ 2,483,250	Overburdened									
7674-01	City of Pinconning	LSLR and WM Rep	Bay	65	425	$ 10,500,000	$24,705.88		$ 215,000	$ 585,000										
7647-01	City of Trenton	LSLR and WM Rep	Wayne	65	191	$ 5,475,000	$28,664.92		$ 360,000	$ -										
7653-01	Port Huron Charter Twp.	WM and Meter Improvements	St Clair	60	6,475	$ 7,305,000	$1,128.19		$ -	$ -	Overburdened									
7772-01	City of Hancock	WR Rep, Well and Storage Improvements	Houghton	60	4,526	$ 5,990,000	$1,323.46		$ -	$ -	Overburdened									
7821-01	City of Farmington	LSLR, WM Rep, PVR and Meters	Oakland	60	11,597	$ 15,805,000	$1,362.85		$ 202,400	$ -										
7793-01	McMillan Twp.	New WTP and Well, Storage and PS Improvements	Luce	60	486	$ 950,000	$1,954.73		$ -	$ -	Overburdened									
7807-01	Village of Ellsworth	New Well and Storage Improvements	Antrim	60	347	$ 730,000	$2,103.75		$ -	$ -	Overburdened									
7824-01	Osceola Twp.	LSLR and WM Rep, PS Improvements	Houghton	60	1,213	$ 4,500,000	$3,709.81		$ 1,665,000	$ -	Overburdened									
7512-01	Village of White Pigeon	LSLR	St Joseph	60	750	$ 3,000,000	$4,000.00		$ 3,000,000	$ -	Overburdened									
7891-01	City of Harper Woods	WM Rep	Wayne	60	2,375	$ 15,750,000	$6,631.58		$ -	$ -										
7765-01	Village of Vicksburg	LSLR and WM Rep	Kalamazoo	60	445	$ 5,600,000	$12,584.27		$ 1,968,000	$ -										
7840-01	Grayling Township	WM Extension (PFAS)	Crawford	60	3,120	$ 50,685,000	$16,245.19	$ 50,685,000	$ -	$ -										
7780-01	Bedford Charter Township	WM Extension (PFAS)	Calhoun	60	50	$ 4,335,000	$86,700.00	$ 4,335,000	$ -	$ -										
7762-01	Saginaw Midland MWSC	PS and Intake System Improvements	Saginaw	55	332,735	$ 2,050,000	$6.16		$ -	$ -										
7642-01	SOCWA	PS and Storage Improvements	Oakland	55	200,728	$ 4,450,000	$22.17		$ -	$ -										
7871-01	City of Saginaw (System)	WTP and WM Improvements	Saginaw	55	176,748	$ 20,460,000	$115.76		$ -	$ -										
7709-01	City of Rochester	WM Rep and Looping	Oakland	55	6,786	$ 6,625,000	$976.27		$ -	$ -										
7862-01	Garfield Township	WM Looping, Storage Improvements	Grand Traverse	55	19,499	$ 20,005,000	$1,025.95		$ -	$ -										
7825-01	Crystal Falls Twp.	LSLR and WM Rep	Iron	55	3,612	$ 6,500,000	$1,799.56		$ 175,000	$ 325,000										
7554-01	City of Southgate	LSLR	Wayne	55	160	$ 570,000	$3,562.50		$ 514,600	$ 55,400										
7804-01	Village of Buckley	WR Rep and Looping, Storage and Hydrant Improvement	Wexford	55	775	$ 4,160,000	$5,367.74		$ -	$ -	Overburdened									
7685-01	Bergland Township	LSLR, WM Rep, Well System Improvements	Ontonagon	55	290	$ 2,480,000	$8,551.72		$ -	$ 360,000	Overburdened									
7802-01	Village of Mesick	WM, Meters, and Storage Improvements	Wexford	55	397	$ 3,740,000	$9,420.65		$ -	$ -	Significantly Overburdened									
7550-01	Village of Beverly Hills	WM Rep and Looping	Oakland	55	890	$ 8,420,000	$9,460.67		$ -	$ -										
7737-01	City of Ionia	WM Rep	Ionia	55	800	$ 8,560,000	$10,700.00		$ -	$ -	Significantly Overburdened									
7875-01	Ely Township	New WTP System	Marquette	55	141	$ 2,000,000	$14,184.40	$ 2,000,000	$ -	$ -										
7814-01	Rockland Twp.	WM Rep, Well Improvements	Ontonagon	55	126	$ 1,955,000	$15,515.87		$ -	$ -	Overburdened									
7868-01	City of Grand Rapids (System)	WTP System Improvements	Kent	50	307,815	$ 8,620,000	$28.00		$ -	$ -										
7719-01	City of Traverse City	LSLR, WR Rep and Looping	Grand Traverse	50	31,542	$ 8,000,000	$253.63		$ 112,500	$ 56,250										
7690-01	Village of Constantine	Meters and Storage Improvements	St Joseph	50	1,947	$ 755,000	$387.78		$ -	$ -	Overburdened									
7860-01	City of St. Clair	WTP and Storage Improvements	St Clair	50	5,485	$ 5,250,000	$957.16		$ -	$ -										
7811-01	City of Linden	WM Looping	Genesee	50	4,142	$ 4,790,000	$1,156.45		$ -	$ -										
7536-01	City of Dearborn	LSLR	Wayne	50	10,963	$ 29,340,000	$2,676.27		$ 29,340,000	$ -										
7895-01	City of Eastpointe	LSLR	Macomb	50	765	$ 3,625,000	$4,738.56		$ 3,625,000	$ -										
7594-01	Hampton Charter Twp.	WM Rep	Bay	50	689	$ 3,980,000	$5,776.49		$ -	$ -										
7849-01	City of Grosse Pointe Woods	LSLR	Wayne	50	300	$ 1,745,000	$5,816.67		$ 1,105,640	$ 637,870										
7886-01	Village of Britton	Well and Storage Improvements	Lenawee	50	537	$ 3,200,000	$5,959.03		$ -	$ -	Overburdened									

MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

Attachment #1 Fiscal Year 2025 DWSRF Project Priority List

Project Number	Applicant	Project Scope	Project County	Total Priority Points	Population Served by Project	Total Loan Amount Requested	Cost per Population	Emerging Contaminant Costs	BIL LSLR Eligible Costs	Non BIL LSLR Eligible Costs	Overburdened Determination	DWSRF Loan	DWSRF PF	BIL Emerging Contaminant PF	BIL DWSRF Supplemental Loan	BIL DWSRF Supplemental PF	BIL DWSRF LSLR Loan	BIL DWSRF LSLR PF	State LSLR + WM Grant	Total PF/Grant*
7498-01	City of Marysville	WM Rep	St Clair	50	216	$ 2,500,000	$11,574.07		$ -	$ -										
7660-01	White Lake Twp.	New WM, System Improvements	Oakland	45	5,799	$ 10,830,000	$1,867.56		$ -	$ -										
7500-01	Charter Twp. of Bloomfield	WM Rep	Oakland	45	966	$ 8,550,000	$8,850.93		$ -	$ -										
7539-01	Ann Arbor Twp.	WM Rep and Looping, Storage Improvements	Washtenaw	45	1,338	$ 12,920,000	$9,656.20		$ -	$ -										
7890-01	Charter Twp. of Independence	WM Extension (PFAS)	Oakland	45	902	$ 9,710,000	$10,764.97	$ 9,710,000	$ -	$ -										
7707-01	City of Wyoming	New TM	Kent	40	246,848	$ 83,900,000	$339.89		$ -	$ -										
7700-01	City of Grand Blanc	WM Rep and Looping, Well and Storage Improvements	Genesee	40	8,091	$ 5,000,000	$617.97		$ -	$ -										
7850-01	City of Grosse Pointe	LSLR	Wayne	40	1,657	$ 6,000,000	$3,621.00		$ 5,940,000	$ 60,000										
7663-01	Zox CLCA	LSLR and WM Rep	Oakland	40	700	$ 5,100,000	$7,285.71		$ -	$ 400,000										
7809-01	Village of Westphalia	WM Rep	Clinton	35	924	$ 2,120,000	$2,294.37		$ -	$ -										
7759-01	City of Warren	LSLR	Macomb	35	3,690	$ 12,000,000	$3,252.03		$ 12,000,000	$ -										
7571-01	Village of Pewamo	WM Rep	Ionia	35	469	$ 3,450,000	$7,356.08		$ -	$ -										
7615-01	Sumpter	WM Rep	Wayne	35	250	$ 2,480,000	$9,920.00		$ -	$ -										
						$ 1,613,971,000						**$ 278,644,338**	**$ 5,000,000**	**$ 20,000,000**	**$ 38,980,554**	**$ 34,892,040**	**$ 42,845,308**	**$ 42,390,424**	**$ 35,967,936**	

