

KWA Historical Review



1999 – Talk of Building our own Pipeline Begins

Ken Hardin – then Genesee County Drain Commissioner

and

Woodrow Stanley – then Mayor of Flint

Begin discussions to separate from Detroit and build a joint pipeline.

2001

**Detroit/DWSD Contract Expires
with Flint**

August 14, 2003

**Massive Blackouts Sweep Across the
United States**

Shuts Down DWSD's System

**Cuts off Water to Flint and Genesee County
for Several Days**

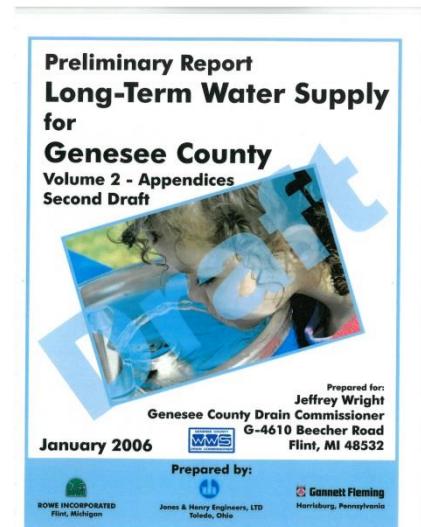
Exhaustive and Comprehensive Feasibility and Reliability Studies

2004 – 2006

Genesee County and Flint studied all water options

For the safety of our residents, a second pipeline had to be built

- Reliability
- Redundancy



2006-2008

Flint and Genesee County entered into negotiations with DWSD

DWSD realized for the public's health and safety, a second pipeline had to be built.

Our Goal was to build this pipeline as a partnership with Detroit.

The Detroit News

Wednesday, September 19, 2007

detnews.com

State Edition

Detroit Water to expand pipeline

■ Extension from Orion Township to Flint may cost current customers hundreds of millions of dollars.

By ROBERT SNELL
The Detroit News

DETROIT — The Detroit Water and Sewerage Department on Tuesday proposed a major water-line extension that will stretch from northern Oakland County to Flint, potentially opening up large rural areas to development.

The project — the largest system expansion since the 1970s — will cost several hundred million dollars and be paid for by water and sewer customers across southeast Michigan instead of merely by communities along the proposed route.

The roughly 35-mile water line originally was proposed to be built in 2040 but was moved up to increase reliability, officials said.

Critics, however, say it's because a rival study is under way that would establish a new water system and potentially siphon away customers who are dissatisfied with spending and rate hikes in Detroit's system.

"That is a bombshell," said Independence Township Trustee Dan Kelly, whose community is along the pipeline's path. "Sounds like they're trying to beat them to the punch."

Detroit leaders say a new water line to Flint — along with an \$85 million, 25-mile water line between Orion Township and Romeo also announced Tuesday — would ensure consistent water

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Water

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pressure. It also would provide a backup system in case of breaks or a catastrophe such as the 2003 blackout, which left portions of the service area without water.

The department will solicit design plans by December. Construction contracts would need approval by the Detroit City Council and the department's Board of Water Commissioners. Construction could start in two years, Director Victor Mercado said.

The cost would be shared by all customers because the new water lines are part of a system-wide im-

Pipe progress

Two proposed water-line extensions would run from Orion Township to Flint and from Orion Township to Romeo. Construction could start as early as 2009.



The Detroit News

August 28th, 2009



Governor Jennifer Granholm Approves KWA

Granholm issues permit numbers 001 and 002 under the Great Lakes Compact – approving the withdraw of 85 million gallons of water per day by KWA from Lake Huron

KWA Environmental Permits

MDEQ Construction Permit (ACT 399 permit)
National Pollution Discharge Elimination System (NPDES)
Joint Permit Application MDEQ (State)
Joint Permit Application EPA (Federal)
Floodplains (NREPA Part 31)
Inland Lakes and Streams (NREPA Part 301)
Wetlands (NREPA Part 303)
Threatened and Endangered Species (NREPA Part 365)

