
From: Benzie, Richard (DEQ)
Sent: Wednesday, July 11, 2012 1:26 PM
To: 'Michelle Lee'
Cc: 'Donna Jensen (Donna.Jensen@cadmusgroup.com)'; Linda Hills (Linda.Hills@cadmusgroup.com)'
Subject: RE: Michigan - Karegnondi Water Authority (KWA) Project

Michelle,

Thanks for the update. I understand EPA's position but what is left unaddressed by this decision is the fact that Genesee County realizes they will have to absorb the costs tentatively assigned to the city of Flint if the city does not participate. If EPA feels the city isn't committed to this project, then the total project costs or at least a much higher percentage of it should be assigned to Genesee County. The authority can't construct just a portion of the project. They may be able to downsize some components but the resulting savings will not be proportional to the loss of the city's contribution.

Richard

From: Michelle Lee [<mailto:Michelle.Lee@cadmusgroup.com>]
Sent: Wednesday, July 11, 2012 11:47 AM
To: Benzie, Richard (DEQ)
Cc: Donna Jensen; Linda Hills
Subject: Michigan - Karegnondi Water Authority (KWA) Project

Richard-

EPA has reviewed the documentation submitted for the KWA project for the Genesee County and City of Flint water systems. They have come to the conclusion that Genesee should receive their committed share of \$299M. However, their decision is that the City of Flint has not shown commitment to the projects at this point, and therefore their survey should not reflect their potential share of the project.

EPA's rationale for their decision is that it's not their position to make decisions, or appear to be making endorsements, on projects when a clear decision has not yet been made at the local level.

EPA's decision doesn't change how the KWA project has been addressed in the Genesee County and City of Flint surveys. Genesee County will receive their share of the KWA project (\$299M) and the KWA project will not be added to the City of Flint survey.

Thanks,
Michelle Lee
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