

Affirmative Action
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FAX (231)722-1214

Assessor/
Equalization Co.
(231)724-6386
FAX (231)724-1129

Cemetery/Forestry
(231)724-6783
FAX (231)724-4188

City Manager
(231)724-6724
FAX (231)722-1214

Clerk
(231)724-6705
FAX (231)724-4178

Comm. & Neigh.
Services
(231)724-6717
FAX (231)726-2501

Computer Info.
Technology
(231)724-4126
FAX (231)722-4301

Engineering
(231)724-6707
FAX (231)727-6904

Finance
(231)724-6713
FAX (231)726-2325

Fire Department
(231)724-6795
FAX (231)724-6985

Human Resources
Co. (Civil Service)
(231)724-6442
FAX (231)724-6840

Income Tax
(231)724-6770
FAX (231)724-6768

Mayor's Office
(231)724-6701
FAX (231)722-1214

Planning/Zoning
(231)724-6702
FAX (231)724-6790

Police Department
(231)724-6750
FAX (231)722-5140

Public Works
(231)724-4100
FAX (231)722-4188

SafeBuilt
(Inspections)
(231)724-6715
FAX (231)728-4371

Treasurer
(231)724-6720
FAX (231)724-6768

Water Billing
(231)724-6718
FAX (231)724-6768

Water Filtration
(231)724-4106
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West Michigan's Shoreline City
www.shorelinecity.com

September 15, 2022

The lead crisis that first arose in Flint, and later surfaced in Benton Harbor continues to have profound impacts on communities all across the state of Michigan. The response to this crisis will continue to be felt for generations and solutions remain elusive.

In Muskegon, we share many similarities with both the communities of Flint and Benton Harbor. All three of our communities represent older urban cities with aged infrastructure and diverse populations. Despite those similarities, when the crisis first arose in Flint, it was easy to draw a line between our situation and their tragedy. That line has become much fainter in the years since.

The tragedy in Flint was at least partially caused by human error. A change in financial standing led to a change in leadership, which led to a change in water source. The change in water source came with a change in water chemistry which eventually precipitated into the unintended consequences we have today. It was easy to say it won't happen here, at every step of that sequence there was a different reality: we don't have the same financial situation; we don't have the same leadership position; and we don't have an option to change our water source/chemistry. Underlying all that separation was the reality that despite drawing those lines we shared the same risks as Flint. Muskegon has roughly 13,000 water customer accounts and has found that in our best estimation approximately 12,000 of those had what met the state classification as a lead service line.

As Muskegon navigated the uncertainty following the Flint crisis and worked to keep up with the evolving regulatory environment, the reality of the situation set in. Muskegon had 12,000 lead service lines that needed to be addressed. Even at the earliest stages it became apparent that this number presented challenges that wouldn't come with easy answers. Muskegon began work with a target cost of \$5,000 to replace each of the 12,000 service lines. As of today, that target cost stands closer to \$7,500 for each line with still more than 11,000 lines left to address. What started out as a public health crisis in Flint was quickly transformed into a \$60M-\$90M potential financial crisis in Muskegon. In a water system that generated roughly \$3M in annual revenue from our 13,000 customers, the problem seemed insurmountable.

Muskegon acted quickly in a number of ways:

- Muskegon immediately and without hesitation began following the updated lead and copper rules which required a paradigm shift in operations. No longer could service lines be repaired, they needed to be replaced. This decision came with consequences to the cost and staffing in the water department.

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- Muskegon evaluated options and instituted a monthly fee on all water customers to generate internal revenue to start addressing the problem. The problem was bigger than Muskegon could ever resolve on our own, but inaction wasn't an option.
- Muskegon worked with our partners in the state government in all of the programs that were available. The state was working diligently to help broad ranges of communities tackle this problem and Muskegon worked closely with our partners in the consulting community to ensure all opportunities were explored.

Despite these efforts the recurring theme is that the problem requires solutions beyond what Muskegon could provide for itself. With a state mandated target timeline to replace all lead service lines in 20 years, Muskegon is currently on track to take roughly twice that long to complete the full replacement.

When the crisis spread west to Benton Harbor, it took a huge step closer to home. Before it was easier to draw lines between Muskegon and Flint, while still recognizing the underlying risk. The lines disappeared when Muskegon is compared to Benton Harbor. Immediately apparent were the similarities in the water source/chemistry as both of our communities draw source water directly from Lake Michigan. For Muskegon, the situation in Benton Harbor only solidifies the actions and steps that had been previously taken to move towards resolution, but it didn't provide any new solutions.

The implementation of the Infrastructure Investment and Jobs Act (IIJA) could be a big part of the solution for communities in Michigan and across the United States. Ensuring that Muskegon is in a position to recognize a portion of that historical investment is paramount to resolving this crisis. Muskegon has been active every year dating back to 2018 in the state revolving fund programs where most of the IIJA dollars are currently allocated for distribution. Muskegon continues to prioritize lead service line replacement in each cycle of the revolving fund programs and intends to continue that effort.

For Muskegon, the biggest hurdle remains financing. Muskegon recognizes the risks created by lead service lines, and the parallels that exist between our community and those that have already been tragically impacted by this crisis. Muskegon possesses the sense of urgency needed to take definitive action on this crisis before it gets a chance to take root in our community. However, like many other older urban core communities the problem is bigger than we can resolve on our own. The lead service line crisis has and will continue to disproportionately effect older diverse urban communities, which are the same communities that can least afford to resolve the situation on their own.