

Let's discuss.

Sent from my iPhone

Begin forwarded message:

From: "Stibitz, Brom (Treasury)" <StibitzB@michigan.gov>
Date: March 4, 2013, 9:19:04 PM EST
To: "Koryzno, Edward (Treasury)" <KoryznoE@michigan.gov>
Cc: "Fraser, Roger (Treasury)" <FraserR1@michigan.gov>
Subject: KWA

Couple of followup questions on the memo.

- 1) I can't find an attachment that is referenced.
- 2) The statement is made a couple times that even the most expensive KWA projection is still cheaper than DWSD. What assumptions are made about rate increases for DWSD that leads to this conclusion?
- 3) How does the new issue of the second pipe for redundancy change the equation? Does it affect the recommendation?

Thanks.

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Project Costs - TYJT Slides 26 through 30

	KWA	TYJT
Intake and Crib		
Construction	\$22,076,850	\$22,076,850
ELAC	\$5,519,213	\$5,519,213
Property	\$2,300,000	\$2,300,000
 Pumping Stations		
Construction	\$24,618,080	\$54,573,314
Land		\$75,000
ELAC	\$6,154,520	\$16,394,494
 Transmission Mains		
Construction	\$166,202,316	\$167,419,530
ELAC	\$41,550,579	\$50,225,859
Easements		\$1,166,170
 Engineering		
Design Engineering		\$16,939,581
Construction Management		\$14,434,609
Administration		\$349,440
Legal / Easements / Contracts		\$831,000
Power	\$4,000,000	\$4,000,000
Redundant Power		\$1,273,200
 Total Construction	\$212,897,246	\$244,069,694
Total ELAC	\$53,224,312	\$104,694,196
Total Land / Property / Easements	\$2,300,000	\$3,541,170
Total Power	\$4,000,000	\$4,000,000
Total Redundant Power	\$0	\$1,273,200
 Total	\$272,421,558	\$357,578,260
 ELAC as % of Construction	25.0%	42.9%