AMP- Asset Management Plan
LSLR- Lead Service Line Removal
PFAS- Per- and polyfluoroalkyl substances
PRV- Pressure Reducing Valve
PS- Pump Station
Rep- Replacement
SCADA- Supervisory Control and Data Acquisition
TM- Transmission Main
WM- Water Main
WT- Water Tower
WTP- Water Treatment Plant

* $10 million max per eligible project, $20 million max per eligible PFAS mitigation project

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Marcellus, MI 49067-0429
Phone: (269)-646-5485
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Website: villageofmarcellus.org

September 16, 2024

Ms. Kelly Green, Administrator
Water Infrastructure Financing Section
Finance Division
Department of Environment, Great Lakes and Energy
P.O. Box 30457
Lansing, Michigan 48909-7957

Dear Ms. Green:

RE: The draft fiscal year 2025 IUP for the DWSRF

The Village of Marcellus has received the draft fiscal year 2025 IUP for the DWSRF and assumes the final IUP will look much the same, unless EGLE can be persuaded to review and consider application scoring methods. The Village has twice applied to the DWSRF, seeking assistance to fund its Water Treatment Plant (WTP), in 2023 and 2024, receiving 70 points for each. The Village of Marcellus is requesting a review and update of its score, based on the arguments being submitted as written comments for the public hearing on the IUP that is scheduled for September 17, 2024.

On July 16, 2024, the Village received notice for the completed priority scoring for FY 2025 projects and was asked to review the assigned scores and to contact the EGLE Drinking Water and Environmental Health Division Kalamazoo District supervisor, Heather Bishop with any questions. The Village sent the following questions and comments on July 16, 2024, and received comments from Ms. Bishop on July 22, 2024, as shown below:

Village of Marcellus Questions/Comments

1. *Drinking Water Regulatory Compliance*

- *Source Water Protection Efforts- The Village does try to protect its source water. I realize we received maximum points for having an Active SWPP, but these seem to be the same question. We are active in our efforts to protect the source water, urging neighboring communities to be cognizant of the Village's WHPP delineated area during any planning for development, actively educating in the community and schools and working hard to follow our plan. Not only are we actively working to protect the public water supply with these activities, but our project for the Water Treatment Plant will address a number of items that will offer better protection to our source water. Shouldn't the Village receive the 5 points for our Source Water Protection Efforts?*

2. *Public Health Protection*

- *I think we and the State should consider offering more points for having a history of proactive public health protection with the Village's history of having no HB violations in the past 5 years. That, to me is worth more than 5 points. Should the State consider changing the points allowed for this item to "10" or offering us the points in item C under Public Health Protection? I think our project does address "potential" violations because of our high pre-treatment arsenic levels. The filters need to be replaced, and I believe we should get the 10 points offered for the reasons listed.*
- *Will you talk with me about the Treatment upgrades to address water quality and why the Village should not get the 5 points in this category? Does our project not upgrade the current treatment plant?*

  I think the Village could see an additional 20 points based on a review of the scoring and that would push the Village's project up in the priority list. Will you please consider reviewing and updating the scores?

EGLE Response

EGLE reduced points in the following categories, with the reason noted:

I.E. Source water protection—these points are awarded for groundwater modeling to establish a wellhead delineation and for plugging wells. Neither of those elements are a part of the project plan. As you indicated, existing wellhead protection programs are awarded points in a different category (III.C.), and Marcellus received points in that category.
II.C. Non acute violations of standards—the violation Marcellus received was for a non-emergency partial lead service line replacement. This is a rule violation, but not a drinking water standard violation.
III.A Looping—project plan is replacement of existing main and the project plan does not include a mixer or other tank work.
III.D Treatment upgrades—the project is designed to restore treatment back to its original functionality. Points are awarded for new treatment processes and expansions in treatment capacity.

Your comment on the number of points awarded to systems that have no health based violations in the past 5 years is noted, and I am happy to share it with Water Infrastructure Finance and our upper management.

Please do not hesitate to reach out if you have any questions.

In response to EGLE's comments, the Village expressed its concerns regarding how municipalities might gain additional points without adding millions of dollars to an already expensive/unaffordable project and frustration for small towns like ours when we must spend extraordinary amounts to qualify for additional points.

We believe that adding additional components and features that are not necessary only adds to the burden in an already significantly overburdened community and request that EGLE revise its scoring and assignation of priority points so that municipalities are rewarded for source water protection efforts, for good stewardship and protection of public health and real upgrades to the

Village's treatment system even if they are not "new"; none the less, the Village must upgrade its filtering system. This upgrade requires major modifications to the present building, or the construction of an entirely new building. The modifications or new building plans include separation/isolation of chemicals to a room with ventilation so that they are separated from the plumbing. This is also an added safety feature. These are most definitely "treatment upgrades", not simply a repair. The Village would like to clarify that requesting points for non-acute violations and for a history of no health violations is a positive thing and should be rewarded ahead of systems with a history of these violations.

The Village of Marcellus is requesting an additional 20 points and therefore better placement in the project priority list based on a review and update for the scores mentioned.

Sincerely,

Dennis Irwin
Marcellus Village President

Jacqueline A. Terrill
Marcellus Village Manager/Clerk

FRESHWATER FUTURE

Helping People Protect the Great Lakes

September 24, 2024

Kelly Green, Administrator
Water Infrastructure Financing Section
Finance Division
Department of Environment, Great Lakes, and Energy
P.O. Box 30457
Lansing, Michigan 48909-7957
GreenK1@Michigan.gov

Dear Administrator Green,

Thank you for this opportunity to comment on the Michigan Drinking Water State Revolving Fund (DWSRF) Fiscal Year 2025 Intended Use Plan Draft. Freshwater Future is a binational 501(c)(3) organization that is a catalyst for community action that strengthens policies designed to safeguard the waters of the Great Lakes region.

Freshwater Future staff have researched and worked with our community partners to advocate for their needs in Michigan's DWSRF program. With only a few years remaining of extra subsidies, it is imperative for the Michigan DWSRF to continue to ensure that public drinking water remains safe, clean, accessible, and affordable. Access to these low-interest loans and grants may be the only solution for some communities due to financial hardship. Therefore, the process, criteria, and allocation must be fair and compensate for barriers that have historically prevented access to funding capital investment projects.

As the main water infrastructure funding mechanism, it is also critical that environmental justice communities are readily able to apply, are prioritized, and receive principal forgiveness. The DWSRF program does not currently incorporate environmental justice and does not meet congressional intent of the Infrastructure Investment and Jobs Act (IIJA) funding prioritization.

Our recommendations are below.

Transparency

1. As noted last year, we support requests for additional information on project applications, to better understand which communities or parts of communities are benefiting from these highly-sought after funds. There is interest in seeing the geographic areas being targeted, and a need to ensure that projects within larger water systems categorized as disadvantaged communities (DAC) are going to DAC census tracts. This can take the form of hyperlinks on the annual Project Priority List to plans/applications for more details on the scope of a project. The MIEJ Screen can be useful to achieve this end.

