



CITY OF FLINT

Dr. Karen Weaver
Mayor

September 22, 2017

Mr. Chris Korleski, Director
Water Division, Region 5
United States Environmental Protection Agency
Ralph Metcalfe Federal Building
77 West Jackson Boulevard (W-15J)
Chicago, Illinois 60604-3590

Sent via Email

Dear Mr. Korleski:

This correspondence is in response to the USEPA's September 14, 2017 letter to the City of Flint (COF) regarding the USEPA's requested action items resulting from the August 23, 2017 meeting between EPA, City of Flint, and State of Michigan regarding compliance with EPA's Emergency Order. You made requests to address the following issues.

1. Staffing issues at the Flint Public Water System (PWS) [Paragraph 61 of EPA's Order];
2. Completion of the corrosion control study on the City's current water source, i.e., Great Lakes Water Authority (GLWA) [Paragraph 59 of EPA's Order]; and
3. Documentation that Respondents have entered into a formal agreement(s) to ensure that the City has continued access to GLWA water after September 30, 2017 [Paragraph 60.b.iv of EPA's Order].

I will first address the staffing concerns for the hiring of search firm for the Director of Public Works, contracting for short-term laboratory staffing needs and projected hiring dates for Operator in Charge and Distribution Supervisor.

The City has created an evaluation committee to expedite the hiring of a search firm. The committee interviewed and evaluated two (2) vendors and forwarded a recommendation to me on September 14, 2017. This is under advisement. There will either be a search firm selection made by Monday, September 25, 2017 or a recommendation made to the Flint City Council for the appointment of a current COF employee to this position.

The City entered into an amended contract with F&V, a company possessing the requisite license(s) to oversee the operations of the City's laboratory. On August 24, 2017, the contract was approved by Flint City Council at a special council meeting and subsequently approved by the RTAB on September 13, 2017 (see attachment).

Currently, the Operator-in-Charge and Operator Superintendent responsibilities are being fulfilled by F&V. It is anticipated that the Operator-in-Charge position may be filled via a promotion in December of 2017, when Mr. Scott Dungee is expected to receive his D-1 license. In addition, the Maintenance Superintendent position is currently filled. The Distribution Supervisor position and responsibility are currently being performed by City employee Rob Bincsik. Should Mr. Bincsik move to another assignment/position, the vacancy will require up to three (3) months to fill on a permanent basis and the vacancy would be immediately posted.

Regarding your questions about the proposed organization chart (see attached chart):

- The new Water Superintendent position will supervise the operation of the water system. This includes the production, distribution, laboratory and maintenance departments. This position will provide proper coordination of all operational activities to promote efficiency, compliance and proper communication.
- The four supervisors are responsible for the management and performance of their departments – production, distribution, laboratory/water quality and maintenance. The maintenance supervisor position is filled. As stated in our August 18 letter, we plan to fill the distribution and operation supervisor positions through promotion and are currently interviewing for the water quality/laboratory supervisor position (to replace F&V).
- The Water Service Center employees are shown on the left side of the organizational chart specifically responsible distribution, customer meters and other operational issues.
- The maintenance supervisor position is currently filled. The operator supervisor position is scheduled to be filled in December by Mr. Dungee.

The first phase of the corrosion study, which is a coupon assessment, will be completed during the first week in October. The results of this study will be used to establish the range of phosphate doses and pH that will be used in the pipe loop studies. Additionally, improvements are being performed to make all 16 pipe loops available for the study. A final corrosion study scope and timeline will be available for USEPA's review by October 15, 2017.

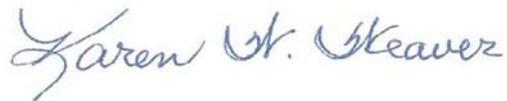
The City will be receiving draft Standard Operating Procedures (SOPs) from Arcadis next week. These SOPs will address chemical feed and monitoring of water quality within the distribution system. Once the water source selection is finalized, the City will proceed to install on-line monitoring of chlorine, phosphate and pH.

