

I am not in the position to offer much detail into Flint's water rates and how they are established. Those type of complaints or inquiries are best answered by the city. I can inform Sheila about the city's DWRf loan (early 2000s) used to renovate the WTP and I will suggest that Sheila ask the city how the DWRf debt balance is factored into the water rate structure. I recall the original DWRf loan amount (approx \$35 million) for treatment plant upgrades and a current balance of approx \$20 million. If I am off on these numbers...let me know. Thanks...

Michael Prysby, P.E.
District Engineer
Office of Drinking Water and Municipal Assistance
517 290-8817

From: Sheila Bailey-Waddell [<mailto:sheila.bw@hotmail.com>]
Sent: Friday, April 03, 2015 4:34 PM
To: Prysby, Mike (DEQ)
Subject: RE: City of Flint Water

Michael,

I refuse to believe that you were unaware of this incident. I have provided a link below for your reference and that you were informed. Although you have stated that you do not regulate the rates, there, perhaps, is an indirect relationship with Michigan DEQ components and rates charged (i.e revolving funds, loans, etc...). Somewhere in your agency's organization structure these two elements must cross.

http://www.mlive.com/news/flint/index.ssf/2015/04/flushing_discharges_nearly_100.html

Thank you,
Sheila

From: PRYSBYM@michigan.gov
To: sheila.bw@hotmail.com
Subject: City of Flint Water
Date: Fri, 3 Apr 2015 19:57:28 +0000

Sheila,

To better help address your first concern pertaining to the spill of sewage into the Flint, I will need to know the location of the spill and when it occurred. Your second concern, pertaining to the high cost of water cannot be answered by our department since we do not regulate how a water utility charges its customers. It is the city's obligation, as part of building good public relations and perception, to provide an informative response to customers concerned over high water rates.

Michael Prysby, P.E.
District Engineer
Office of Drinking Water and Municipal Assistance
MDEQ