



Stormwater Separation Project FAQ

March 18, 2024

What is Stormwater?

Stormwater is rainfall that flows over our yards, streets, alleys, parking lots, and buildings and enters the storm drain (or gutter) in your street.

What is a Combined Sewer System?

Combined Sewer Systems collect both stormwater and sewage in the same pipe for treatment.

What is a Separated Storm Sewer System?

Separated Storm Sewer Systems have one drainage pipe for stormwater and a second separate pipe for sewage (sanitary).

Why does it flood if Grosse Pointe has a separated storm system?

In the City of Grosse Pointe, most of the properties have separated stormwater and sanitary systems. Generally, in the area south of Waterloo, stormwater flows directly to Lake St. Clair. In the area north of Waterloo, stormwater flows to the Neff Road Pump Station. All the sanitary sewers flow to the Neff Road Pump Station. During heavy rain events, the inflow of the sanitary sewers and the northerly storm water can put a severe strain on the system which may result in sewer backups throughout the City.

Why is capacity at the Neff Road Pump Station being exceeded?

Because of the increased intensity and duration of storms, the existing system cannot handle the increased flow volumes that go through the pump station. This doesn't only jeopardize the homes north of Waterloo, but also the homes south of Waterloo where stormwater goes directly into the Lake, because all the homes share the same sanitary sewer system. Reducing flows into the Neff Road Pump Station will alleviate basement backups throughout the entire City.

What is the scope of this project?

The stormwater separation project consists of the development of engineered construction documents followed by construction of a new storm sewer to take stormwater out of the north end of the City and create a separate outfall directly into the Lake. Most of the work will occur north of Waterloo with the storm water conductor to run down Washington to the Lake.

What is the proposed project timeline?

Upon initial project approval in January, design engineering will begin in early 2024 and is expected to be completed in the fall of 2024. Once design engineering is completed, the project will be bid and a contractor would be selected in late Fall of 2024. Construction would begin in early 2025. An initial project

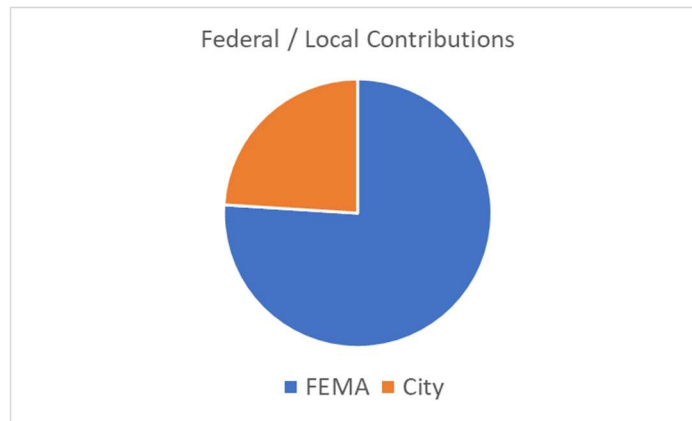
schedule contemplates completion in early 2026, however, based on availability of materials and labor the maximum duration of the project could be early 2028.

When did the City apply for this federal funding?

The City applied for this federal funding in 2022 following significant storms and basement flooding at that time and was just recently allocated these FEMA funds.

How much funding has FEMA allocated to Grosse Pointe?

The total amount of federal funding from FEMA for this project is \$21,627,583, which is roughly 76% of the estimated project cost.



How much funding is the City responsible for under this project?

The City is responsible for a local match component of roughly 24%, however, any excess of the federal funding commitment of \$21,627,583 for the project is the responsibility of the City. Based on engineering estimates, the project cost is around \$29,218,664, which leaves a potential City match of \$7,591,081. Actual City match costs are unknown until bids are opened for the project given the ongoing volatility of material and labor costs.

How is the City proposing to fund its local match obligation?

The City is proposing a voted bond proposal to secure the necessary funding to complete the scope of the stormwater separation project.

What if project bids come in higher than the City's 24% cost share for the project?

To best ensure the federal funding is maintained and market volatility does not deter the project, an allocation of \$15 Million is being requested from voters. While authorization will be for \$15 Million, City Council will determine the amount to actually levy once bids are opened and the City's needs are determined.

How much will this cost the average residential taxpayer?

The average taxable value in the city in 2023 was \$176,069. If the full \$15 million was levied over 20 years it would result in a millage increase of approximately 1.8894 mills. The average annual cost is

approximately \$332 per year. To calculate your individual cost, you can take your taxable value and divide it by 1000 and multiply that number by the millage rate. For example, \$176,069/1000 x 1.8894 = \$332.66.

Why can't the City use existing reserves for the grant match?

The City does not have existing reserves capable of covering this match commitment.

When would a ballot question be put before the voters?

The voted bond proposal will go before voters August 6, 2024.

I haven't experienced basement flooding; does this apply to me?

Yes, while most of the storm sewers are already separated, the main sanitary sewer lines service the entire City and the reduction of storm water into the sewer system helps alleviate sewer backups for everyone during significant rain events.

How does the City of Grosse Pointe millage levy compare to the other Grosse Pointe communities?

The following chart outlines the comparison of tax levies among the other Grosse Pointe communities.

Community	City Charter Operating Levy	Other Extra Voted Operating Levy	Deby Levy	Total Municipal Levy
Grosse Pointe Farms	11.5270	4.5618	0.3767	16.4655
Grosse Pointe Park	10.5917	7.6656	0.7910	19.0483
Grosse Pointe Shores	13.6444	3.6191	0.7566	18.0201
Grosse Pointe Woods	13.9269	2.5291	5.8477	22.3037
Grosse Pointe City	11.0425	3.9875	1.8090	16.8390
Grosse Pointe City w/ additional 1.8894 mills	11.0425	5.8769	1.8090	18.7284

What is the ballot language that will appear on the August ballot for this bond proposal?

Stormwater Sewer Separation and Improvements Bond Proposal

Shall the City of Grosse Pointe, County of Wayne, Michigan, borrow the principal sum of not to exceed Fifteen Million Dollars (\$15,000,000), and issue its unlimited tax general obligation bonds, in one or more series, payable in not to exceed twenty-one (21) years from the date of issue, to pay the cost of acquiring and constructing stormwater sewer separation improvements, including new stormwater sewers and pump station improvements, and other capital projects including acquisition of Department of Public Services equipment and street resurfacing improvements? The estimated millage to be levied in 2025 is 1.8894 mills (\$1.89 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds is 1.8844 mills (\$1.88 per \$1,000 of taxable value).

YES

NO

Where can I get additional information about this project?

Additional information regarding this project can be found on the City's website at www.grossepointecity.org