

Pleyte, Beth (Treasury)

From: Saxton, Thomas (Treasury)
Sent: Wednesday, March 20, 2013 1:53 PM
To: Dillon, Andy (Treasury)
Cc: Stibitz, Brom (Treasury)
Subject: Re: Question - Tucker Young

For whatever credibility I have; I was a witness. Andy asked them given their past work with dwsd could they be a honest broker in this assessment and their response was an unequivocal "yes". To a point Brom raised previously are you ok with the rate assumptions over time ?

Sent from my iPhone

On Mar 20, 2013, at 10:28 AM, "Dillon, Andy (Treasury)" <DillonA2@michigan.gov> wrote:

I asked them that point blank w Tom.

Sent from my iPhone

On Mar 20, 2013, at 10:24 AM, "Stibitz, Brom (Treasury)" <StibitzB@michigan.gov> wrote:

I don't mean to argue with the numbers, but the document feels like a "sell job" to me. Were you totally clear with them in the meeting that his was unbiased by their relationship with DWSD?

From: David Guastella [<mailto:DGuastel@tyjt.com>]
Sent: Monday, March 18, 2013 10:30 AM
To: Stibitz, Brom (Treasury)
Cc: George Karmo; Koryzno, Edward (Treasury); Cline, Richard (Treasury); Dillon, Andy (Treasury); Hichez, Amy (Treasury)
Subject: RE: Treasury: Flint Assessment

Good morning Brom,

We were contacted by the Treasurer last Thursday and met with him on Friday. He also asked that we draft a summary recommendation for his use. It is was sent to him yesterday and is attached to this email along with his response below. Our recommendations are for Flint to continue with DWSD's services in lieu of being supplied by KWA.

Although your memorandum took into account alternative proposals by KWA, it did not consider DWSD's new proposals made through the Treasury last month to build a second parallel line to the existing Flint WTP. These proposals are less costly than the most optimistic KWA proposal and the cost information was provided to the Treasurer on Friday as well. Note that the a second parallel line removes the need for Flint to operate its treatment plant and significantly reduces their operating costs. The additional reasons for our recommendations are also summarized in the attached recommendations.

It is also worth noting that it is good engineering practice to be conservative in estimates when a majority of the design has not been completed. We believe this to be prudent; especially when considering the financial capabilities and responsibilities of the end user (Flint). When a design is nearly complete, then it is acceptable to use the engineering estimate as there are specific quantities and materials of construction to cost out.

This point is brought to your attention to outline our approach. For the intake estimate, which was 90% complete at the time of our analysis, was used "as provided" in our cost comparison. We would hope that this cost is close to the contractors bid in February. However, this should not be consider a telltale for the rest of the project as the remaining costly components are only designed at a very preliminary level.

Please contact me should you need further clarification or have any questions.

Thank you,
Dave

-----Original Message-----

From: Dillon, Andy (Treasury) [<mailto:DillonA2@michigan.gov>]

Sent: Sunday, March 17, 2013 6:49 PM

To: David Guastella

Cc: George Karmo; Awni Qaqish; Hichez, Amy (Treasury); Saxton, Thomas (Treasury); Stibitz, Brom (Treasury)

Subject: Re: Flint Water Supply Alternatives

Thank you. This is exactly what I am looking for.

Sent from my iPad

On Mar 17, 2013, at 1:11 PM, "David Guastella" <DGuastel@tyjt.com> wrote:

> Good afternoon Treasurer Dillon,

>

> As requested in our meeting on Friday, March 15th, I am attaching TYJT's recommendation regarding Flint's alternatives for water supply. Please do not hesitate to contact us should you have any questions or wish us to look into anything further regarding this issue.

>

> Thank you,

>

> Dave

> <[TYJT Recommendation DWSD vs Flint.pdf](#)>

From: Stibitz, Brom (Treasury) [<mailto:StibitzB@michigan.gov>]

Sent: Monday, March 18, 2013 9:57 AM

To: David Guastella

Cc: George Karmo

Subject: Treasury: Flint Assessment