

Stanton, Terry A. (Treasury)

From: Ryan Felton <ryanfelton13@gmail.com>
Sent: Thursday, January 14, 2016 5:23 PM
To: Stanton, Terry A. (Treasury)
Cc: Murray, David (GOV)
Subject: Re: PRESS INQUIRY | The Guardian re: Flint River

Thanks much!

On Thu, Jan 14, 2016 at 5:22 PM, Stanton, Terry A. (Treasury) <StantonT@michigan.gov> wrote:
The treasurer approved the contract with KWA. I assume that's what Mr Croft is referring to.

On Jan 14, 2016, at 5:14 PM, Ryan Felton <[REDACTED]@gmail.com> wrote:

Thanks for the prompt reply. Any comment about the first question, on whether Croft's statement is inaccurate - or false?

Best,
Ryan

On Thu. Jan 14, 2016 at 5:12 PM, Stanton, Terry A. (Treasury) <StantonT@michigan.gov> wrote:

I don't have a date for a break off in talks. The decision to go with KWA was made in mid-April of 2013.

Under PA436, the treasurer had to consider (approve or disapprove) the contract with KWA, as it was above the \$50k threshold in the act. The Treasurer (Dillon) approved the contract with KWA and when Kurtz announced the city would go to the new authority, DWSD sent a termination letter to Flint.

On Jan 14, 2016, at 4:58 PM, Ryan Felton <[REDACTED]@gmail.com> wrote:

Sorry, forgot to add this one: Howard Croft, Flint's then-director of the city's Public Works Department, is on the record as saying the decision to use the Flint River came from the governor's office; that "evaluations [went] all the way up to the state level on what the best course of action would be for the city of Flint, and that was the determination."

So, based on what you just told me, would you say that Croft's statement is false?

Did the state Treasury have to approve this, as the city was under a financial emergency?

Thanks much!
Ryan

On Thu, Jan 14, 2016 at 4:49 PM, Ryan Felton <[REDACTED]@gmail.com> wrote:

Thanks, Terry.

And is there a known date as to when negotiations fell through? As far as I can tell, in late July, it was still reported that negotiations were ongoing.

On Thu, Jan 14, 2016 at 4:47 PM, Stanton, Terry A. (Treasury)

<StantonT@michigan.gov> wrote:

Ryan...

It's my understanding the EM at the time, Ed Kurtz and city public works staff handled negotiations.

Neither treasury nor the governor's office was at the table. Both were aware of the negotiations.

Terry

On Jan 14, 2016, at 4:29 PM, Ryan Felton <[REDACTED]@gmail.com> wrote:

Hi Terry,

I spoke with David Murray and he said this is a question that would be best suited for you. I'm on a tight deadline, so I'd be truly grateful for a response at your earliest convenience.

Per the Auditor General's report on Flint - after it says that DWSD sent a one-year notice that it would terminate its agreement to provide water service on April 17, 2014:

"According to DEQ management, the Flint WTP attempted to negotiate with the DWSD to maintain it as the City of Flint water supplier; however, **after negotiations were unsuccessful, the City of Flint notified DEQ through a permit request of its intent to operate the Flint WTP full time using the Flint River.** Although the Flint City Council voted in March 2013 in support of moving to the KWA pipeline, the vote was silent on the use of the Flint River as a temporary drinking water source."

So, my questions are:

1. Since City Council did not vote on the use of the Flint River as a temporary drinking water source, **who handled the negotiations with DWSD on behalf of Flint** that were eventually "unsuccessful," as it's described in the auditor general's letter.
2. Was the governor's office involved in those negotiations? Was the governor involved?

Let me be clear: I understand that, after negotiations fell through, it was decided to use the backup water supply.

I appreciate your time and look forward to your response.

Best,