2. Additionally, we recommend that key information is included within the IUP itself instead of referring readers to locate that information in other documents or on the website. For example, stakeholders may question how the large number of projects tied at 85 points are prioritized, as not all of them are able to be funded. While the tiebreak criteria is included in the DWSRF Priority Ranking Worksheet Guidance Document, it would be prudent to include this in the IUP itself so that stakeholders do not have to visit another webpage and search through several documents to find this information. The criteria for disadvantaged communities and scoring should also be included in the IUP for these reasons.

3. More transparency is needed on public comments. We suggest that public comments/feedback should be published, as is done in other states like Pennsylvania and Illinois, in the final IUP or in a separate document. This helps stakeholders understand others' concerns as well as EGLE's responses and rationales for any modifications or lack thereof. This not only supports more meaningful engagement, but also provides clarity on the program's decision-making process to inform future stakeholder advocacy.

4. On a related matter, Public Engagement, we also have a few recommendations. The Draft IUP was released only 2 business days before the public comment hearing, limiting meaningful engagement and feedback for anyone, especially those who may rely on verbal comment opportunities due to accessibility needs. Residents may not have the capacity to meaningfully review the draft document within such a short timeframe and therefore exercise the right to weigh in on public funding processes.

   Additionally, the written public comment period was reduced this year from three weeks to two weeks and remains immediately prior to when the Department must finalize the document. As multiple stakeholders commented both this year and last year, the timing of the comment period at the end of the fiscal year precludes meaningful engagement and the likelihood that feedback will be incorporated.

   Going forward, we strongly recommend additional stakeholder outreach and engagement on the SRF program's policies earlier in the year, before the draft IUP is published. This will allow stakeholders and the program staff to consider many of the important short- and long-term improvements that can be made to

the IUP and process without the additional pressure of finalizing the IUP at the end of the fiscal year.

5. While not included in the draft IUPs, we also recommend adding updates and progress to the program's stated long-term goals in addition to the short-term goals within the DWSRF's next annual report. Specifically, how has the SRF program been conducting outreach to "communities that have never utilized the DWSRF and increase geographic diversity in the use of the DWSRF funds"?

Improve the Definition of Disadvantaged Communities

Since the definition of *disadvantaged communities* was last updated following the passage of Mich. Comp. Laws § 324.5406a*,* Freshwater Future has advocated to the U.S. EPA and EGLE for further improvements to Michigan's definition that more accurately align the criteria with the U.S. EPA's Bipartisan Infrastructure Law (BIL) Memo and prioritize the communities that need this funding the most.

While it is understood that EGLE does not plan to initiate the revision process until 2025, it is critical that the definition is updated this year in order to ensure that the limited-time BIL funding reaches the communities that need it the most. Michigan statute allows for the definition to be reviewed once within a three-year time frame, and therefore, EGLE does not have to wait until 2025 to begin the review process. Delaying the review of the definition so that it does not take effect until FY2026 or FY2027 will negatively impact applicants from environmental justice communities that may not qualify for BIL subsidies before the extra funds run out. Additionally, it is imperative that EGLE begin robust stakeholder engagement sessions as soon as possible to ensure full transparency and integration of best practices that include consideration of environmental justice communities.

Freshwater Future recommends the following changes to ensure funds reach communities with disparities in their drinking water infrastructure and water quality due to the effects of environmental injustices.

1. **Median Household Income (MHI) is a poor statistic** to identify low-income populations that state revolving funds should target because MHI is easily influenced by some residents with higher incomes. Instead, DWSRF criteria should consider the percentage of a community's population that falls below 200% of the federal poverty level. This measure better represents the actual number of low-income households in a community.

