



Office of the City Manager
1315 S. Washington Avenue
Saginaw, MI 48601



August 11, 2015

The Honorable Debbie Stabenow
United States Senate
Washington, DC 20510

Dear Senator Stabenow:

I am writing to express my concern with provisions inserted in the Senate's proposed Fiscal Year (FY) 2016 Interior, Environment and Related Agencies Appropriations Bill that, if enacted, would have costly consequences for the City of Saginaw and our ratepayers and delay improvements to water quality in the Great Lakes. I urge you to oppose these provisions.

Section 428 of the spending package directly contradicts and undermines legislation Congress enacted in 2001 codifying the 1994 Combined Sewer Overflow (CSO) Control Policy with which the majority of Great Lakes dischargers are currently complying. The CSO Control Policy sets forth national goals and standards for the reduction of CSOs by publicly-owned treatment works (POTW) and requires the development of Long-Term Control Plans (LTCP) to comply with these standards. Saginaw's control plan is the result of years of studies and negotiations with the state regulatory agency that provides the most cost effective and affordable alternative for CSO control. Saginaw invested \$110,000,000 between 1991 and 2001 to eliminate the discharge of untreated sewage to the Saginaw River.

If Section 428 is allowed to stand, Saginaw would need to build additional storage or separate its sanitary sewer and stormwater systems at a cost of more than \$340 million dollars (1998 estimate). Further, the proposed provisions would prohibit communities from utilizing an important operations tool that safeguards the integrity of their wastewater treatment systems during periods of extreme wet weather, thereby imposing unnecessary additional costs by handcuffing communities as they attempt to comply. The cost impact of implementing Saginaw's control plan required a 379% increase in rates from 1989-2000. To further burden the ratepayers with unnecessary mandates would be detrimental to the City of Saginaw.

The proposed provisions contained in Section 428 of this spending package would require communities to spend limited ratepayer resources on eliminating CSO discharges at the expense of addressing the numerous other water quality challenges facing the Great Lakes, thereby setting back overall efforts to improve water quality by

decades. The reduction of CSO discharges is an important component of improving water quality; however, the Great Lakes face water quality challenges that go far beyond CSOs and include excessive amounts of nutrients caused by inadequate conservation practices, soil erosion caused inadequate stormwater management practices, and invasive species brought into the basin by a variety of sources. These challenges are also quite costly to address, but doing so would lead to far greater water quality improvements than focusing solely on CSO's.

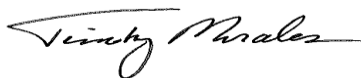
Finally, these costly provisions are included in a spending package that proposes to cut funding for the Clean Water State Revolving Fund (CWSRF) by nearly 30%. Imposing additional regulations on ratepayers at the same time as congress proposes to cut infrastructure finance programs that assist with compliance will saddle ratepayers with an unfunded mandate that may well be insurmountable.

The CSO Control Policy was carefully crafted by the Environmental Protection Agency and key state, municipal and environmental stakeholders and recognizes that chasing a goal of zero CSOs would waste precious resources that could be used to address other water quality challenges. The proposal contained in Section 428 of the Senate EPA spending package proposes a dramatic shift in clean water policy, one that would impose catastrophic costs to ratepayers throughout the Great Lakes region and result in negligible water quality improvement. At the very least, such a dramatic policy shift should be considered through the normal legislative process so that the policy and cost implications can be fully debated and the impacted communities can be fully heard, not through the congressional appropriations process that does not allow for a full airing of concerns.

For the foregoing reasons, I urge you to strip Section 428 from the FY16 Interior, Environment and Related Agencies Appropriations package.

Thank you for your consideration of this matter and please do not hesitate to contact me at (989) 759-1401 for more information on the City's Long Term Control Plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy Morales". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Timothy Morales
City Manager