
From: Muchmore, Dennis (GOV)
Sent: Tuesday, February 03, 2015 12:39 PM
To: Saxton, Thomas (Treasury)
Cc: Clement, Elizabeth (GOV); Stanton, Terry A. (Treasury)
Subject: Re: Flint water

Got it.

Sent from my iPhone

On Feb 3, 2015, at 11:47 AM, Saxton, Thomas (Treasury) <SaxtonT@michigan.gov> wrote:

No, we are not extending the maturity. We are simply making them pay more in a later timeframe.

From: Muchmore, Dennis (GOV)
Sent: Tuesday, February 03, 2015 9:25 AM
To: Saxton, Thomas (Treasury)
Cc: Clement, Elizabeth (GOV); Stanton, Terry A. (Treasury)
Subject: Re: Flint water

Sounds like the best solution. In essence you are extending the maturity because it extends the debt repayment schedule.

On Jan 30, 2015, at 4:43 PM, Saxton, Thomas (Treasury) <SaxtonT@michigan.gov> wrote:

We (Treasury) think we can restructure the drinking water loans the City currently has. Essentially this means deferring the upcoming April & Oct principle payts. [We can't forgive their loans nor extend the maturities].

I am rounding the numbers... originally they had 4 loans totally \$40+mm. The current amt outstanding is about \$20mm. The cash benefit of deferring the principle payts is approx. \$2.1mm.

I had talked to Jerry A. re where they would use the money. One possibility would be the consultant they are looking hire. The other is to pay for that pipeline replacement he talked about.

I talked to Jim Sygo @ DEQ to see if they had any issues because they are responsible for the program side. He checked with his staff. They had some concerns about opening up 'Pandora's Box' i.e., other distress communities would want to do this. But at the end of the day I think they would ok the deferral particularly if you (the Gov's office) supported it. Jim had left me a v-mail so I can get back to him Monday to really confirm.