KWA has always had broad community support



KAREGNONDI WATER AUTHORITY SUPPORTERS

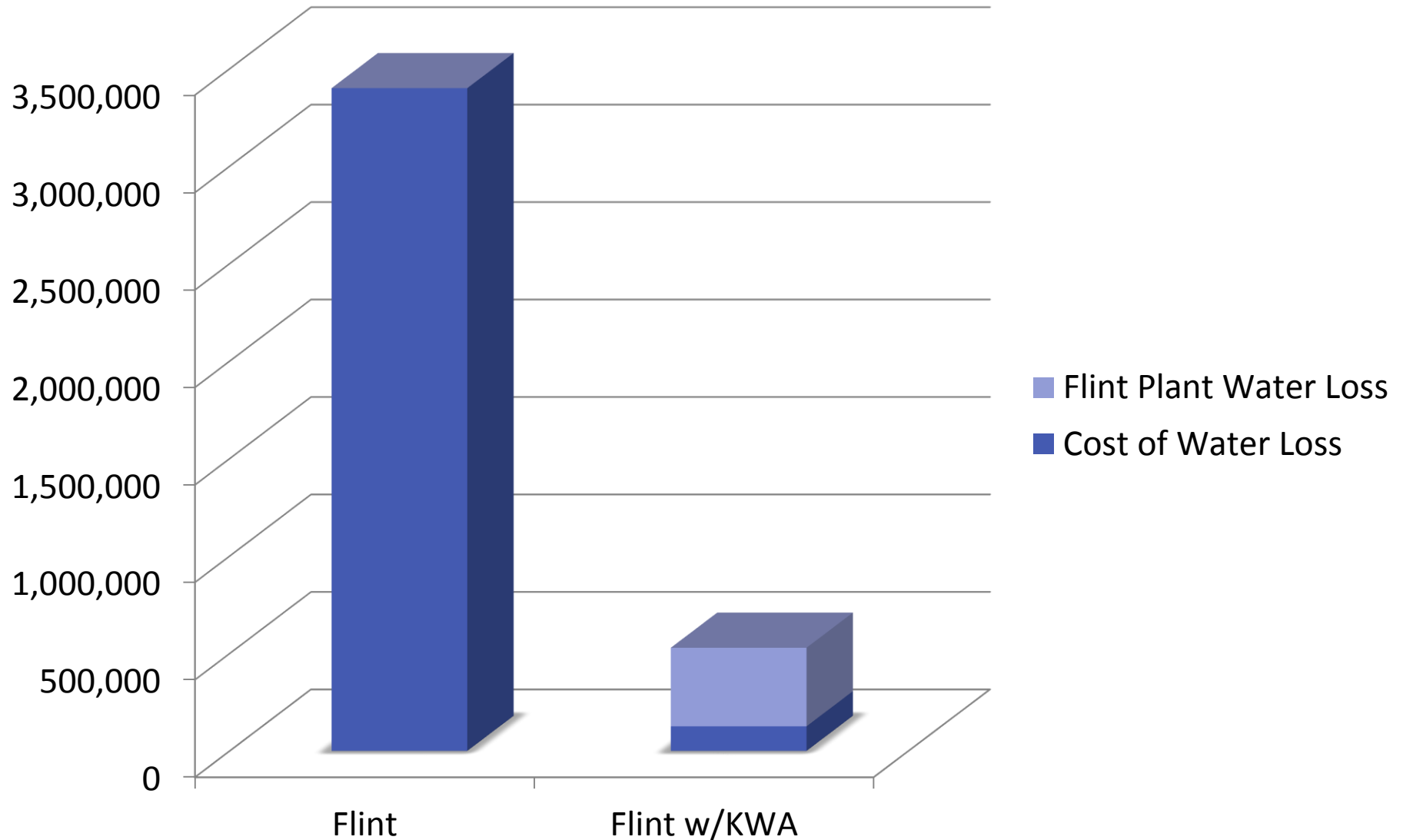
- * State of Michigan Department of Agriculture & Rural Development
- * Michigan Agri-Business Association
- * Genesee County Farm Bureau
- * Lapeer County Farm Bureau
- * Sanilac County Farm Bureau
- * St. Clair County Farm Bureau
- * Senator Mike Green (R)
- * Senator Phil Pavlov (R)
- * Senator Jim Ananich (D)
- * Representative Pam Faris (D)
- * Representative Richard E. Hammel (D)
- * Representative Charles Smiley (D)
- * Genesee County Sheriff Robert Pickell (D)
- * Genesee County Treasurer Deborah Cherry (D)
- * Genesee County Clerk John Gleason (D)
- * Genesee Democratic Party
- * UAW Region 1C – Norwood Jewell
- * Michigan Building Trades
- * Flint River Watershed Coalition
- * Holloway Reservoir Homeowner's Association
- * Sierra Club
- * McLaren Regional Medical Center
- * Dee Cramer
- * DTE
- * Diplomat Pharmacy
- * Eastside Business Association
- * Genesee Regional Chamber of Commerce
- * Goyette Mechanical Company
- * Koegel Meats
- * Landaal Packaging Systems
- * Management Diversified, Inc.
- * Merrill Lynch
- * Security Packaging
- * Walker Electric
- * Weinstein Electric
- * County of Genesee
- * County of Lapeer
- * County of Sanilac
- * City of Burton
- * City of Clio
- * City of Davison
- * City of Fenton
- * City of Flint
- * City of Flushing
- * City of Grand Blanc
- * City of Imlay City
- * City of Lapeer
- * City of Linden
- * City of Montrose
- * City of Mt. Morris
- * City of Swartz Creek
- * Township of Argentine
- * Township of Atlas
- * Township of Clayton
- * Township of Davison
- * Township of Fenton
- * Township of Flint
- * Township of Flushing
- * Township of Gaines
- * Township of Genesee
- * Township of Grand Blanc
- * Township of Montrose
- * Township of Mt. Morris
- * Township of Mt. Mundy
- * Township of Richfield
- * Township of Thetford
- * Township of Venice
- * Township of Vienna
- * Village of Gaines
- * Village of Goodrich
- * Village of Lennon
- * Village of Otisville

