

Koryzno, Edward (Treasury)

From: Koryzno, Edward (Treasury)
Sent: Wednesday, December 12, 2012 9:32 AM
To: Fraser, Roger (Treasury)
Subject: TJY&T Presentation of KWA Analysis

TJY&T will present their preliminary findings, per the RFP, on 12/21/12. Eric is working on a "guest list and location for the meeting. I suggested the Treasurer's Board room and I am proposing the following list for your consideration:

Andy
Roger
Brom
Ed
Eric
Ed Kurtz
Jerry Ambrose
Mike Brown

Have I missed anyone?

When I spoke to Ed Kurtz yesterday he asked to receive a copy of the findings before the meeting.



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Thank you

Koryzno, Edward (Treasury)

From: Koryzno, Edward (Treasury)
Sent: Wednesday, December 12, 2012 11:27 AM
To: Fraser, Roger (Treasury)
Subject: FW: Flint Water Assessment Conference Call Report

Below are preliminary findings from TYJ&T.



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Thank you

From: Cline, Richard (Treasury)
Sent: Wednesday, December 12, 2012 9:49 AM
To: Koryzno, Edward (Treasury); Byrne, Randall (TREASURY)
Subject: Flint Water Assessment Conference Call Report

Ed/Randy,

I just completed a phone conference with Dave Guastella regarding the status of the Flint Water Assessment. Here is a brief summary.

- TYJT is analyzing cost and inflation factors for the **DWSD** and **KWA** options.
- **DWSD** has an option of using their Model Contract option, which would lower Flint's rates.
- **DWSD** also has the Blended Water option. This could also lower Flint's rates, but would require the City to make some investment upgrades in their Water Plant.
- Another option would be to move the water supply point further east to the Imlay City area. This would lower rates but **DWSD** would also be interested in selling the 72" water main to Flint.
- TYJT is evaluating the cost model created by **KWA**, but there are some unknowns that make precise projections difficult.
- TYJT believes that **KWA** needs to increase the percentage of their Engineering Contingency to account for some of these unknowns.
- A Bonding Reserve of around 10% is apparently lacking.
- There appears to be insufficient capitalization of the principal and interest over the first 3-years of construction.