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**From:** Dillon, Andy (Treasury)  
**Sent:** Wednesday, April 24, 2013 3:17 PM  
**To:** George Karmo  
**Cc:** David Guastella; Stibitz, Brom (Treasury); Saxton, Thomas (Treasury); Awni Qaqish; Wyant, Dan (DEQ)  
**Subject:** Re: Flint/GC Presentation

Thank you George.

Sent from my iPad

On Apr 24, 2013, at 1:30 PM, "George Karmo" <[GKarmo@tyit.com](mailto:GKarmo@tyit.com)> wrote:

> Mr. Dillon:

>

> We have reviewed DWSD's final offer to Flint/ Genesee County of April 24, 2013 and find it responsive to Flint's concerns and their water demand requirements. The offer appears to mitigate all the potential risks to Flint (joining KWA) identified by TYIT in our February 2013 Report to you and our subsequent meetings.

>

> We have one recommendation for consideration related to service redundancy (refer to bottom of page 2 and top of page 3 & Item 4, page 10 of the power point presentation material of DWSD's offer document): TYIT would recommend that Flint asks DWSD to construct the second redundant line from Imlay Station to Flint and possibly purchase the existing 72 inch Flint- Owned line from Baxter/Potter (FL-1) to the Flint WTP. This redundant line cost could either be allocated to the entire DWSD water system (common to all allocations) or the cost could be included under the new water rate to Flint (should push to be included in the common to all allocations). TYIT believes that this would result in the following benefits:

>

> 1. Since Flint is unable to cost- effectively bond capital, the cost of financing could be easily obtained by DWSD;

> 2. DWSD has detailed and unique engineering experience for large and lengthy transmission mains design and construction; and

> 3. Long term operation and maintenance of the piping would be the responsibility of one entity, thus mitigating in the future who may be responsible for water main failures (breaks, leaks, hydraulic transients, etc.).

>

> With the twin line, redundancy will be afforded to Flint's supply which will help in eliminating the dependency on the WTP/Flint River (except for the use of the high lift pumps) and thus generating tremendous O&M savings.

>

> Please let us know if need any additional support.

>

> Regards,

> George Karmo, P.E., BCEE

> TYIT/President

> 313-234-0337 (direct office)

> 313-402-0356 (cell)

> [gkarmo@tyit.com](mailto:gkarmo@tyit.com)

>

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> -----Original Message-----

> From: Dillon, Andy (Treasury) [[malito.DillonA2@michigan.gov](mailto:malito.DillonA2@michigan.gov)]

> Sent: Wednesday, April 24, 2013 10:11 AM

> To: David Guastella; George Karmo  
> Cc: Stibitz, Brom (Treasury); Saxton, Thomas (Treasury)  
> Subject: Fwd: Flint/GC Presentation

>

> FYI.

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> Sent from my iPad

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> Begin forwarded message:

>

> From: Sue McCormick <[mccormick@dwsd.org](mailto:mccormick@dwsd.org)<<mailto:mccormick@dwsd.org>>>

> Date: April 24, 2013, 9:22:17 AM EDT

> To: Ed Kurtz <[ekurtz@cityofflint.com](mailto:ekurtz@cityofflint.com)<<mailto:ekurtz@cityofflint.com>>>

> Cc: Jim Fausone <[jfausone@fb-firm.com](mailto:jfausone@fb-firm.com)<<mailto:jfausone@fb-firm.com>>>, orrk  
<[orrk@detroitmi.gov](mailto:orrk@detroitmi.gov)<<mailto:orrk@detroitmi.gov>>>, "Dillon, Andy (Treasury)"  
<[DillonA2@michigan.gov](mailto:DillonA2@michigan.gov)<<mailto:DillonA2@michigan.gov>>>

> Subject: Fwd: Flint/GC Presentation

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> Good morning again Mr. Kurtz,

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> Please find attached a pdf version of the power point presentation noted in today's proposal sent earlier. This document provides an executive summary level view of the proposal.

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> Best regards,

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>

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> Sue

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> Sue F. McCormick, Director

> Detroit Water and Sewerage Department

> 735 Randolph, Room 506

> Detroit, Michigan 48226

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> [McCormic@dwsd.org](mailto:McCormic@dwsd.org)<<mailto:McCormic@dwsd.org>>