
From: Hollins, Harvey (GOV)
Sent: Friday, February 20, 2015 12:57 PM
To: Elizabeth Murphy
Cc: Gerald Ambrose; Workman, Wayne (TREASURY)
Subject: RE: Flint Water Cost Analysis

Ms. Murphy,

Thank you. The calculations in the table was provided by treasury and I was seeking clarification. I am not a water expert, but I learned that typically, most rates have two components.

1. Fixed-cost recovery charge

This charge is based on the size of the water meter at the home or business. Most residential customers will have a meter between 5/8ths of an inch and 1 inch.

2. Consumption Charge

This charge is based on the amount of water used. The rate for usage is determined by the distance and elevation of the home or business from the water source.

MCF is used in many place for calculating rates; however, since Flint is currently not using this calculation, what are the cost components that make up the \$149 avg. monthly charge to the resident?

Best,
Harvey

From: Elizabeth Murphy [<mailto:emurphy@cityofflint.com>]
Sent: Thursday, February 19, 2015 9:49 AM
To: Hollins, Harvey (GOV)
Cc: Gerald Ambrose; Workman, Wayne (TREASURY)
Subject: Flint Water Cost Analysis

Mr. Hollins,

Jerry Ambrose asked me to respond to your request for more information on the Flint water cost analysis chart which you sent him yesterday. Please see the attached chart; it contains an added analysis by Jerry. The sections for which you asked for data can not be provided as we don't calculate prices in the manner you are comparing.

Jerry's chart clearly represents what Flint has been talking about - a major increase in water rates would be necessary to pay the additional charge to purchase DWSD water.

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Liz Murphy

Assistant to the Emergency Manager
City of Flint
810 237 2025