2. To meet the intentions of Congress and the U.S. EPA, this Agency must work to **include environmental justice** concerns in its next iteration of the definition of disadvantaged communities. As the March 2022 Memorandum on the SRF provisions of the Bipartisan Infrastructure Law (BIL) states: "a key priority of BIL is to ensure that disadvantaged communities benefit equitably from this historic investment in water infrastructure" (p.3). EGLE should utilize an Environmental Justice Screen (from either the state or the US Environmental Protection Agency) to understand the full picture of the communities and census tracts impacted by

potential projects. For example, if using the state MiEJ Screen, the top quintile (20%) of composite scores should be considered significantly overburdened communities, and scores in the highest 21-30% should be considered overburdened. Utilizing a screening tool would ensure inclusion of low-income communities, communities of color, or Tribal and Indigenous communities that experience, or are at risk of experiencing, higher or more adverse human health, environmental effects, or unaffordable rates.

Improve the Scoring Criteria

Like the definitions of "significantly overburdened community" and "overburdened community", the **scoring criteria should be updated annually**. The U.S. EPA intends for these definitions and scoring criteria to be dynamic, not static, in order to continually improve their reach and sensitivity.

1. Mirroring our comments submitted in 2022 and 2023, we strongly recommend that EGLE adopts **asset and governance protections for community water systems that enter into consolidation and/or regionalization discussions**. While some consolidation and regionalization projects may be necessary, without protections in place, these processes can result in loss of revenue, property, and local power. Not only should these projects not receive higher points in the scoring system, but safeguards must be put in place to protect local oversight, governance, and ownership of assets. EGLE should update the language defining "consolidation" to protect municipal sovereignty and self governance, ensuring there is a threshold for agreement among entities before undergoing consolidation:

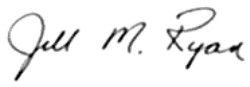
    For those systems with no existing community governance function of the water system (i.e. apartment complex or mobile home park) the point system is helpful. For systems with existing community governance (municipal and other systems), consolidation points should be awarded only if all communities that will have a system shuttered have held a resident vote (referendum) indicating their approval to consolidate their system, resulting in a system being shuttered. The agreements leading to a referendum must include and be communicated to the public:

    A. *The communities having a system shuttered must be compensated for the assets they have historically paid for and will lose in the consolidation.*

    B. *The agreement must also include structures for joint oversight of the consolidated system with representation of residents from each municipality.*

Thank you for including community voices in this very important program for our state's water infrastructure. These recommendations are intended to keep water clean and affordable for the communities in Michigan that need it most. For any questions or concerns, please reach out to anna@freshwaterfuture.org, or call 231-348-8200.

Sincerely,



Jill M. Ryan, Executive Director

September 27, 2024

Kelly Green, Administrator
Water Infrastructure Financing Section
Finance Division
Department of Environment, Great Lakes, and Energy
PO Box 30457
Lansing, Michigan 48909-7957

Re: Comments on Michigan's Drinking Water State Revolving Fund Draft Fiscal Year 2025 Intended Use Plan

Dear Ms. Green,

On behalf of the undersigned organizations, we write to provide comments on the Fiscal Year 2025 Drinking Water State Revolving Fund Draft Intended Use Plan (DWSRF – Draft Intended Use Plan - Fiscal Year 2025). Thank you for your commitment to disburse these funds to Michigan communities for water infrastructure improvements. We look forward to working with you to better ensure communities with the greatest needs are receiving the best loan terms and the most principal forgiveness.

Specific comments about this year's IUP are provided below.

1. **Add MI-EJSCREEN to the DWSRF scoring criteria.**
   We strongly encourage the Water Infrastructure Funding and Financing Section (WIFFS) staff to integrate MI-EJSCREEN as a scoring category into the DWSRF scoring sheet. *Staff should assign points based on the MI-EJSCREEN overall score for the municipality (with higher percentile communities receiving more points). Further, projects in specific neighborhoods in these communities that rate higher on the MI-EJSCREEN should be eligible for more points in the scoring system. We also urge EGLE to use MI-EJSCREEN as the tiebreaker in the scoring criteria.* We request that EGLE include these approaches in the next iteration of the scoring

criteria to ensure greater consideration for environmental justice issues in impacted communities and in specific neighborhoods.

