UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION – DETROIT

In re:

CITY OF DETROIT, MICHIGAN,

nomor

)

)

)

Debtor,

In Proceedings Under Chapter 9

Case No. 13-53846

Hon. Steven W. Rhodes

SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY'S MOTION FOR INTERVENTION AND TO BE HEARD PURSUANT TO FEDERAL RULES OF BANKRUPTCY PROCEDURE, RULE 2018 AND TO SUPPORT FACILITATIVE MEDIATION WITH RESPECT TO ISSUES RELATED TO THE FUTURE OF THE DETROIT WATER AND SEWERAGE DEPARTMENT

The Southeastern Oakland County Water Authority ("SOCWA"), a municipal organization, by its attorney, Robert Charles Davis, states the following:

1. Pursuant to L. B. R. 9014-1(b)(1) SOCWA has attached to this Motion at

Exhibit 1 a copy of the proposed order labeled as Exhibit #1.

2. Pursuant to L. B. R. 9014-1(b)(2) SOCWA has attached to this Motion at

Exhibit 2 a Notice of Motion and Opportunity to Object.

3. Pursuant to L.B.R. 9014-1(b)(3) SOCWA has attached as Exhibit 3 to this

Motion a Brief in Support of the Motion and a Certificate of Service at **Exhibit 4** pursuant to L. B. R. 9014-1(b)(4).

4. Pursuant to L.B.R. 9014-1(b)(5), SOCWA has attached an affidavit supporting the relief sought at **Exhibit 5**.

Pursuant to L.B.R. 9014-1(g) SOCWA did not seek concurrence with this
Motion as to do so would be unduly burdensome.

6. Federal Rules of Bankruptcy Procedure, Rule 2018, states that, in a case under the Code, after a hearing on a motion to intervene and for cause shown, this Bankruptcy Court may permit any interested party to intervene generally or with respect to any specified matter. Here, there is a "specified matter" set forth.

"(a) Permissive intervention

In a case under the Code, after hearing on such notice as the court directs and for cause shown, the court may permit any interested entity to intervene generally or with respect to any specified matter." (Federal Rules of Bankruptcy Procedure, Rule 2018) (Emphasis Added)

7. This Bankruptcy Court, in In Re Addison Community Hospital Authority, 175

B.R. 646, 650-651 (Bkrtcy.E.D.Mich.,1994), ruled that granting permissive intervention is within the "court's discretion". Specifically, Judge Rhodes ruled, in pertinent part, as follows:

"Granting permissive intervention is within the court's discretion. In re Benny, 791 F.2d 712 (9th Cir.1986);" (In re Addison Community Hosp. Authority, 175 B.R. 646, 650 -651 (Bkrtcy.E.D.Mich.,1994).) (Emphasis Added)

8. This Bankruptcy Court further ruled, in In Re Addison Community Hospital

Authority, that intervention will be permitted upon the showing of "cause".

"<u>Intervention will be permitted upon the showing of cause</u>." (<u>In re</u> <u>Addison Community Hosp. Authority 175</u> B.R. 646, 651 (Bkrtcy.E.D.Mich.,1994).) (Emphasis Added)

9. This Bankruptcy Court also ruled, in In Re Addison Community Hospital

Authority, that cause constitutes having an economic interest in the case or one of its aspects.

This applies here with respect to the moving party and a specified aspect of the captioned matter.

"Cause constitutes an economic interest in the case or one of its aspects or a concern with its precedential ramifications. *Id.* at 687–88 (citing *In re Ionosphere Clubs, Inc.,* 101 B.R. 844, 853 (Bankr.S.D.N.Y.1989)); *In re Public Service Co. of New Hampshire,* 88 B.R. 546, 551 (Bankr.D.N.H.1988)." (In re Addison Community Hosp.

<u>Authority</u>, 175 B.R. 646, 651 (Bkrtcy.E.D.Mich.,1994).) (Emphasis Added)

10. As stated below, SOCWA has a significant economic interest in the above captioned bankruptcy proceeding and one of its defined aspects.

11. The Detroit Water and Sewerage Department ("DWSD") is a branch of the City of Detroit government. SOCWA has a defined and specific interest in DWSD issues.

12. DWSD currently provides water and sewage service to four million residents of southeast Michigan, most of whom reside in Oakland, Macomb and Wayne Counties (together, the "Counties").

13. SOCWA, as authorized under Public Act 4 of 1957, by its member communities of Berkley, Beverly Hills, Bingham Farms, Birmingham, Clawson, Huntington Woods, Lathrup Village, Pleasant Ridge, Royal Oak, Southfield and Southfield Township and its customer communities of Bloomfield Hills and Bloomfield Township, is the largest water customer of <u>DWSD</u>.

14. SOCWA currently purchases approximately 7.5% of the total volume of water sold by DWSD. SOCWA, and its predecessor organization, have been a significant water customer of DWSD since 1927.

15. SOCWA is part of the DWSD customer partnering process. SOCWA has served on the Technical Advisory Committee ("TAC") since its inception in 2003 with two different SOCWA employees serving as the elected co-chair of the TAC. SOCWA employees have also served on each of the technical subcommittees of the TAC and currently serve as the customer chair of the Rates and Analytical Work Group Committees. SOCWA is widely recognized as DWSD's leading water customer. (**Exhibit 5** – McKeen Affidavit)

16. By way of supporting example, the Western Townships Utilities Authority ("WTUA"), comprised of Canton Township, Northville Township and Plymouth Township, are water and sewer customers of DWSD representing a significant water and sewer customer base of DWSD. The WTUA supports the position of SOCWA herein. (Exhibit 5 – McKeen Affidavit)

17. By way of additional supporting examples, the following customers of DWSD support the position set forth herein by SOCWA:

- Brownstown Twp.
- City of Livonia
- City of Troy
- West Bloomfield Twp.
- City of Centerline

18. These municipal organizations, when combined with SOCWA and the WTUA, account for about 20.6% of DWSD water sales.

19. By way of example and to show cause as required, the combined water customer value of SOCWA and the supporting WTUA herein represents annual DWSD revenue of approximately \$400 million or 11.1% of total DWSD water sales.

