

Stanton, Terry A. (Treasury)

From: Stanton, Terry A. (Treasury)
Sent: Tuesday, January 27, 2015 5:52 PM
To: Wurfel, Brad (DEQ); Wurfel, Sara (GOV); Murray, David (GOV)
Cc: Brown, Jessica (GOV); Stanton, Terry A. (Treasury); Sampson, Jeremy (TREASURY)
Subject: Flint issue
Attachments: Flint - KWA Approval.pdf; Dillon KWA.PDF; Flint_KWA TPs.doc; Flint Water TPs.docx
Importance: High

All,

Please see the attached TPs. I have also attached a couple pdfs noted in the TPs. They include the Treasurer's conditional approval of the eventual move to KWA and the EM's response to DWSD's "last, best offer."

Additionally, during my most recent interaction with Jerry Ambrose, he indicated that the water issue is critically important and that he and staff are working on it every day. They have posted a host of information for residents on the City's website (<http://cityofflint.com/?p=6251>). They have extended the deadline for the Water Quality Consultant RFP to this Thursday, to ensure interested and qualified firms can submit comprehensive proposals and assist the city.

I have also attached the earlier talking points I had shared with Dave.

Let me know if you need anything else in the meantime...or before we speak again...

Terry



**CITY OF FLINT
OFFICE OF EMERGENCY MANAGER
EDWARD J. KURTZ**

ELECTRONIC LETTER

April 16, 2013

Andy Dillon
State Treasurer
P. O. Box 30716
Lansing, MI 48909

Dear Treasurer Dillon:

Flint, Genesee County and KWA received an eight page letter from Detroit Water and Sewerage Department (DWSD) offering a framework for a long-term agreement with our region. Two scenarios were presented;

Scenario 1: Water from the Lake Huron Plant.

This offer was dismissed immediately because Flint would still be responsible for their share of the KWA water pipeline delivery system estimated to be \$79 million. In addition Flint would not be able to operate the Flint Water Plant in which we have invested over \$40 million per MDEQ mandates over the past ten years. Finally, although DWSD shows this as an option and supplied a per month cost projection for the first year, no total costs over the life of the contract were provided.

Scenario 2: "Full Service" Water Supply

This offer was also rejected. DWSD would supply water to Flint/Genesee the same way they currently are today. They would change the method of calculating our bill. The offer would provide a \$1.00 per ccf reduction on our usage for the first year, providing a 30 year contract is signed.

After review of the offer, Flint/Genesee has the following concerns: