## Office

From: Brady, Donal (EGLE) < BradyD6@michigan.gov>

**Sent:** Thursday, June 9, 2022 10:05 AM

To: Office

Subject: LMSA, EGLE Draft Consent Order, LMPOA and Public Comment

Hello,

It has come to my attention that the Lake Mitchell Property Owners Association distributed the draft consent order to the public and that some members of the Association and public have misconceptions about the consent order.

I think it is important for the LMSA and the public to be on the same page regarding the consent order and the sewer system needs. The public will play an important role in maintaining the system moving forward. EGLE normally does not discuss draft consent orders, however, this is a unique situation because the consent order was made available to the public through a FOIA request sent to the LMSA.

The following clarify a few points. I tried to communicate most of the following at the May 2022 LMSA board meeting. It seems like it would also be helpful for the public to see the following in writing. I am available to communicate the following at future meetings. I am also available to talk directly to the public and answer questions. You can refer customers and constituents to me at 231-429-5686 and <a href="mailto:BradvD6@michigan.gov">BradvD6@michigan.gov</a>. Thanks!

- 1. The consent order provided to the public is a draft document.
- 2. The consent order is needed because sewer system components are past their useful lives and system upgrades were not completed in the 35 years prior to the LMSA being formed and taking over the system. Prior to the LMSA, the sewer system condition deteriorated and pre-LMSA user rates were not sufficient to fund system improvements.
- 3. EGLE recognizes the LMSA board, system operators, and system engineers have been working to implement system upgrades and establish rates to support the work. EGLE is confident the LMSA board, operators, and engineers are capable of implementing system improvements and maintaining the system in the future.
- 4. The consent order does not mean EGLE has lost faith in the LMSA board, system operators, or system engineers. On the contrary, EGLE believes the LMSA board, the operators, and engineers should be commended for the work they have completed to address the sewer system condition. The system condition should have been addressed prior to when the LMSA took over the system and the LMSA is trying to make up for lost time. Significant additional work is still needed.
- 5. The consent order outlines a plan to improve the condition of the sewer system. It would be very beneficial for this plan to be documented in writing, in a consent order. This would help future LMSA, Township, and EGLE officials understand the work needed and required to improve the system.
- 6. The consent order is meant to demonstrate EGLE is taking action to enforce compliance with existing environmental regulations.
- 7. The consent order is also meant to support the LMSA and the Townships. The consent order communicates that system improvements are not only recommended by the LMSA, operators, and engineers but also required by EGLE. EGLE consent orders also consistently help communities secure funding for infrastructure improvements.

- 8. The consent order should not significantly increase LMSA costs. The work required in the consent order is work that would have been needed and required anyway. Years from now, EGLE plans to implement a permitting program for sewer systems across the state. The future permit will likely require the LMSA to show it has completed much of the work required by the consent order.
- 9. The verbiage in the consent order regarding future fines and penalties is standard EGLE consent order verbiage. This verbiage is typically relevant when a regulated party does not make a good faith effort to comply with a consent order. EGLE expects the LMSA will make a good faith effort to comply with the consent order.
- 10. The timing of the consent order was impacted by EGLE's developing understanding of the system condition, the various failures of system components since 2017, extended time being needed for EGLE to implement the sewer system permitting program, and to a lesser extent, the Covid pandemic.
- 11. The LMSA sewer system is unique in that the LMSA system is a pressure sewer system where 200+ grinder stations individually serve multiple homes and are owned/operated by the authority. The LMSA ownership and operation of the grinder stations greatly increase costs. Grinder stations serving multiple homes are much more difficult to maintain and repair. Rates for other sewer systems should not be compared to the LMSA rates. Most other pressure sewer systems include grinder stations that individually serve a single home and are owned by the homeowner. In many other pressure sewer systems, the homeowners are responsible for the grinder station construction costs (which can be tens of thousands of dollars) and operation and maintenance costs (electricity, cleaning, repair, etc.).

Kind Regards,



- M. CHIGAN DEPARTMENT OF - Environment, greaf laxes, and energy

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