

Rennaker, Joanne (DEQ)

From: Donaldson, Kristina (DEQ)
Sent: Thursday, October 29, 2015 11:21 AM
To: Benzie, Richard (DEQ)
Cc: Busch, Stephen (DEQ)
Subject: FW: DWSD Emergency Water Service to City of Flint
Attachments: DocFlint Letter and Contract 101615.pdf

You probably already have this... FYI

From: teresa@projectinnovations.com [<mailto:teresa@projectinnovations.com>]
Sent: Thursday, October 29, 2015 9:45 AM
To: Donaldson, Kristina (DEQ)
Subject: DWSD Emergency Water Service to City of Flint

Attached is the letter and contract regarding the DWSD emergency water service agreement with the City of Flint.



CITY OF DETROIT
WATER AND SEWERAGE DEPARTMENT
OFFICE OF THE DIRECTOR

735 RANDOLPH STREET
DETROIT, MICHIGAN 48226-2830
WWW.DETROITMI.GOV

October 26, 2015

Dear Valued Water Customer:

Regarding: Restoration of Emergency Water Service to City of Flint

I write to you today with a remarkable example of a collaborative and cooperative effort in difficult times. On October 14, 2015, the Board of Water Commissioners authorized me to negotiate and, in consultation with Board Chairman Fausone, execute an agreement to restore water service to the City of Flint. On October 16, 2015, a final agreement to provide emergency water service to Flint was executed and Flint began receiving water from the Detroit Water and Sewerage Department (DWSD) system that same evening.

Here are some highlights of the agreement:

- The agreement has a nine (9) month term which may be extended by mutual agreement assuming the public health risk remains, and an alternative supply source is not available.
- Flint will transfer to DWSD ten million dollars as an estimated pre-payment for the services for the nine (9) month term, which is based on the annual volume, max day and peak hour values stated in Exhibit B of the agreement. Two million dollars was transferred on October 16, and the remainder was received on October 19. This estimated prepayment does not relieve Flint from its obligation to pay for all actual charges for services.
- In addition to the estimated prepayment, Flint has agreed that DWSD bills constitute an account stated, and will not oppose an action to collect.
- Flint agrees to defend and indemnify DWSD from any actions resulting from the provision of water under this agreement and Flint's distribution of that water.
- As recommended by its environmental consultant, Flint will be allowed to add phosphate to the DWSD water to coat its pipes and stem future lead leeching. DWSD and Flint will coordinate efforts to ensure that customers are aware of this, and that there may be some transitional water quality issues remaining after reconnection while Flint's system is fully flushed.
- The Genesee County Drain Commissioner (GCDC) and Flint have agreed that Flint may be served through GCDC's master meter connection to the DWSD system. GCDC has a second meter by which GCDC will deduct from the DWSD master meter to determine the Flint usage, and will provide DWSD with a monthly report of Flint's usage.
- The agreement may and is expected to be assigned to the Great Lakes Water Authority.