

Widigan, Robert (TREASURY)

From: Gerald Ambrose <gambrose@cityofflint.com>
Sent: Friday, February 06, 2015 11:40 AM
To: Widigan, Robert (TREASURY)
Subject: Water info - per request
Attachments: DWSD Cancellation notice.docx; KWA Memo & Attachments.pdf; Flint Rate Study Report Final Draft v6.docx; SUMMARY OF WATER AND WASTEWATER RATES - RFC STUDY RECOMMENDATIONS.pdf; Treasurer Analysis City of DWSD Proposal 01-14 (3).xls

Robert,

Attached is the March 2013 DWSD cancellation notice, as well as an analysis of the business case for going to KWA. Also included is an analysis of the additional costs of obtaining water from DWSD even on a short term basis. Also fyi please find the rate study by RFC which confirms the City's decision to go to KWA.

Jerry

April 17, 2013

RECEIVED
CITY OF FLINT
CITY CLERK'S OFFICE
2013 APR 18 AM 11:33

Via Certified Mail and Electronic Delivery

Ms. Incz M. Brown
City Clerk
City of Flint
2nd Floor, City Hall
1101 S. Saginaw Street
Flint, Michigan 48502

Dear Ms. Brown:

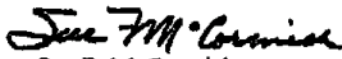
**Regarding: Termination of Contract for the Provision of Water Services
by the City of Detroit, Water and Sewerage Department**

On December 20, 1965, the City of Detroit, through its Board of Water Commissioners, (DWSD) and the City of Flint, Michigan (Flint) entered into a contract for the provision of DWSD treated water to Flint and the distribution by Flint of that water to other Genesee County communities. Section 18 of that Agreement¹ provides:

18. The Board [DWSD] shall supply and sell water to the City [Flint] from the water system of the City of Detroit, and the City shall receive and purchase such water in accordance with the terms of this Agreement for an indefinite period of time but at least for a period of thirty-five (35) years from the date hereof. This Agreement may be terminated by either party after expiration of said 35-year period, upon one year's written notice served upon the other party by delivering the same to the Secretary of the Board or to the Clerk of the City as the case may be, or at any time upon mutual consent of both parties.

Please take notice that pursuant to this section, 18, of the above-referenced Agreement, DWSD is terminating this Agreement one year from today's date (April 17, 2014).

Sincerely yours,


Sue F. McCormick
Director

¹ Although the Agreement between DWSD has been subsequently amended, Section 18 remains unchanged and in full effect.