Water Loss is defined as:

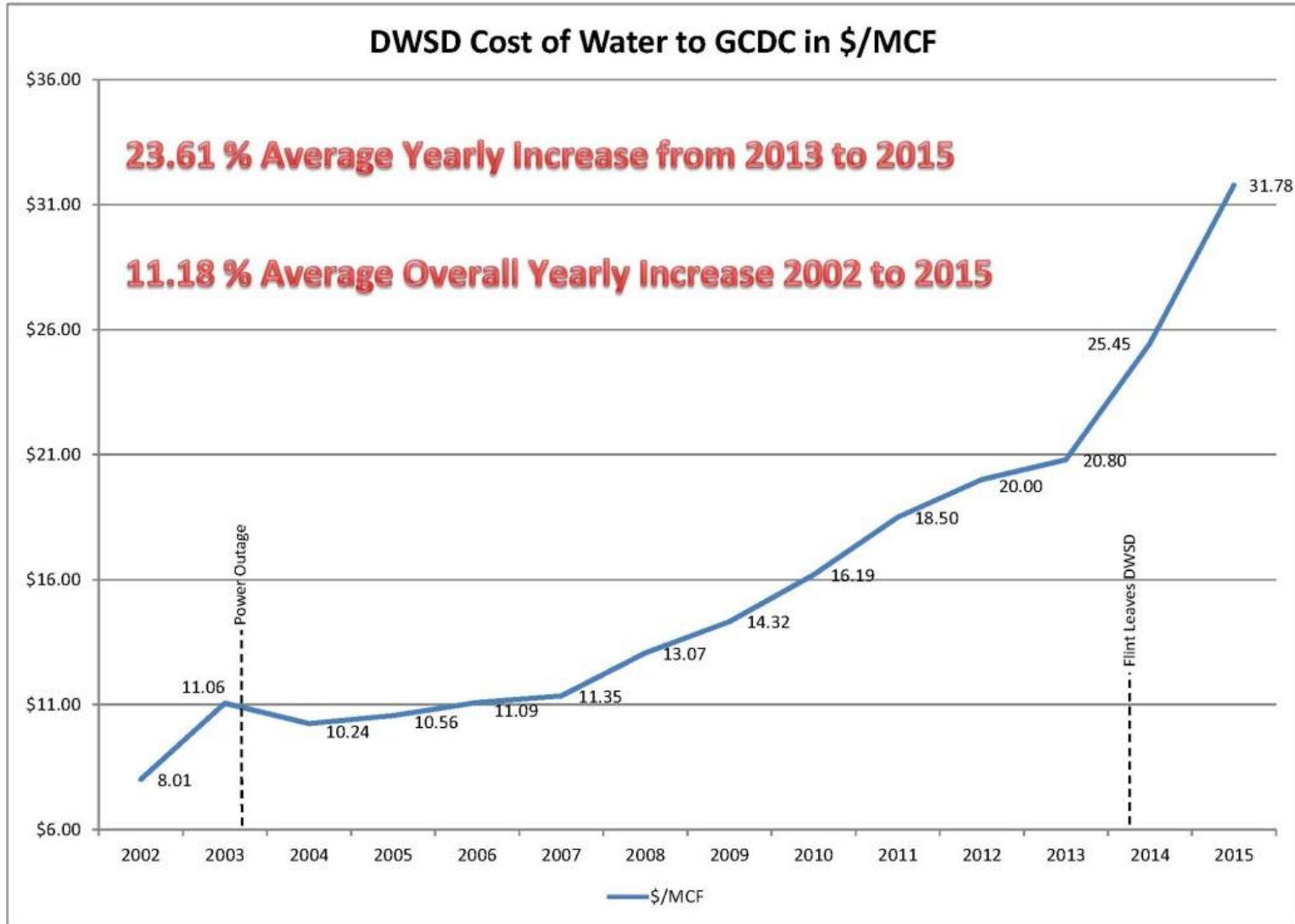
The difference between the water produced at the treatment plant and the water recorded through end user's meter. This includes water for fire protection, water main breaks, inefficiencies in meter devices, and water theft.