Finally, on September 20, 2017, the Flint City Council held a special meeting and approved the resolution for the extension of the GLWA contract from October 1, 2017 through October 31, 2017 (see attachment). On Monday, September 25, 2017, the resolution will be reviewed by the Receivership Transition Advisory Board (RTAB) during a special RTAB meeting. Also, the attached letter from John O'Brien states that the Genesee County Drain Commission will continue to provide Flint access to the 72-inch transmission line, which allows the City to continue to provide GLWA water to its residents.

As co-responders to the Order, Mr. Eric Oswald (Director – Drinking Water and Municipal Assistance Division, Michigan Department of Environmental Quality (MDEQ)) has reviewed this submittal on behalf of the State and concurs with the content of the document.

If you have clarifying questions and/or need additional information, please contact me at (810) 237-2035 or via email at kweaver@cityofflint.com.

Respectfully submitted,

A handwritten signature in blue ink that reads "Karen W. Weaver". The signature is written in a cursive style.

Dr. Karen W. Weaver
Mayor

cc: Mr. Robert Kaplan, Acting Regional Administrator, EPA Region 5
Mr. Sylvester Jones, City Administrator; City of Flint
Mr. Rich Baird, Michigan Governor's Office
Mr. Keith Creagh, MDNR
Ms. C. Heidi Grether, Director; MDEQ
Ms. Amy Epkey, Environmental Deputy Director, MDEQ
Mr. Eric Oswald, Director, Drinking Water and Municipal Assistance Division; MDEQ

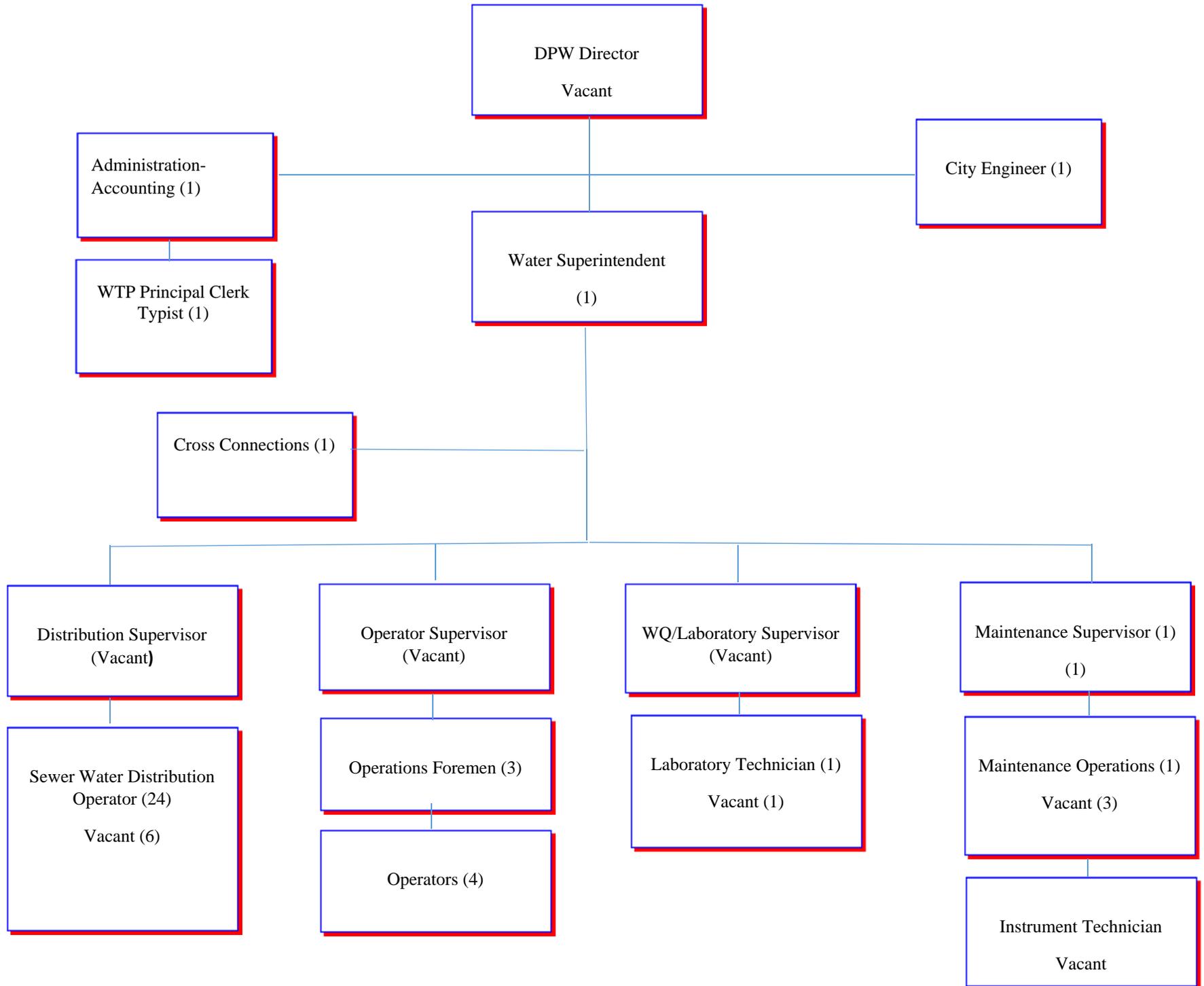
Attachments:

