

Pleyte, Beth (Treasury)

From: Barton, John (Treasury)
Sent: Monday, October 19, 2015 7:42 AM
To: Saxton, Thomas (Treasury)
Subject: RE: Use of SRF to replace lead service lines

I have not seen anything in terms of a bill draft. I did respond to Sonya regarding the e-mail below and we also discussed on the phone and she said she would keep me in the loop. I will follow up today though.

Sonya,

With a change in State law, I believe we would be able to make loans to communities for the replacement of private sewer lines. I did want to note that any loan for this purpose would have to be done on a taxable basis along the same lines as the SWQIF and therefore loans for this purpose could not be leveraged in the future to provide additional program capacity.

Please let me know if I can be helpful in developing program policy regarding this issue.

Thank you
John

From: Butler, Sonya (DEQ)
Sent: Thursday, October 08, 2015 11:19 AM
To: Barton, John (Treasury) <BartonJ@michigan.gov>
Subject: FW: Statutory changes to Part 54
Importance: High

John

I'm not sure you saw this. Would we be able to make loans to communities to replace private service line? Let me know what you think

From: Pallone, Maggie (DEQ)
Sent: Wednesday, October 07, 2015 4:33 PM
To: Shekter Smith, Liane (DEQ); Butler, Sonya (DEQ)
Subject: Statutory changes to Part 54
Importance: High

If we are going to clarify that Part 54 can cover replacement of private service lines, is this the best way to do? I made changes to the definition of waterworks systems to include private service lines, and changes the requirement the water supplier had to maintain and operate the private service lines.

Please let me know ASAP what you think.

Thanks,
Maggie

324.5403 Definitions; P to W.

Sec. 5403.

As used in this part:

- (a) "Priority list" means the annual ranked listing of projects developed by the department in section 5406.
- (b) "Project" means a project related to the planning, design, and construction or alteration of a waterworks system.
- (c) "Project refinancing assistance" means buying or refinancing the debt obligations of water suppliers if construction activities commenced, and the debt obligation was incurred, after the effective date of this part.
- (d) "Public water supply" means a waterworks system that provides water for drinking or household purposes to persons other than the supplier of the water, except for those waterworks systems that supply water to only 1 house, apartment, or other domicile occupied or intended to be occupied on a day-to-day basis by an individual, family group, or equivalent.
- (e) "State drinking water standards" means rules promulgated under Act 399 that establish water quality standards necessary to protect public health or that establish treatment techniques to meet these water quality standards.
- (f) "Water supplier" or "supplier" means a municipality or its designated representative accepted by the director, a legal business entity, or any other person who owns a public water supply. However, water supplier does not include a water hauler.
- (g) "Waterworks system" or "system" means a system of pipes and structures through which water is obtained or distributed and includes any of the following that are actually used or intended to be used for the purpose of furnishing water for drinking or household purposes:
 - (i) Wells and well structures.
 - (ii) Intakes and cribs.
 - (iii) Pumping stations.
 - (iv) Treatment plants.
 - (v) Storage tanks.
 - (vi) Pipelines and appurtenances.
 - (vii) Private residential service lines.
 - (viii) A combination of any of the items specified in this subdivision.

324.5409 Application for fund assistance; contents; availability of revenue sources; acceptance of applications by department; liability for incurred costs.