
From: Hollins, Harvey (GOV)
Sent: Friday, February 20, 2015 2:47 PM
To: Gerald Ambrose
Cc: Elizabeth Murphy; Workman, Wayne (TREASURY)
Subject: Re: Flint Water Cost Analysis

Jerry,
Thank you very much. I believe 1MCF equals 7480 gallons of water. If that is true then 10 units = 1 MCF.
Best,
Harvey

On Feb 20, 2015, at 1:40 PM, Gerald Ambrose <gambrose@cityofflint.com> wrote:

Harvey,

Quick response, subject to verification by Liz Murphy:

Components of the average charge:

\$ 57.38 fixed-cost recovery charge
\$ 91.63 consumption charge
\$149.01

Consumption charge based on 7 units of water @\$13.09 per unit

1 unit = 748 gallons of water

There may be a way to convert a unit into an MCF, but I do not know it.

Jerry

On Fri, Feb 20, 2015 at 12:56 PM, Hollins, Harvey (GOV) <hollinsh@michigan.gov> wrote:

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

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