Organization Chart

Resolutions and Agreements for F& V Laboratory Services and GLWA Contract Extension

Email from John O'Brien, Genesee County Drain Commission

UTILITIES WATER DIVISION



170455

RESOLUTION NO.: _____

PRESENTED: 8-24-2017

ADOPTED: RTAB 9-13-17

RESOLUTION APPROVING AN AGREEMENT TO PROVIDE LABORATORY SERVICES BETWEEN THE CITY OF FLINT AND F & V OPERATIONS AND RESOURCE MANAGEMENT

BY THE CITY ADMINISTRATOR:

On July 28, 2017 and August 10, 2017, the City's laboratory staff employees tendered William Bradley and Heather Kott their resignation to the City of Flint effective August 25, 2017 and August 24, 2017 respectively. As a result, the City of Flint contacted the Michigan Department of Environmental Quality (MDEQ) to determine the appropriate qualifications and used its water quality expert to obtain the appropriately licensed candidate through F&V Operations and Resource Management.

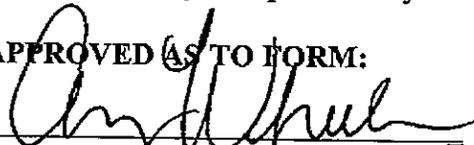
WHEREAS, F & V Operations and Resource Management will provide two staff for laboratory services which include operating the city water plant lab, collection of data required to prepare state reports and the collection of water samples.

WHEREAS, the laboratory staff will be paid a one month sum of \$23,406.25 from account 591-536.100-801.000.

WHEREAS, City Administrator, Sylvester Jones, recommends approving the hiring of two laboratory staff provided by F & V Operations and Resource Management.

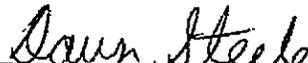
NOW THEREFORE BE IT RESOLVED, that the Flint City Council approves hiring of two laboratory staff provided by F & V Operations and Resource Management.

APPROVED AS TO FORM:



Angela Wheeler, Chief Legal Officer

APPROVED AS TO FINANCE:



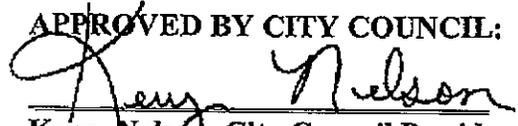
Dawn Steele, Deputy Finance Director

FOR THE CITY OF FLINT:



Sylvester Jones, City Administrator

APPROVED BY CITY COUNCIL:



Kerry Nelson, City Council President

RECEIVERSHIP TRANSITION ADVISORY BOARD:

PRESENTED TO CITY COUNCIL:

8-24-2017

ADOPTED BY CITY COUNCIL:

8-24-2017

ADOPTED BY THE RECEIVERSHIP TRANSITION ADVISORY BOARD
SEPTEMBER 13, 2017



August 23, 2017

Mr. Sylvester Jones, Jr. - City Administrator
City of Flint
1101 S. Saginaw Street
Flint, MI 48502

RE: Interim Laboratory Staff and Analytical Services, Flint, MI

Dear Mr. Jones:

As requested, we prepared this proposal to provide two staff for Laboratory Services on a temporary basis.