2. **Public Participation**
   We understand that WIFFS staff were managing a significant increase in federal and state funding along with new revenue streams through the FY '25 IUP process. However, this resulted in an even more inadequate public comment period than usual with the draft IUP being posed on September 13th , the public hearing was held on September 17th, and the public comment period closed on September 27th. We had many questions this year, but the only public venue for engaging in the IUP process was the public hearing where questions can be asked but, by design, not answered. The timing of the public hearing three days after the release of the report did not allow enough time for our groups to thoroughly review and understand the IUP. Non-applicant groups have an ongoing challenge with receiving and digesting the IUP content because there is no opportunity for these groups to engage in the state's process until the IUPs are released. Adequate public engagement and transparency are essential for stakeholders to trust in the process and understand changes to the scoring system and decisions.

   WIFFS staff need to create spaces to meet with community and nonprofit groups <u>throughout</u> the year leading up to the release of the draft IUP.

   Also, beginning with the FY 2026 IUP, we again request that EGLE hold <u>public information sessions</u> immediately after the IUP is released and before the public hearing. This will facilitate public participation in this critical process where millions of state and federal dollars are being allocated to fund infrastructure investments.

3. **Michigan Shared Credit Rating Act**
   Congress intended for the Bipartisan Infrastructure Law's SRF principal forgiveness dollars to go towards disadvantaged communities that have lead service lines and other infrastructure needs. The State of Michigan needs to do everything possible to ensure that the Michigan Shared Credit Rating Act is not an impediment to communities getting the resources they need for infrastructure improvements. *We request that WIFFS disclose how it is taking into consideration credit rating concerns for disadvantaged communities.*

4. **Project applications and other transparency/accessibility concerns.**

   - *EGLE should include a hyperlink to the project applications in the draft PPL from the earliest stages of its development.* As several of our groups have noted previously, it's difficult to weigh-in on the draft PPL because applications are not readily available to all stakeholders, which requires interested parties to spend limited resources with FOIA requests to EGLE and/or local water utilities. Greater access and transparency provide for greater public awareness and trust in this process. *Applicants should be*

required to post project applications on their websites and/or on the websites of the municipalities that would benefit from the project.

- *EGLE should provide more content and description in the PPL and scoring tables in the final IUP.* For example:
    - Provide a key for acronyms and provide at least one complete sentence description of each project. Project descriptions must be informative for them to be meaningful to the general public. For example, "WTP Upgrade" is not an informative project description. Contractor shorthand, such as "96 inch trans main relocation P2" should not be used in a transparent public facing document.

- We would like to know the proposed terms for each project as they become available. For instance, if a community is eligible for a discounted loan rate, the information about the length of the loan should be made available. *If these decisions are made in the coming months rather than being available when the draft PPL is released, then a mechanism for sharing the final terms should be shared amongst stakeholders and with the public through EGLE's database.*

5. Congressional earmarked funding for water infrastructure projects

- We understand that among the federal resources that have come to Michigan for appropriation through EGLE are earmarked funds for cities and towns. They are designated as pass-through funds from members of Congress for their districts to assist with local water infrastructure needs. These resources are not subject to the state's review nor, as we understand, are factored into the scoring system or consideration for the distribution of resources to needy communities. *We strongly request that WIFFS include in its reporting where these resources were directed (or passed through) alongside data of the DWSRF IUP.* This would provide necessary transparency to understand which communities are funded and not through any federal or state resources.

As community partners and others become more engaged in infrastructure investment decisions and with the influx of significant additional federal dollars, it becomes increasingly important to provide informational sessions and other opportunities to remain updated on all aspects of the IUP for non-utility partners in advance of the public comment period. We urge you to include public information sessions and more opportunities for stakeholder engagement as you develop IUP '26 and beyond.

We would also like to be included in the stakeholder process as you begin developing the scoring criteria for IUP '27. Please add our groups to the list of those who you invite to engage in the updating process..

Thank you for your efforts to ensure our input is taken into consideration and for your work to get these vital state and federal dollars to Michigan communities.

Sincerely,

Rev. Edward Pinkney, President
Benton Harbor Community Water Council

Nayyirah Shariff, Director
Flint Rising

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