
From: Robert Daddow <daddowr@oakgov.com>
Sent: Friday, February 13, 2015 11:42 PM
To: Baird, Richard (GOV)
Subject: Re: Flint

Possibly but they have been a bit hard to reach apparently since they left the field. Nikki is interested. Let's see if I can connect with her. Trouble is I am out tomorrow. Open Sunday and Monday though.

Not sure what Veolia would do that Nilkki and Bart can't. Nowling liked the notion of helping Flint and lowering the rates for wholesale.

> On Feb 13, 2015, at 8:54 PM, Baird, Richard (GOV) <bairdr@michigan.gov> wrote:

>

> If Bart Foster is right, then the reconnect should be more palatable. Should someone from GLWA talk to Veolia?

>

> Sent from my Verizon Wireless 4G LTE DROID

> ----- Forwarded message -----

> From: "Saxton, Thomas (Treasury)" <SaxtonT@michigan.gov>

> Date: Feb 13, 2015 7:13 PM

> Subject: Re: Re: Flint

> To: "Baird, Richard (GOV)" <bairdr@michigan.gov>, "Muchmore, Dennis (GOV)" <muchmored@michigan.gov>, "Hollins, Harvey (GOV)" <hollinsh@michigan.gov>

> Cc: "Workman, Wayne (TREASURY)" <WorkmanW@michigan.gov>

>

>

> You may have already seen this (below) blurb from MLive. Also, I had a call from Jerry A. He indicated Veolia is coming to the same conclusion that it may involve tweaking of the process vs some major undertaking. We will know more next week.

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> I have also attached a table Wayne's & Jerry's staff put together. My sense is there is still this thought that hooking back up to DWSD is cost neutral or nearly so. Hopefully this table shows that is not the case. The info is consistent with we sent you the other day i.e., there is an estimated 30% rate impact.

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> FLINT, MI -- A water quality expert who has spent years working with environmentalist Erin Brockovich is expected to speak at two events in Flint Saturday, Feb. 14.

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> Robert W. Bowcock, founder of Integrated Resource Management, met with Mayor Dayne Walling, Councilman Wantwaz Davis and others Friday, Feb. 13.

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> Bowcock said earlier this week that he believes small treatment and distribution adjustments could help fix some of Flint's water quality problems. He toured the city's water treatment plant Friday.

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> Walling declined to comment on his conversation with Bowcock, but city Councilman Eric Mays said he is anxious to hear his assessment and recommendations.

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> Davis said Bowcock was straightforward in giving his opinion that the city can cut back on some of the chemicals being used to treat water.

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> City spokesman Jason Lorenz issued a statement, saying, "The city of Flint honored a request for a tour of its water treatment plant submitted by Mr. Bowcock, as it has done with individuals and groups in the past.

>

> "(Director of Public Works) Director Howard Croft and F-1 Licensed Treatment Operator Mike Glasgow guided the tour and answered all of Mr. Bowcock's questions. Tours of the Water Treatment Plant can be arranged by appointment for interested groups by calling 810-787-6537."

>

> Bowcock is scheduled to join in a march for water quality through downtown Flint, which is planned to begin at 1 p.m. Saturday at Flint City Hall, 1101 S. Saginaw St., and end at The Durant.

>

> Bowcock is also scheduled to speak at a forum at the Saints of God Church, 2200 Forest Hill Ave., Flint, from 3-4:15 p.m.

>

> Brockovich, portrayed by Julia Roberts in a 2000 movie about her fight over the pollution of a California town, has been speaking out on Facebook about Flint's water issues for several weeks.

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> Today, she posted a photo of Bowcock, Davis and march organizer Melissa Mays inside the Flint water plant, saying she was "so honored this community would seek my help ... and I am glad I could send Bob to get it done."

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> In addition to customer complaints about the price and quality of the water, there were several boil water advisories in Flint in 2014 and the city was found in violation of the Safe Drinking Water Act for excess total trihalomethanes in the water supply last year.

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> The city began using the Flint River as its source of drinking water in April after 50 years of handling only the distribution of already-treated Lake Huron water purchased from the Detroit Water and Sewerage Department.

>

> Since that time, some citizens and members of the City Council have advocated abandoning the use of the river and purchasing lake water from the Detroit until the Karegnondi Water Authority pipeline is complete.

>

> The city and Genesee County are partners in the KWA.

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> [http://www.mlive.com/static/aff/static/img/logo_v001.png]Real Estate

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> From: Baird, Richard (GOV)

> Sent: Thursday, February 12, 2015 11:34 PM

> To: Muchmore, Dennis (GOV); Saxton, Thomas (Treasury); Workman, Wayne (TREASURY)

> Subject: Fwd: Re: Flint

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> Sent from my Verizon Wireless 4G LTE DROID

> ----- Forwarded message -----

> From: Robert Daddow <daddowr@oakgov.com>
> Date: Feb 12, 2015 11:32 PM
> Subject: Re: Flint
> To: "Baird, Richard (GOV)" <bairdr@michigan.gov>
> Cc:
>
> Should not have thought politically but financially in the first place. This is very doable. We need to chat. Rjd
>
>
> On Feb 12, 2015, at 10:32 PM, Bart Foster <bfooster@fostergroupllc.com<mailto:bfooster@fostergroupllc.com>> wrote:
>
> Actually, my quick take is about 8%.
>
> Some background:
> When Flint left, the annual revenue profile for the Water System was initially reduced by \$12.5 million, However, we immediately recalculated the rate for Genesee County (recognizing their higher demands), to effectively "claw back" about \$2 million of the reduction, so the net Flint impact is ~ \$10.5 million, or just under 2.5% of the (reduced) Water System rate revenue. Assuming that same amount could be replaced, and all else being equal, the "system rate increase" could be reduced by about 3 percent, with a bit more of the reduction occurring in the suburban wholesale rate structure. Safe to say that (again, absent any other changes) the average suburban water rate increase would be closer to 8 percent compared to the current 11.1%.
>
> Hope this helps . . .
> --
> Bart Foster
> President
> THE FOSTER GROUP
> (913) 345-1410
> (913) 345-1640 fax
> **PPI** ell

> Please note that the information in this message along with any attachments are intended for the exclusive use of the addressee and may contain confidential or privileged information. If you are not the intended recipient, please do not forward, copy or print the message or its attachments: notify me at the above address and delete this message and any attachments.

> Thank you.

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> On Feb 12, 2015, at 7:02 PM, Bart Foster <[REDACTED]>> wrote:

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> Bob - in transit but will review and reply this evening.

>
> Sent from my iPhone

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> On Feb 12, 2015, at 3:44 PM, Daddow, Robert <daddowr@oakgov.com<mailto:daddowr@oakgov.com>> wrote:

>
> Nikki / Bart – don't need a hard and fast number on this. However, it would seem to me that in a fixed cost system such as water, if Flint were to be hooked up again at the \$847K / month cited in Ms. McCormick's January 12th memorandum and after the release of the rates yesterday, bringing Flint back would – on a marginal cost basis – serve to mitigate the wholesale (suburban) customer rate increase of 11.1% cited in yesterday's presentation. Without going into a whole lot of detailed calculations (unless necessary), what would the impact of the inclusion of Flint starting say on July 1, 2015 (hypothetical date) be on the rate increase presently now in the public? A revised increase of what – 10.6% - looking for a high level sensitivity analysis here. Can you help? RJD

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> <Annual Comparison Flint with DWSD 021315.pdf>