F&V Operations and Resource Management (FVOP) appreciates the opportunity to submit this proposal. Based on our understanding of your facility and its needs, we are providing the following Scope of Services and Budget.

SCOPE OF SERVICES

We have reviewed the water plant and distribution system laboratory operations and labor requirements. We propose to provide two operations specialists (or full-time equivalent) to provide the following services at the City of Flint Water Treatment Plant and Water Distribution system. To provide a comfortable level of back up and redundancy it is likely we will utilize up to four different operations specialists throughout this project:

BASE SCOPE OF SERVICES

- Sample the required distribution sites on a daily basis five days per week.
- Provide a marked FVOP vehicle for transportation to the various distribution system sites to perform sampling.
- Operate the city water plant lab within the technical capabilities of the laboratory.
- Prepare documents, such as bench sheets, chains of custody and weekly summary reports for internal use and submittal to various government agencies such as USEPA and MDEQ.
- Inspect laboratory equipment; supervise maintenance and repair tasks.
- Perform the collection of data required to prepare state reports.
- Perform the collection of water samples, perform laboratory analysis and participate in plant operations as required.
- Assist in the review of water system projects from a laboratory perspective.

ADDITIONAL (NON-BASE) SERVICES:

- Respond to utility system emergencies at all hours.
- Emergency service to assist on site staff when requested.
- Other requested services.

RESPONSIBILITIES OF THE CITY:

- Laboratory equipment and reagents.
- Postage associated with mailing samples to off-site laboratories.
- Provide and pay for all operations items (this is not included in FVOP base services).

2960 Lucerne Drive SE, Suite 100
Grand Rapids, MI 49546
P: 616.588.2900
F: 616.977.1005
www.fv-operations.com

- Electricity and Chemicals
- Laboratory testing by outside labs
- Daily O&M checks
- Generator fuel
- Equipment maintenance
- Equipment repair
- Residuals disposal
- Additional engineering

PROPOSED STAFFING

At the onset, FVOP proposes to staff this project with two operation specialists overseen by Robert Jones. The following key staff will be assisting the team.

Robert Jones – Rob will be providing overall project management and certified operator services. He is currently serving as your certified Operator in Charge (OIC), and is familiar with your staff. Expanding his role in your facility will enhance value and provide additional savings to the City.

Stewart Beach – Stewart will assist in sampling efforts, Stewart holds a S1, F1 Michigan Drinking Water certification. Stewart has more than thirty years water plant laboratory experience. He holds a Bachelor Degree in Public Administration with a minor in Microbiology and Chemistry. Stewart is a longstanding member of the AWWA. Stewart will lead sampling efforts and some of the laboratory efforts on this project.

H. Blair Selover - Blair oversees all FVOP projects and has more than 30 years' experience in wastewater and water operations. Blair holds a Municipal F2, S1 Drinking Water certification. Blair is the point of contact for planning administrative project concerns.

All FVOP operations staff are highly trained individuals, FVOP emphasizes excellence and certification. We provide all staff with room to grow to reach their full potential. All staff serving your project will have experience and the technical training for the task assigned.

SCHEDULE

We are prepared to begin this work immediately upon your approval of our proposal.

BUDGET

These additional laboratory services will be provided on a lump sum basis. Due to the requested relatively short nature of this assignment, our proposed monthly fee is \$23,406.25 for the services outlined within the scope of services and will be prorated for any partial month. Either party may terminate with or without cause with a 14-day notification.

These short term contract rates are valid for one year, at which time FVOP reserves the right to adjust the hourly rate based on wage changes.

If you concur with our Scope of Services and budget, we will amend the current Professional Services Agreement to add these services.