Water Loss Costs

Includes both Detroit and Flint Water Losses

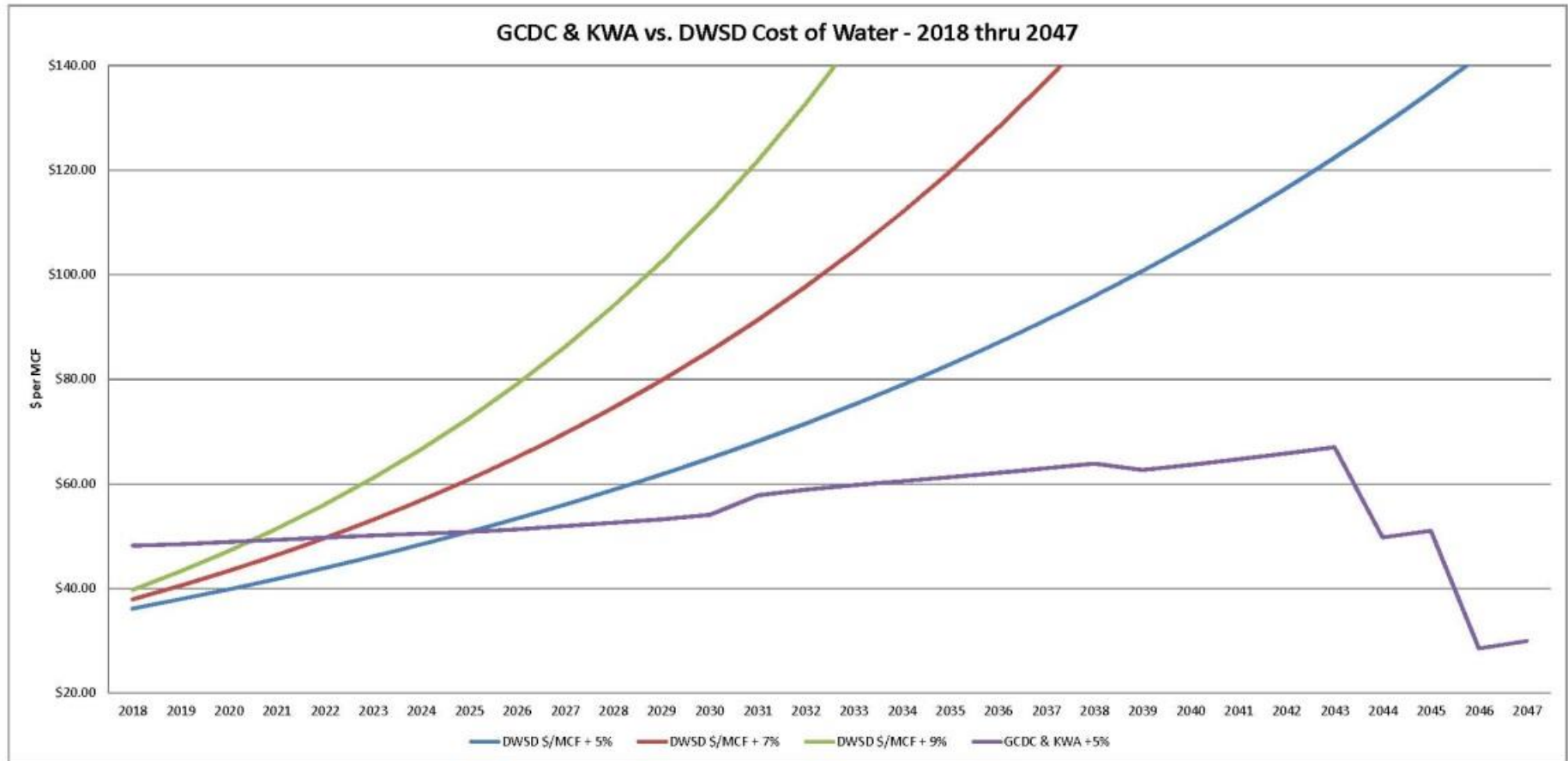


Detroit has quadrupled the price of water since 2002



