

From: [Benzie, Richard \(DEQ\)](#)
To: ["Michelle Lee"](#)
Cc: ["Linda Hills"; Prysby, Mike \(DEQ\)](#)
Subject: RE: Flint Needs
Date: Wednesday, June 13, 2012 4:18:00 PM

Below is Mike Prysby's response to your question. As you can see, the county does not want their position to be publicly known at this time. I don't know to what extent the county would "scale down" the project and I'm not sure they even know at this time because it is truly a last resort.

Richard

From Mike Prysby:

Genesee County has mentioned to me verbally several times that they will proceed with KWA with or without Flint. They also indicated that the project could be scaled down. As far as I am aware the county has not gone public with this....since this could be one of their trump cards they're not wanting to play prematurely (if they need to) depending on the long-term alternative Flint commits to. Hope this helps.

Michael Prysby, P.E.
Acting District Supervisor
RMD, MDEQ
335-6122

From: Benzie, Richard (DEQ)
Sent: Wednesday, June 13, 2012 11:45 AM
To: 'Michelle Lee'
Cc: Linda Hills; Prysby, Mike (DEQ)
Subject: RE: Flint Needs

That is a question for Mike Prysby to answer so I will discuss it with him to see what the county has planned should the city not participate in the KWA project. One of us will respond after our discussion.

However, I believe the city will eventually participate. It is my understanding that Flint's share of the raw water transmission system (intake, shore well, pumping station(s), transmission mains, storage tanks) has been identified. But since the city is unable to commit at this time, Genesee County decided they would initiate construction of the intake and shore well without the city's proportional share obligated. I suspect they are proceeding on the belief that Flint will eventually participate and at that time, be required to contribute their full share for the entire project. Like me, the county believes the city will not be able to resist the opportunity to operate their water treatment plant on more than a standby basis that this project will offer. However, the city is currently in financial distress and under the direction of an Emergency Manager appointed by the Governor. As a result, every financial commitment is being closely scrutinized until the city regains their financial footing.

As an example, I believe the city has declined a DWRP loan next year for distribution system improvements even though it was being proffered with 50% loan forgiveness due to the city's disadvantaged status. The acting city manager said he just couldn't ask residents to go further in debt even if it is only for half the cost of the project. He said that when your pockets are empty, further debt is irresponsible. One of the advantages of an Emergency Manager in Michigan is the ability to reopen employee contracts and negotiate reductions in costs. Hopefully, the reduced expenses achieved by this process will allow the city to emerge from their current status and once again make future obligations to ensure continuity of services, including the water system.

Mike or I will get back to you after we determine what Genesee County plans to do if the city fails to join the KWA.

From: Michelle Lee [\[mailto:Michelle.Lee@cadmusgroup.com\]](mailto:Michelle.Lee@cadmusgroup.com)
Sent: Wednesday, June 13, 2012 10:43 AM
To: Benzie, Richard (DEQ)
Cc: Linda Hills; Prysby, Mike (DEQ)
Subject: RE: Flint Needs

Richard-

We have decided to send the information for the KWA project to EPA for review. Can you provide us with information regarding Genesee County's plans if the City of Flint doesn't participate in the KWA project?

Thanks,
Michelle Lee
The Cadmus Group, Inc.
2620 Colonial Drive, Ste. A
Helena, MT 59601
(406) 457-5225
michelle.lee@cadmusgroup.com

From: Benzie, Richard (DEQ) [\[mailto:BENZIER@michigan.gov\]](mailto:BENZIER@michigan.gov)
Sent: Monday, June 11, 2012 1:17 PM
To: Michelle Lee; Prysby, Mike (DEQ)
Subject: RE: Flint Needs

Michelle,

Michelle,

If you are not willing to accept the city's tentative commitment (is that an oxymoron?) to KWA, will you adjust the percentages of this project that you assigned to Genesee County to reflect the fact that they will have to adsorb the costs not being born by the city of Flint? There is no one else to pay the city's share and the County has signed a contract to initiate this project with or without the city's participation.