

From: "Burke, Melissa" <mburke@detroitnews.com>
Date: January 27, 2016 at 11:35:14 AM EST
To: "Brown, Melanie (DEQ)" <BrownM45@michigan.gov>
Subject: RE: Media inquiry from Detroit News reporter

Thanks, Mel. I'm wondering whether the FY16 loans have been dispersed yet? I'd like to get an idea how soon, for instance, Flint can apply for the FY17 program and an estimate of how soon they could have that in hand to start working on, say, lead line replacement. Has the EPA indicated that it would expedite their consideration of Michigan's plan for how to spend the FY17 money?

Is there an estimate of when the project plan will be submitted by the city?

-----Original Message-----

From: Brown, Melanie (DEQ) [<mailto:BrownM45@michigan.gov>]
Sent: Tuesday, January 26, 2016 9:54 PM
To: Burke, Melissa <mburke@detroitnews.com>
Cc: Tommasulo, Karen (DEQ) <TommasuloK@michigan.gov>
Subject: RE: Media inquiry from Detroit News reporter

Hi Melissa -

Based on a conversation with EPA, the \$80 million referenced in recent media outlets is not new funding.

The federal funds are provided each year to support the state's water infrastructure revolving loan programs. The federal funds (\$59 million for wastewater and \$27 million for drinking water) plus the \$17 million of state match and loan repayments from prior years are used to support new infrastructure loans.

In 2016, the DEQ has committed to 33 loans totaling \$240 million to various communities, including Detroit, Burton, Pontiac, and others. In addition, the DEQ received applications for 45 additional projects totaling \$247 million. Flint did not apply for funding in 2016. The totals are more than the \$80 million due to the fact of local repayments by other communities.

Staff are working with the City of Flint and consulting engineers on a project plan. The project plan will be the top priority in relation to the other projects should/once the City submits a plan.

-----Original Message-----

From: Burke, Melissa [<mailto:mburke@detroitnews.com>]
Sent: Tuesday, January 26, 2016 4:14 PM
To: Brown, Melanie (DEQ)
Subject: Media inquiry from Detroit News reporter

Hi Mel,

I am the Washington correspondent for the Detroit News. I just left you a voicemail about a story that I'm working on about the Drinking Water Revolving Loan program.

I had a few questions about the \$80M for FY 17 mentioned by Obama last week, and how soon the DEQ may start accepting loan applications, etc, from municipalities, and what determines

whether the loans are forgivable.

I also understand that there's ongoing discussions between Flint and DEQ regarding loans that the city could use for replacing lead service lines on private property. EPA approved this last fall as a permissible use of the federal Revolving Loan Fund. I'd like to know what the status of those conversations are, and how soon the city could potentially be securing loan funds to begin such work?

Thanks,
Melissa Burke

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