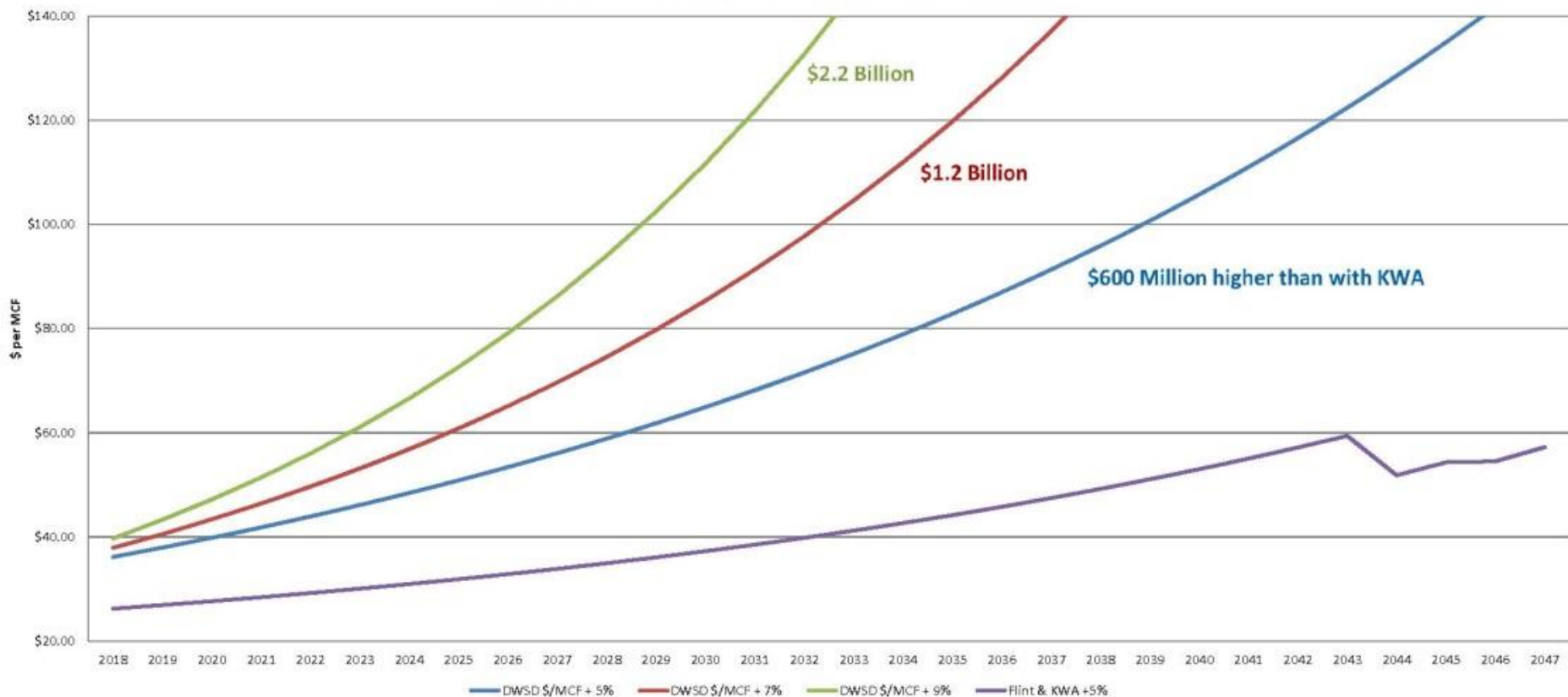
Note: 2002 through 2013 figures are based on July 1 - June 30 rates, however beginning 2014, figures are based on calendar year data

