

Stanton, Terry A. (Treasury)

From: Calvert, Scott <scott.calvert@wsj.com>
Sent: Thursday, February 11, 2016 6:05 PM
To: Stanton, Terry A. (Treasury)
Subject: Re: WSJ reporter getting in touch re: emergency manager law/program

Thanks for the Pontiac release.

I appreciate that the task force is still working, but I still don't understand why that prevents the state from saying when the EM decided to go with the river option (unless that's not known). Kurtz was clearly moving to do so in the June 28, 2013 report where he mentions the "high consideration" given to using the river and/or a combo of the river and DWSD. What I'm looking for is something that says he definitively went with the river option on June 30 or Aug. 4 or whatever -- if possible.

What I am clear on is that Gov. Snyder wasn't involved in the discussions about using the river, and that then-Treasurer Dillon's OK wasn't required under the law. Dillon told me he vaguely recalls that Kurtz report but said the river issue didn't hit his desk as he best he remembers. The question of whether Flint would part ways with DWSD and go with KWA, on the other hand, was something Dillon said he was very much involved in, as was the governor.

On Thu, Feb 11, 2016 at 5:38 PM, Stanton, Terry A. (Treasury) <StantonT@michigan.gov> wrote:

Ed Kurtz was EM in Flint in June of 2013. I cannot speak to any requests made to DEQ. As Dave noted earlier...the timeline and transition is the subject of a study by the Governor's Flint Water Task Force, which is expected to finalize a report next month.

On your Pontiac question(s), see the attached press release from Sept. 2011.

Mr. Schimmel was appointed given his extensive experience with the emergency manager law and the expectation that he would work collaboratively with local officials to address the financial emergency there.

Mr. Stampfler is certainly entitled to his opinion. One of the primary intents of PA 436 (and PA 4 when it was in effect) was to provide an emergency manager with the tools necessary to address a local government financial emergency as quickly and efficiently as possible so to begin the transition to full local control...as soon as is prudent and possible.

From: Calvert, Scott [mailto:scott.calvert@wsj.com]
Sent: Thursday, February 11, 2016 12:35 PM
To: Stanton, Terry A. (Treasury) <StantonT@michigan.gov>

Cc: Murray, David (GOV) <MurrayD1@michigan.gov>; Heaton, Anna (GOV) <HeatonA@michigan.gov>; Biehl, Laura (GOV) <BiehlL@michigan.gov>

Subject: Re: WSJ reporter getting in touch re: emergency manager law/program

Sorry for another email, but I came across this on page 94 of Gov. Snyder's email release. It's a timeline of events. "Flint" here is Ed Kurtz, correct? And was the request made to DEQ for permits?

June 2013- Groundbreaking for the Karegnondi Water Authority. Flint also requests full time use of the Flint Water Treatment Plant with Flint River water as a source.

<http://somsprod2govm001.usgovcloudapp.net/files/snyder%20emails.pdf>

On Thu, Feb 11, 2016 at 12:19 PM, Calvert, Scott <scott.calvert@wsj.com> wrote:

Which EM decided to use the Flint River as the temporary water source, and when was that decision made?
I'm still trying to pin that down.

Thanks,

Scott

On Thu, Feb 11, 2016 at 11:05 AM, Calvert, Scott <scott.calvert@wsj.com> wrote:

Got it, but it's not on the website and I don't know where else to look for it. Do Treasury and the governor's office not have that order?

I have another question for you guys: Why did Gov. Snyder replace Michael Stampfler as EM in Pontiac? Stampfler says it's because he wouldn't sell the city's water department to Oakland County, which he didn't think was in Pontiac's long-term interest. He also said he felt there wasn't much supervision/oversight from Treasury/Gov. Snyder and that there was too much emphasis on balancing the books and not enough on making sure the city was positioned to do well after the financial crisis. Any response?

Thanks,

Scott