



CITY OF KEEGO HARBOR

"Heart of the Lakes"

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October 21, 2019

House Regulatory Reform Committee
P.O. Box 3014
Lansing MI, 48909-7514

Dear Chairman Webber and Committee Members:

Our community is requesting your support for HB 4691, offered by Rep. Michael Webber, which authorizes the establishment of Stormwater Utilities.

Funding infrastructure – especially underground infrastructure – may be one of the largest challenges that local governments face. More than ever, we realize the impact that stormwater has on the quality of surface water. We must be much more deliberate in our approach to managing stormwater.

For decades, communities have funded stormwater systems through water and sewer rates, general funds and, to a large extent, grants from state and federal governments. As environmental stewardship has become a higher priority and regulatory programs have expanded, local governments are addressing many stormwater management challenges. This, in turn, has created questions as to whether stormwater systems can be funded through utility fees, or whether they must be funded through property taxes.

HB 4691 establishes the ability of local governments to create stormwater utilities. This legislation will be critical to local government efforts to improve the quality of our rivers and the Great Lakes. The legislation will allow local governments to replace aging infrastructure, implement stormwater treatment systems, and – what may be the biggest challenge of all – reduce localized flooding by building additional capacity to better handle major rain events.

Last session, the legislature established the Michigan Infrastructure Commission. We all recognize how important it is to coordinate infrastructure projects so that roads in good condition are not destroyed when the underlying infrastructure needs replacement. This legislation creates a system that allows communities to align the funding sources for infrastructure projects involving systems that are dependent upon multiple funding sources. It is difficult enough to find funding for roads, sewers, drinking water, and stormwater. It is exponentially more difficult to align funding for each of these elements for a single project occurring at one time.

The passage of HB 4691 will enable us to address the critical issue of managing our stormwater system in a timely manner and allow us to improve coordination on above- and below-ground infrastructure projects in the future.

Thank you for your consideration of this legislation.

Respectfully

Jered Ottenwess
City Manager