

Cousineau, Sara (Treasury)

From: MIStateTreasurer
Sent: Monday, April 01, 2013 1:36 PM
To: Stibitz, Brom (Treasury); Dillon, Andy (Treasury); Fraser, Roger (Treasury)
Cc: Hichez, Amy (Treasury); Cousineau, Sara (Treasury)
Subject: FW: Karegnondi Water Authority - Oakland County opposition
Attachments: 2013 03 28 Dillion re Flint.docx

FYI

Faith Rodriguez

General Office Assistant

Executive Office - Department of Treasury

(517) 241-2840 - direct

(517) 373-3223 - main

From: Nash, Jim [mailto:nashj@oakgov.com]
Sent: Monday, April 01, 2013 11:19 AM
To: MIStateTreasurer
Subject: Karegnondi Water Authority - Oakland County opposition

Treasurer Dillon;

Please find the attached letter in opposition to Flint/Genesee County contract with the Karegnondi Water Authority. We in Oakland County do not see the business case for this project and the result could cause higher rates for our customers.

Thank you for your consideration.

Jim Nash

Oakland County Water Resources Commissioner
One Public Works Drive
Building 95 West
Waterford, MI 48328
(248) 858-0968

April 1, 2013

Andy Dillon, State Treasurer
State of Michigan
Department of Treasury
PO Box 30716
Lansing, Michigan 48909

Re: DWSD Water Services and the City of Flint

Dear Treasurer Dillon:

I am writing to express my concerns with the City of Flint's recent action to pursue a 25-year contract for water supply with the Karegnondi Water Authority. We believe that the business case for the Karegnondi Water Authority has not been sufficiently validated, whereas the savings to the City and Genesee County ratepayers, if the City were to continue its relationship with the City of Detroit, is more immediate and calculable. The City of Detroit maintains that the City and Genesee County ratepayers would save approximately \$4 Million annually with a new water supply contract, which is basically the same savings predicted by the KWA. Simply put, it does not make economic sense for the City of Flint to separate itself from the Detroit regional water supply system.

Sincerely,

Jim Nash

Cc: Sue McCormick, DWSD Director