We thank you for this opportunity and we look forward to working with you. If you have any questions regarding this proposal or any FVOP services, please contact me at 810.252.8884 or bselover@fv-operations.com.

Sincerely,

F&V OPERATIONS AND RESOURCE MANAGEMENT, INC.



H. Blair Selover
Group Manager | Associate

170514.1

SUBMISSION NO.: CA525 2017.1

PRESENTED: 9-20-2017

ADOPTED: _____

RESOLUTION APPROVING THE LETTER OF AGREEMENT FOR A ONE-MONTH EXTENSION OF THE WATER SERVICE CONTRACT WITH THE GREAT LAKES WATER AUTHORITY (GLWA)

BY THE MAYOR:

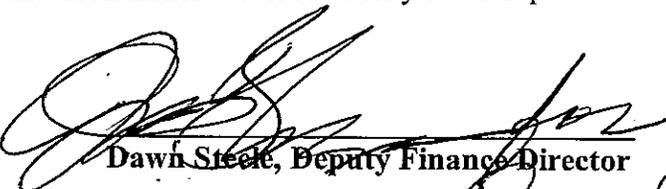
The City of Flint continues to experience a public emergency with respect to its source of water supply. The City of Flint's contract with the Great Lakes Water Authority is set to expire on September 30, 2017. Since the future water supply for the City of Flint has not yet been determined, the City requested a one-month extension with the Great Lakes Water Authority (GLWA).

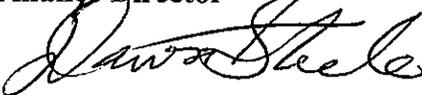
The Great Lakes Water Authority is agreeable to the City's request for an extension for the period October 1, 2017 through October 31, 2017. The extension will require a replenishing of the prepayment fund to cover the extended contract term. The extended contract term coincides with the new GLWA FY2018 agreement which began on July 1, 2017. Because the extension is for a limited one-month period, GLWA has based the prepayment amounts on an average for the GLWA whole class by 4.7%. The projected FY2018 fixed monthly charge will remain the same as the rate set with the prior three-month extension adopted by the RTAB on 6/27/17. That fixed monthly charge increase was \$31,100.00 per month. That increase accompanied a commodity charge increase of \$0.42/Mcf for a total commodity charge of \$9.35/Mcf, giving a projected 31-day total of \$1,144,805.00.

IT IS RESOLVED, that the Flint City Council approves the Letter of Agreement for One Month Extension of Water Service Contract by the Great Lakes Water Authority dated September 15, 2017.



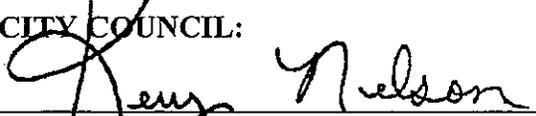
Angela Wheeler
Chief Legal Officer



Dawn Steele, Deputy Finance Director




Dr. Karen W. Weaver, Mayor

CITY COUNCIL:


Kerry Nelson Council President

**RECEIVERSHIP TRANSITION
ADVISORY BOARD:**

PRESENTED TO CITY COUNCIL:
9-20-2017
ADOPTED BY CITY COUNCIL:
9-20-2017



Office of the Chief Executive
735 Randolph Street, Suite 1900
Detroit, Michigan 48226

September 15, 2017

Honorable Karen Weaver, Mayor
City of Flint
1101 S. Saginaw Street
Flint, Michigan 48502

Dear Mayor Weaver:

Regarding: Letter Agreement for One Month Extension of Water Service Contract

We are acknowledging receipt of a request from Dawn Steele, Flint's Interim Chief Financial Officer, regarding an extension of the term of Flint's Water Service Contract, effective October 14, 2015, with the Great Lakes Water Authority (GLWA).¹ Ms. Steel's letter confirms that Flint continues to experience a public emergency with respect to its source of water supply. For this reason, GLWA is agreeable to a one month extension of the term of the contract beginning October 1, 2017 and ending October 31, 2017, at the same contract terms and conditions.

