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### Data Collection Wrap-Up

The west Michigan and southeast Michigan regions of the pilot areas are wrapping up the data collection process, each asserting better than expected participation.

The data collection phase of the pilot has now concluded with the pilot receiving data across all asset classes that the subject matter experts decided upon. The State of Michigan's Department of Technology, Management, and Budget (DTMB) team is continuing to compile and format information provided by the regional GIS teams and communities. DTMB has begun the process of analyzing the pilot data to create preliminary reports at an aggregate level. Additionally, data has been submitted by private utility providers within the pilot regions, including gas utility project information. The pilot is also working to include broadband access and coverage in the pilot database. DTMB is working to integrate this private entity data into the overall analytics.

### Analyzing the Data

Throughout the data collection process, all data received, which aligns with the data elements identified by the subject matter expert groups, has been loaded into a secured database within the Michigan Geographic Framework (MGF) environment. As data is incorporated into the MGF, data analysis is being conducted to determine what data values are present, how complete they are across the pilot regions and what data analytics can be performed both short and longer term.

System output and reporting requirements that will be assessed as part of the pilot include overall asset condition grades, asset valuation, asset depreciation, and condition forecasting reports, among others. The reporting and data analytics will include demonstrating the geospatial

capabilities of the data in looking at information across asset types. As part of the pilot, it will be determined how the current data might also need to be augmented to perform future data analytics and reporting, such as whether available date of construction information will allow communities to perform condition grade analysis.

### Region 4 Data Collection Update

The data collection process in the West Michigan Region has been very efficient and smooth with numerous communities from both the rural and urban areas wanting to participate.

While some challenges existed, having readily available templates created was key to the success of the data collection phase. Staff from GVMC and WMSRDC were able to focus in on assisting communities collect and assemble information that the subject matter experts felt was key to the success of the pilot. Subsequent other activities worked well including the ability to offer mini-grant incentives to participate in the pilot, getting consulting firms involved in the data collection process, as well as multiple outreach events that highlighted the project. In total, 59 communities from across Region 4 submitted data. Click [here](#) to view the current map.

### Region 10 Data Collection Update

The data collection process was met throughout Region 10 with positivity and interest both within and outside the initial pilot area. Education and outreach were key aspects of the regions strategy, specifically creating awareness about the goal of the pilot project, explaining why this project was important, mitigating concerns related to data security, and informing the communities how they could participate. Use of consultants, a focus on follow up calls and continual outreach, targeting communities with GIS data, and the use of the ESRI tool were factors leading to the regions success.

SEMCOG had worked diligently throughout the data collection process and currently has participants in four counties, 28 communities, 3 of which were outside the pilot area as well as additional data from MDOT. Data is anticipated from a few more communities, one additional county and the Great Lakes Water Authority. Click [here](#) to view the current map.



## Michigan Infrastructure Council (MIC) Update

A key outcome of this pilot is to ensure that the work started sustains and advances in years to come. In addition to implementing a statewide system of asset management, one of the key recommendations of the 21<sup>st</sup> Century Infrastructure Commission was the need for the creation of the Michigan Infrastructure Council (MIC). Putting in place the MIC is important to enabling conversations on infrastructure conditions, needed investments and integrated strategies to continue into the future. Part of the vision is that the MIC would stand-up and manage the statewide asset management system, along with furthering research and conversations on best practices and strategies for asset management.

Recently, [House Bill No. 5335](#), sponsored by Representative VerHeulen was introduced to create the Michigan Infrastructure Council which would be housed within the Department of Treasury. This bill remains top on the Administration's legislative priority list for 2018. Funds from the state's Michigan Infrastructure Fund has been appropriated with the recent passage of House Bill 4320 to establish the council. Additional responsibilities of the council include: providing research and advice on asset management, evaluating existing asset management programs, developing a multiyear program, work plan and budgeting for asset management, and providing annual reports on the state of asset management in Michigan.

Immediate next steps for the MIC are to determine staffing, codification of HB 5335 and then ultimately identifying individuals to sit on the council that will champion 21<sup>st</sup> century infrastructure systems going forward.

## Private Utilities Coordination Summit

Throughout the pilot process, coordination and communication between public and private entities has been a focus and continues to be an area the pilot would like to address. Such collaboration will better enable the communities to more effectively and efficiently manage public right of way projects.

