Koryzno, Edward (Treasury)

From: Byrne, Randall (Treasury)
Sent: Friday, May 02, 2014 10:18 AM
To: Workman, Wayne (TREASURY); Koryzno, Edward (Treasury)
Cc: Dempkowski, Angela (Treasury)
Subject: Flint pipeline sale
Attachments: FW: Flint Pipeline Sale

Wayne and Ed:

I just spoke to Jerry Ambrose regarding the pipeline sale. I've asked for a copy of the sale agreement and advised him that it would have to go to the City Council for approval. I am attaching several e-mail discussions on the issue between Ashley and Drew outlining the required steps. Please let me know if you have any questions.

Thanks,
Randy,

Randall D. Byrne, Manager, Office of Fiscal Responsibility
State of Michigan 430 W. Allegan St. , Lansing, MI 48922
ByrneR1@michigan.gov (517) 335-2521

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Vandegrift, Drew (TREASURY)

From: Vandegrift, Drew (TREASURY)
Sent: Thursday, May 01, 2014 9:50 AM
To: Gelisse, Ashley (DTMB)
Subject: RE: Flint Pipeline Sale

Ashley,

Sounds good. In my mind, the key would be for all EMs to post complete section 17 quarterly reports on their websites (as mandated by MCL 141.1557). If these reports always contained an updated F&O plan as they should (See MCL 141.1557(h)) then our office can simply compare the approval request to the latest F&O plan, and determine what approvals are necessary.

It is my hope that the upcoming EM conference will be an opportunity to get all the EMs submitting proper reports.

It is still the plan for my office to operate as if the Governor has delegated approvals for sales of all assets <100k, under 12(1)(r)?

-Drew

From: Gelisse, Ashley (TREASURY)
Sent: Thursday, May 01, 2014 9:38 AM
To: Vandegrift, Drew (TREASURY)
Subject: RE: Flint Pipeline Sale

Drew,

I agree with everything you've outlined below. You're correct that if there was no competitive bidding process the Treasurer's approval would still be needed. I'm curious as to why it wasn't bid out somehow though ... maybe just too few buyers.

Anyhow, Fred and I spoke about this today and he agrees that the mention in the F&O plan, such as it is, is sufficient. After some discussion, we'd recommend a two-pronged approach going forward:

- Amend the PA 436 guidance document (the one I sent to you yesterday) to clarify that OFR expects to be kept up to date on projects mentioned in the F&O plan as they develop. This can be done via memo, meeting, or in the weekly calls that OFR has with the EMs. Absent such updates, OFR may still require separate approval under PA 436.