

Koryzno, Edward (Treasury)

From: Fraser, Roger (Treasury)
Sent: Thursday, February 21, 2013 6:15 PM
To: Stibitz, Brom (Treasury); Koryzno, Edward (Treasury)
Subject: RE: Treasury Flint Water Supply Assessment

We've been working on the final touches to our KWA report, which includes our recommendation. However, we learned within the past few days that Tucker Young apparently met with Andy and is exploring another alternative. Do you have any information about that?

I asked for some additional edits on the Highland Park plan, which has been evolving along with the KWA report.

From: Stibitz, Brom (Treasury)
Sent: Thursday, February 21, 2013 3:30 PM
To: Fraser, Roger (Treasury); Koryzno, Edward (Treasury)
Subject: FW: Treasury Flint Water Supply Assessment

Did we ever track down the responses to Andy's KWA questions?

What about the Highland Park plan?

From: David Guastella [mailto:DGuastel@tyjt.com]
Sent: Thursday, February 21, 2013 1:07 PM
To: jfausone@fb-firm.com
Cc: mccormick@dwds.org; George Karmo; Awni Qaqish; Dillon, Andy (Treasury); Cline, Richard (Treasury); Stibitz, Brom (Treasury); Koryzno, Edward (Treasury)
Subject: FW: Treasury Flint Water Supply Assessment

Jim

The purpose of this email is to summarize our discussion from our meeting on February 15th for the Treasury who was not in attendance. They are copied on the email along with the Director and our staff who were present at the meeting. Please review the bullet items below and "Reply to All" if you have any revisions. TYJT is prepared to assist in any way possible to resolve the Flint supply issue.

- TYJT provided DWSD with a copy of the final report titled, "City of Flint Water Supply Assessment, February 2013."
- In addition to the options presented in the report, TYJT discussed the possibility of moving the metering point for Flint to Flint's WTP and twinning the existing pipeline so that the Flint WTP could be abandoned. The second line would serve as the required redundancy to Flint.

Moving the metering point to the Flint WTP would potentially allow for the entire cost of twinning the existing 72-inch main to be covered in DWSD's rate calculations as a Common to All cost that would get allocated as capital over the entire DWSD wholesale customer base. Since DWSD costs by customer are based on distance and elevation components it was recognized that moving the supply point west would increase the distance, but that the elevation of the plant appeared to be lower than the current supply point at Potter & Baxter. Therefore, the distance component may be off set in some degree by the elevation component. TYJT provided preliminary costs for twinning the pipeline to DWSD to aid in their calculation. DWSD indicated that they would estimate the rate impacts to Flint and get back with TYJT.

There was a brief discussion related to whether DWSD would buy the existing Flint main between the existing metering point at Potter & Baxter and the Flint WTP. It was found that a better understanding related to the condition of this main and its value would need to be evaluated.

- The DWSD Board of Water Commissioners is comprised of Detroit representatives and representatives from Oakland, Macomb, and Wayne Counties. Adding a representative from Genesee County was discussed. DWSD needs to look at charter restrictions and the judge's ruling to determine how this issue could be addressed.
- There was concern expressed as to whether KWA representatives are representing the actual opinions of the individual communities within the counties being supplied by DWSD. A discussion of possibly holding presentations of the Treasury findings to the individual communities was discussed.
- In general, the meeting was very positive with DWSD willing to address the issues Flint has identified so that the Department can retain Flint as a customer.

Dave

From: Fausone, Jim [mailto:JFausone@fb-firm.com]
Sent: Thursday, February 14, 2013 2:59 PM
To: David Guastella
Subject: Friday Meeting On

David - This is to confirm Friday's 130pm meeting. Please send me the location. I met with Mr. Dillon today and he said to get with TYJT and discuss the Flint issue. I believe he was giving you and me full authority to meet and discuss. Feel free to call or email him. So, I would like to bring Director McCormick with me tomorrow and see the new digs and talk about Flint. Does that work? Jim

James G. Fausone

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