As a result of the work of regional GIS teams, the pilot has received CY 2018 project information from public sector asset owners. Meetings have taken place with private sector gas and electric companies to consider the best way to include their project information in the pilot. Select communities in each pilot region will be invited to attend a region-specific summit this coming February 2018 to help facilitate dialogue regarding coordination and communication of both private and public utility projects in the right of way. Topics of discussion will include:

- Current state of coordination and communication between public and private entities,
- best practices in Michigan and nationally,
- gap analysis of practices to determine where coordination is not evident or could be improved,
- community specific coordination of CY 2018 planned projects, and discussion of long term project planning and coordination.

## Revolving Funds Undergoing Redesign

The 21<sup>st</sup> Century Infrastructure Commission Report (Report) identified an estimated \$800 million annual gap in water and sewer infrastructure needs across Michigan. A source of water infrastructure funding that may be underutilized within the state is the Clean Water State Revolving Fund (SRF) and the Drinking Water State Revolving Fund (DWRF). These two funds are administered by the Department of Environmental Quality (DEQ) and receive federal dollars from the US Environmental Protection Agency (EPA) annually, while requiring a state match contribution. Through the Report, the Infrastructure Commission tasked the DEQ with revisions to Michigan's revolving loan funds to help incentive changes such as resource recovery and energy conservation while also increasing participation in the SRF and DWRF programs.

During late summer and early fall, the DEQ held internal workshops to begin the revolving loan fund process improvement initiative. Following the internal sessions, four external stakeholder meetings were held across the state to engage customers and create a dialog with the DEQ on what works and what doesn't work within the existing programs. Feedback received from customers was valuable in developing program redesign ideas. Key issues found to need significant change included:

- Pre-planning coordination and communication,
- project plan requirement streamlining,
- update of existing project scoring criteria,
- flexibility in loan terms and interest rates, as well as the timing of the application process.

The DEQ, with the inclusion of external customers, has formed three separate teams charged with working through the specifics of how to implement the above recommendations, including the development of new policies and procedures. In some instances, state legislation may need to be amended. The goal of the teams is to have documents drafted shortly after the first of the year.

The DEQ's target is to annually provide a minimum of \$200M of funding through SRF and \$50M through DWRF for the next 3-5 years. Additional funding is anticipated to be awarded in the form of loan principal forgiveness. These dollars should help provide a resource for communities to address infrastructure needs.

## Meeting Update:

**December 14, 2017** – Stakeholder Committee Meeting

The December Stakeholder Committee meeting brought about very informative discussions related to House Bill No. 3553 and the Infrastructure fund, West Michigan and Southeast Michigan data collection process wrap ups, including challenges and key factors for success, current status and upcoming goals around data reporting and analytics, and subsequent recommendations related to data sharing and security. While pilot specific and short-term data sharing and security solutions are in progress, longer-term solutions are concurrently being evaluated. Protecting covered data through FOIA training at the local level and statutory exemptions for critical infrastructure data, as well as mitigating liability concerns through due diligence planning are a few of the forward-looking discussion taking place at the state level.

Attendees at the Stakeholder Committee meeting additionally started reviewing recommendations of the pilot's final report across the topics of IT functionality for a statewide IT system, data collection for public entities including future data governance models, the continued use of the subject matter expert networks, and the further development of asset information were reviewed. Discussions also revolved around recommendations and considerations for the most appropriate state level data standards to incorporate as well as options for assisting smaller communities with future data collection efforts. It was also noted that recommendations on reviewing the

impact of technology relative to the data collection process will be important in years to come.

Recommendations currently under development include the continued collaboration and coordination of the private utilities, training and workforce development, the long-term value of the Michigan Infrastructure Council, and the development of a statewide asset management culture.

## Upcoming Meetings and Events

### January 31, 2018

Michigan Infrastructure Asset Management Pilot Stakeholder Meeting  
Romney Building - Lansing, MI  
9:00 a.m. – 12:00 p.m.

### CNAM 2018 Conference

The Canadian Network of Asset Management will hold its 2018 conference, "Bridging the Gap" in infrastructure finance, engineering and public policy, May 14-17 at Caesars Windsor in Canada. Ideally located across the border from Detroit, this would be a good opportunity for individuals to attend interested in leading edge professional development, idea sharing, workshops and networking with peers in government, academia and industry. Click [here](#) for more information.

## Reminder

You can access applicable meeting notes, resources, and presentations on the MI Infrastructure Asset Management pilot SharePoint site. If you do not have an account set up please contact Therese Empie at [empieT@michigan.gov](mailto:empieT@michigan.gov) for additional information.

## Communications and Resource Links

Michigan Asset Management Pilot Video:  
[Michigan Asset Management Pilot](#)

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