



## **Water System Planning and Rate Discussion Frequently Asked Questions**

### **What is this about?**

The City of Harrison is required under Michigan law to plan for and complete replacement of certain water service lines. This requirement has financial impacts that the City must plan for over multiple years. This FAQ explains what is required, what work has already been completed, and why water rates are being discussed.

### **Why is the City required to do this?**

Michigan adopted an updated Lead and Copper Rule in 2020. The rule applies to all public water systems in the state and is enforced by the Michigan Department of Environment, Great Lakes, and Energy (EGLE).

The rule was adopted under federal drinking water authority, but Michigan's requirements are more stringent than federal minimum standards.

### **What does the rule require the City to do?**

The rule requires the City to:

- Complete a service line inventory
- Classify service lines based on material
- Treat certain galvanized service lines as having been connected to lead if their history is unknown
- Replace qualifying service lines
- Replace approximately five percent of identified service lines each year until the requirement is met

When replacement is required, the entire service line must be replaced, from the water main in the street to approximately 18 inches inside the home. Partial replacements are not allowed.

## **Does this mean Harrison has lead water lines?**

Not necessarily.

Some service lines are classified under the rule because they are galvanized and their historical connection is unknown. Under state requirements, those lines must be treated as if they were previously connected to lead, even if lead is not confirmed.

## **How many service lines are affected?**

Based on current information, approximately 200 service lines are classified as requiring replacement under the rule. The inventory continues to be refined, and classifications may be updated as verification work is completed.

## **How many service lines must be replaced each year?**

The rule requires replacement of approximately five percent of identified service lines annually. For Harrison, this equates to roughly eight to ten service lines per year.

This is an ongoing annual requirement until the work required under the rule is completed.

## **Has the City already done any work on this?**

Yes.

The City has made substantial progress through prior projects and grant funding, including:

- A USDA Water Grant that replaced all water meters and allowed additional service line inventory information to be gathered
- DWAM funding that allowed the use of specialized equipment, including hydrovac services, to complete most remaining inventory work
- Ongoing verification and refinement of service line classifications

The City has also applied for multiple funding programs, including the Clean Water State Revolving Fund, which was not awarded due to scoring criteria that prioritize failing systems.

## **Can the City just do all the replacements at once?**

In theory, replacement could be accelerated if sufficient funding were available. However, doing the work faster does not eliminate the cost.

Accelerating the work would likely require a larger rate increase over a shorter period of time. Spreading the work over multiple years results in smaller annual increases, but the costs continue each year until the work is complete.

## **Why are water rates being discussed?**

Under normal circumstances, the City's Water Fund operates as intended, covering operations, maintenance, and routine improvements.

This state mandate introduces significant new costs that were not previously part of the system's financial structure. The Water Fund does not have sufficient excess reserves to absorb these costs without planning and potential rate adjustments.

## **What does the draft water rate study show?**

The draft water rate study is a planning tool. It does not set rates and no decisions have been made.

At a high level, the study estimates approximately \$42,000 per year for service line replacement over a multi-year planning horizon.

One example scenario shows an average residential impact of approximately \$4.00 per month. This represents the higher end of the example scenarios reviewed and reflects an annual increase during the years the work is being performed, not a one-time increase.

Actual impacts vary by customer based on water usage, meter size, funding availability, and future decisions.

## **Are there other water projects coming up?**

Yes.

The rate study also identifies additional long-term water system projects included in the City's Capital Improvement Plan. Planning for some of these projects is expected to begin around 2030 to prevent future system failures and maintain reliable service.

These projects are separate from the Lead and Copper Rule requirements but must be considered together to ensure long-term system stability.

## **Is grant funding available?**

EGLE has announced funding opportunities specifically for lead service line replacement.

The City has submitted an Intent to Apply and believes it is competitive. However, funding is not guaranteed. Some programs may offer principal forgiveness, but forgiveness eligibility is also not guaranteed and depends on program criteria.

Because of this uncertainty, the City cannot rely on grant funding alone and must plan responsibly.

## **Has the rule been legally challenged?**

Yes. The rule has been challenged in court by multiple parties. Those challenges were unsuccessful, and the rule remains in effect and enforceable.

## **Will a decision be made at this meeting?**

No.

This meeting is informational only. No decisions will be made, and no action will be taken. Public input will be considered as planning continues.

## **How can I provide feedback?**

Residents may provide comments during public comment at the meeting or submit written feedback to:

City of Harrison  
2105 Sullivan Drive  
Harrison, MI 48625

Email: [manager@cityofharrison-mi.gov](mailto:manager@cityofharrison-mi.gov)