Genesee County Resident Cost



Flint City Resident Cost

Flint & KWA vs. DWSD Cost of Water - 2018 thru 2047



All in costs to deliver 11 MGD to the distribution system, which includes: Flint Treatment Costs, KWA Charges, and KWA Debt Service

Governor's Task Force Report

Report suggests KWA should be investigated.

The Task Force itself praises KWA and our vetting process at various points in the report, seemingly contradicting their expressed desire for an investigation.

KWA has already been one of the most highly scrutinized projects in the history of our state, originally being approved under the Granholm administration and the Great Lakes Compact. KWA is a public authority, has been vetted by countless public agencies, its formation discussed at numerous public hearings, and approved by local elected officials in each and every part of our service area. Literally everything relating to KWA is a matter of public record.

KWA Support Remains Strong Among Flint Residents

- A privately commissioned, independent poll by Practical Political Consulting was conducted February 9th, 10th, and 11th of this month.
- Results showed that a majority of Flint residents continue to support KWA, and 69.35% - 30.65% want to connect to KWA instead of paying higher DWSD/GLWA rates.

Flint's Longstanding Support of KWA

May 12, 2008 – Resolution to enter into a joint study with Genesee County authorized by Flint City Council.

December 2008 – Professional Services Contract for Joint Feasibility Study with Genesee County authorized by Flint City Council.

Funding Received by KWA from Flint

February 13, 2009 – \$50,000 for study, authorized by Flint City Council

September 29, 2010 – \$100,000 for Lake Huron borings authorized by Flint City Council

April 2010 - Articles of Incorporation Karegnondi Water Authority Approved by Flint City Council

August 1, 2013 – Karegnondi Financing Contract approved by Flint City Council

September 11, 2013 – Resolution Approval of Contract between City of Flint, Genesee County, and Karegnondi Water Authority by Flint City Council

October 1, 2013 – Raw Water Supply Contract approved by Flint City Council

February 20, 2014 – Resolution Approving First Addendum

March 6, 2014 – First Addendum to Water Supply Contract

A detailed historical map of the Great Lakes region, showing the five Great Lakes (Superior, Michigan, Huron, Erie, and Ontario) and the surrounding territories and provinces. The map includes numerous place names, such as "CHIPPewaY TERRITORY", "SAURIES", "OONTAGAMI", "MICHIGAN", "ONTARIO", and "YORK". It also shows various rivers, lakes, and settlements. The map is oriented with North at the top.

Questions and Answers

For more info, visit:
karegnondi.com