

Koryzno, Edward (Treasury)

From: Cline, Richard (Treasury)
Sent: Tuesday, January 08, 2013 12:54 PM
To: Koryzno, Edward (Treasury); Byrne, Randall (TREASURY)
Subject: FW: Draft Flint Supply Assessment.Questions

FYI.

From: David Guastella [mailto:DGuastel@tyjt.com]
Sent: Tuesday, January 08, 2013 11:39 AM
To: Cline, Richard (Treasury)
Subject: RE: Draft Flint Supply Assessment.Questions

Eric

I ran some rough numbers and I would say that the twin pipe for Flint's 18 MGD demand next to the 72-inch main would probably be a 24 or 30-inch pipe and approximately cost \$50M. I hope this helps.

Dave

From: Cline, Richard (Treasury) [mailto:cliner1@michigan.gov]
Sent: Thursday, January 03, 2013 1:25 PM
To: David Guastella
Subject: RE: Draft Flint Supply Assessment.Questions

Dave,

Thanks for the information. I will be in-touch.

Eric Cline | Unit Operations Specialist - Office of Fiscal Responsibility
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From: David Guastella [mailto:DGuastel@tyjt.com]
Sent: Wednesday, January 02, 2013 1:29 PM
To: Cline, Richard (Treasury)
Cc: Byrne, Randall (TREASURY); George Karmo; Cubba, John; Awni Qaqish; Fraser, Roger (Treasury); Koryzno, Edward (Treasury)
Subject: RE: Draft Flint Supply Assessment.Questions

Eric

Sorry for the delayed response; in addition to the holidays we also moved our office. We are just getting things organized.

Below is my response to your questions. Please review and let me know if you have any questions.

Additionally, as we discussed at the presentation. We will wait to hear back from you regarding the January 10th meeting with Flint and what adjustments will be needed to the schedule. However, we will begin drafting the report.

Dave

From: Cline, Richard (Treasury) [<mailto:cliner1@michigan.gov>]
Sent: Friday, December 28, 2012 2:13 PM
To: David Guastella
Cc: Byrne, Randall (TREASURY)
Subject: Draft Flint Supply Assessment.Questions
Importance: High

Dave,

Good afternoon. I hope you had a good holiday and are planning on a good New Year.

Thanks for the presentation information. Just to follow-up, it appears that no additional presentation on the 15th is being asked for. Should that change, I will let you know.

I have some additional questions I want to clarify with you. Some of these are just internal questions we have and want to make sure we are interpreting your presentation information correctly. I have highlighted my specific questions for clarity.

- You should have received a copy of a letter from DWSD to Flint dated December 21st. As I review the options that they provide Flint, I note some differences with what you outlined as the DWSD options for Flint. **Have you taken these changes into account? If not, what is the impact these "latest" proposals will have?**

Yes, we did receive a copy from the Director dated, December 21st. The proposals appear to be similar to what we presented for the 18 MGD maximum day customer from P&B and from Imlay. However, the attached exhibits referenced were not attached for us to review the specific rates.

Overall, I have some broad, "strategic" questions:

- Anticipating a return of future growth to the City, **what is the maximum MGD DWSD could provide to Flint? What about KWA?** The overall question is whether either entity could provide more water to Flint than is anticipated if they needed to.

Regarding the KWA, we do not have specifics on the route and profile so we can't do a hydraulic analysis to determine the additional capacity that could be provided by their proposed system. However, prior hydraulic analyses of the existing 72-inch main has shown that in excess of 90 MGD can be supplied to Flint by DWSD.

- On the flip-side, if decline continues in Flint, **what happens if Flint needs less water than projected? What would that do to the financial projections?**

Regarding both proposals we need to know the volume of water purchased to do a reasonable estimate. With regards to KWA, since the percentage of the water supplied would be reduced, we would need to confirm that their capital investment obligation would be reduced accordingly based on Flint's percentage of the total volume.