This contract extension will require a replenishing of the FY 2018 prepayment fund to cover the extended contract term. Because this extension is only for a one month period, GLWA has based the prepayment amount on Flint's past usage for October 2016. This results in a projected 31-day volume of 48,300 Mcf. There is no change to the contract max day and peak hour values of 21.40 mgd and 22.40 mgd, respectively. Collectively, as evidenced in the attached charge sheet, these values result in a projected fixed monthly charge of \$693,200 and a commodity charge of \$9.35 Mcf for a projected 31-day revenue of \$1,144,805.

The current balance in the prepayment fund is \$1,960,604.33 based on payments made through September 1, 2017 (for July usage). Based on the current balance, the reported usage for August (to be billed in September) and the projected usage through September 30, 2017 (to be billed in October), the prepayment fund has a shortfall of \$308,572.

Thus, the total deposit to the prepayment fund, inclusive of the shortfall amount and the one month extension prepayment amount, is \$1,453,500.00. The terms of this one month extension require that Flint remit payment to the prepayment fund in the full amount on or before October 6, 2017.

¹ As you may recall, Flint's contract was assigned by the City of Detroit to the Great Lakes Water Authority in conjunction with the Water Supply System Lease Agreement executed between the City of Detroit and the Great Lakes Water Authority and effective January 1, 2016.

If the City of Flint is in agreement with the terms of this Letter Agreement, please indicate acceptance by the required signatures below. Should you have any questions, please always feel free to contact me directly at (313) 964-9501.

Sincerely,

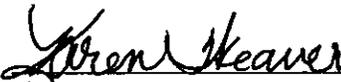


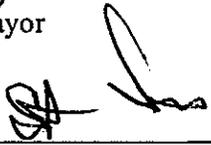
Sue F. McCormick
Chief Executive Officer

Cc: D. Steele, Interim Chief Financial Officer

Attachment

The undersigned acknowledge and agree to be bound by the terms and conditions of this Letter Agreement:

 9-20-17
Karen Weaver Date
Mayor

 9/20/17
Sylvester Jones, Jr. Date
City Administrator

Approved by Flint City Council on:

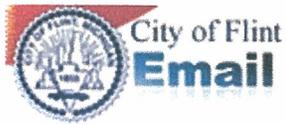
9-20-2017
Date

City of Flint Billings and Collections
Letter Agreement Extension to October 31, 2017

