

Harvey

On Feb 11, 2015, at 12:21 PM, Saxton, Thomas (Treasury)

<SaxtonT@michigan.gov<<mailto:SaxtonT@michigan.gov>>> wrote:

Dennis – the attached pdf is the memo & table that hopefully addresses some of the info needs stemming from the meeting with the pastors last week. Jerry A. has looked at this document as well. In terms of key items at this point (that are mentioned in the memo)....

KWA may be hooked up by the end of this calendar year; weather permitting, etc. Even allowing for some slippage that is positive news

Whether you hooked to DWSD thru the county or directly; it is a \$1mm add'l impact to the budget... an add'l 30% increase in rates over existing

They have \$2mm already baked in the budget to fix that two mile 'bad' section of pipeline that might address a good portion of the current issues

They now have an outside consultant on the ground who is suppose to provide some preliminary indications next week to help improve the situation

Don't forget about the \$2mm SRF loan restructuring (which we have not officially put on the table). Those \$s would be available for more system improvements.

Again, sorry this took as long as it did. Let us know if this is what you had in mind or if you need anything else. Wayne – chime in if I missed anything.

See you @ 1:30

<FlintWater.pdf>

Pleyte, Beth (Treasury)

From: Saxton, Thomas (Treasury)
Sent: Friday, February 13, 2015 7:41 AM
To: Workman, Wayne (TREASURY)
Subject: Re: Flint

we need from your guys or Jerry a brief simple table that shows the numbers how reconnecting to DWSD will raise rates 30%

On Feb 13, 2015, at 7:31 AM, "Workman, Wayne (TREASURY)" <WorkmanW@michigan.gov> wrote:

Yes, not sure what he is saying

From: Saxton, Thomas (Treasury)
Sent: Friday, February 13, 2015 7:27 AM
To: Workman, Wayne (TREASURY)
Subject: Re: Flint

lets talk before we respond

On Feb 12, 2015, at 11:34 PM, "Baird, Richard (GOV)" <bairdr@michigan.gov> wrote:

Sent from my Verizon Wireless 4G LTE DROID

----- Forwarded message -----

From: Robert Daddow <daddowr@oakgov.com>
Date: Feb 12, 2015 11:32 PM
Subject: Re: Flint
To: "Baird, Richard (GOV)" <bairdr@michigan.gov>
Cc:

Should not have thought politically but financially in the first place. This is very doable. We need to chat. Rjd

On Feb 12, 2015, at 10:32 PM, Bart Foster <bfoster@fostergroupllc.com> wrote:

Actually, my quick take is about 8%.

Some background:

When Flint left, the annual revenue profile for the Water System was initially reduced by \$12.5 million. However, we immediately recalculated the rate for Genesee County (recognizing their higher demands), to effectively "claw back" about \$2 million of the reduction, so the net Flint impact is ~ \$10.5 million, or just under 2.5% of the (reduced) Water System rate revenue. Assuming that same amount could be replaced, and all else being equal, the