Invoice Month	Usage	Commodity		Total Invoice	Prepayment Fund Deposits	Prepayment Fund Balance
		Charge	Fixed Charge			
<i>October 2015 Prepayment Deposit</i>	-	\$ -	\$ -	\$ -	\$ 10,000,000.00	\$ 10,000,000.00
November 2015	26,875.0	\$ 8.93	\$ 341,729.00	\$ 581,722.75	\$ -	\$ 9,418,277.25
December 2015	47,576.9	\$ 8.93	\$ 662,100.00	\$ 1,086,961.72	\$ -	\$ 8,331,315.53
January 2016	48,067.4	\$ 8.93	\$ 662,100.00	\$ 1,091,341.88	\$ -	\$ 7,239,973.65
February 2016	52,606.4	\$ 8.93	\$ 662,100.00	\$ 1,131,875.15	\$ -	\$ 6,108,098.50
March 2016	51,787.4	\$ 8.93	\$ 662,100.00	\$ 1,124,561.84	\$ -	\$ 4,983,536.66
April 2016	51,490.5	\$ 8.93	\$ 662,100.00	\$ 1,121,910.52	\$ -	\$ 3,861,626.14
May 2016	48,496.8	\$ 8.93	\$ 662,100.00	\$ 1,095,176.07	\$ -	\$ 2,766,450.07
June 2016	51,410.7	\$ 8.93	\$ 662,100.00	\$ 1,121,197.82	\$ -	\$ 1,645,252.25
<i>July 2016 Prepayment Deposit</i>	-	\$ -	\$ -	\$ -	\$ 5,900,000.00	\$ 7,545,252.25
July 2016	53,884.4	\$ 8.93	\$ 662,100.00	\$ 1,143,287.33	\$ -	\$ 6,401,964.92
August 2016	56,368.7	\$ 8.93	\$ 662,100.00	\$ 1,165,472.22	\$ -	\$ 5,236,492.69
September 2016	57,283.3	\$ 8.93	\$ 662,100.00	\$ 1,173,640.05	\$ -	\$ 4,062,852.65
<i>October 2016 Prepayment Deposit</i>	-	\$ -	\$ -	\$ -	\$ 3,900,000.00	\$ 7,962,852.65
October 2016	49,587.3	\$ 8.93	\$ 662,100.00	\$ 1,104,914.86	\$ -	\$ 6,857,937.79
November 2016	52,665.3	\$ 8.93	\$ 662,100.00	\$ 1,132,401.31	\$ -	\$ 5,725,536.48
December 2016	43,857.1	\$ 8.93	\$ 662,100.00	\$ 1,053,743.99	\$ -	\$ 4,671,792.49
January 2017	47,101.3	\$ 8.93	\$ 662,100.00	\$ 1,082,714.34	\$ -	\$ 3,589,078.15
<i>February 2017 Prepayment Deposit</i>	-	\$ -	\$ -	\$ -	\$ 2,465,700.00	\$ 6,054,778.15
February 2017	52,183.1	\$ 8.93	\$ 662,100.00	\$ 1,128,095.44	\$ -	\$ 4,926,682.71
March 2017	45,690.3	\$ 8.93	\$ 662,100.00	\$ 1,070,114.11	\$ -	\$ 3,856,568.60
April 2017	48,707.3	\$ 8.93	\$ 662,100.00	\$ 1,097,056.28	\$ -	\$ 2,759,512.32
May 2017	45,658.1	\$ 8.93	\$ 662,100.00	\$ 1,069,826.48	\$ -	\$ 1,689,685.84
June 2017	47,915.0	\$ 8.93	\$ 662,100.00	\$ 1,089,980.86	\$ -	\$ 599,704.98
<i>June 2017 Prepayment Deposit</i>	-	\$ -	\$ -	\$ -	\$ 1,802,750.00	\$ 2,402,454.98
<i>July 2017 Prepayment Deposit</i>	-	\$ -	\$ -	\$ -	\$ 1,203,045.02	\$ 3,605,500.00
<i>July 2017 Prepayment Deposit (2)</i>	-	\$ -	\$ -	\$ -	\$ 599,704.98	\$ 4,205,204.98
July 2017	47,734.7	\$ 8.93	\$ 662,100.00	\$ 1,088,370.42	\$ -	\$ 3,116,834.56
August 2017	49,522.0	\$ 9.35	\$ 693,200.00	\$ 1,156,230.33	\$ -	\$ 1,960,604.23
September 2017 (August Usage)	46,114.6	\$ 9.35	\$ 693,200.00	\$ 1,124,371.23	\$ -	\$ 836,233.00
October 2017 (September Usage)	48,300.0 *	\$ 9.35	\$ 693,200.00	\$ 1,144,805.00	\$ -	\$ (308,572.00)
<i>October 6, 2017 Prepayment Deposit</i>	-	\$ -	\$ -	\$ -	\$ 1,453,500.00	\$ 1,144,928.00
November 2017 (October Usage)	48,300.0 *	\$ 9.35	\$ 693,200.00	\$ 1,144,805.00	\$ -	\$ 123.00
Total				<u>\$ 27,324,577.00</u>	<u>\$ 27,324,700.00</u>	

* Estimated, based on 2016 usage over the same period.

REVISED 9.15.17



Angela Wheeler <awheeler@cityofflint.com>

Water supply

1 message

John O'Brien <jfobrien@gcdcwws.com>
To: "awheeler@cityofflint.com" <awheeler@cityofflint.com>
Cc: Joseph Galvin <jgalvin@gcdcwws.com>

Thu, Sep 21, 2017 at 2:25 PM

Angela Wheeler

The documents included in the "Grand Bargain" contain assurance of access for Flint to GLWA water supply.

The Drain Commissioner has publicly stated that we will not turn off the 72 inch water line.

Sincerely

John O'Brien

Deputy Drain Commissioner

Genesee County