20. It is clear that SOCWA, with or without the combined support herein, has a significant economic interest in the DWSD and this economic interest constitutes cause allowing for SOCWA's intervention.

21. DWSD is one of the largest providers of high-quality drinking water and wastewater treatment services in the United States. DWSD's network covers more than 1,000 square miles, and services more than 40 percent of the population of Michigan.

22. The services supplied by DWSD are core functions of government, supplying the most basic and essential human needs. DWSD maintains an extensive infrastructure designed to meet regional needs. SOCWA provides similar services to its member communities.

23. A successful plan for post-bankruptcy Detroit must be an improved and financially sustainable water and sewer system for both Detroit residents and suburban customers such as SOCWA.

24. Although negotiations between the Counties and the City have occurred, the negotiations have not yet reached a conclusion, and need to be accelerated to ensure a timely and beneficial result for all parties, including the customers of DWSD.

25. On August 13, 2013, this Bankruptcy Court entered its Mediation Order (DE 322), appointing Chief District Judge Gerald Rosen of the Eastern District of Michigan, as judicial mediator for the purpose of facilitative mediation. Chief Judge Rosen is authorized to engage in facilitative mediation on discovery, substantive issues and process issues, as referred by the Bankruptcy Court, with such other mediators, judicial or non-judicial, as Chief Judge Rosen may designate.

26. The Mediation Order also provided that this Court may order the parties to engage in any mediation that the Bankruptcy Court refers to Chief Judge Rosen.

27. On April 17, 2014, this Bankruptcy Court entered an Order for Continued Facilitative Mediation.

28. SOCWA asserts that the formation of a regional water authority is a viable solution to the DWSD issues and said issues should be mediated forthwith with a representative from the moving party herein participating actively in that process.

29. SOCWA has many years of experience in managing a water authority and wishes to be part of a regional water authority solution.

30. SOCWA is willing to allocate time and resources to assist in the mediation process and is willing to provide expertise on the water authority issues.

WHEREFORE, the Interested Party, Southeastern Oakland County Water Authority, seeks an Order from this Court:

- (I) Granting SOCWA's Motion for Intervention; and
- (II) Granting SOCWA's intervention which is limited to the issue of SOCWA receiving notices and being authorized to participate in the Facilitative Mediation process for the Detroit Water and Sewage Department / Regional Authority issues; and
- (III) Granting such other relief in favor of SOCWA as this Honorable Court deems just, equitable and appropriate under the circumstances presented.

Respectfully Submitted,

Mt. Clemens, MI 48043

rdavis@dbsattornevs.com

(586) 469-4300

DAVIS BURKET SAVAGE LISTMAN BRENNAN

/s/ William N. Listman By: William N. Listman (P52030) Attorneys for SOCWA 10 S. Main St., Ste. 401

Dated: May 2, 2014

CERTIFICATE OF SERVICE

I hereby certify that on May 2, 2014, I electronically filed the foregoing paper with the Clerk of the Court using the ECF system which will send notification of such filing to all counsel of record by the ECF system. I also certify that on May 2, 2014, I served each of the parties noted on the Court's website as requiring manual noticing/service by placing these documents in a US mail box in the City of Mt. Clemens, State of Michigan. I declare the foregoing statement to be true to the best of my information, knowledge and belief.

DAVIS BURKET SAVAGE LISTMAN BRENNAN

/s/ William N. Listman By: William N. Listman (P52030) Attorneys for SOCWA 10 S. Main St., Ste. 401 Mt. Clemens, MI 48043 (586) 469-4300 rdavis@dbsattorneys.com

Dated: May 2, 2014

INDEX OF EXHIBITS

- 1. Proposed Order
- 2. Notice of SOCWA's Motion for Intervention
- 3. Brief In Support Of SOCWA's Motion for Intervention
- 4. Certificate of Service
- 5. Affidavit of Jeffrey McKeen Dated April 29, 2014

EXHIBIT 1

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION – DETROIT

In re:))
CITY OF DETROIT, MICHIGAN,))))
Debtor,)

Case No. 13-53846

In Proceedings Under Chapter 9

Hon. Steven W. Rhodes

ORDER GRANTING SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY'S MOTION FOR INTERVENTION PURSUANT TO FEDERAL RULES OF BANKRUPTCY PROCEDURE RULE 2018

Interested party, Southeastern Oakland County Water Authority ("SOCWA"), having filed a Motion For Intervention And To Be Heard Pursuant To Federal Rules of Bankruptcy Procedure, Rule 2018 And To Support Facilitative Mediation With Respect to Issues Related To The Future of the Detroit Water and Sewerage Department ("Motion"), this Court being in receipt of the Motion and this Court being fully advised in the premises:

IT IS ORDERED THAT:

- 1. SOCWA's Motion for Intervention is hereby granted; and
- 2. SOCWA's intervention is limited to the issue of SOCWA receiving notices and being authorized to participate in the Facilitative Mediation process for the Detroit Water and Sewage Department / Regional Authority issues.

Signed on _____

Hon. Steven W. Rhodes United States Bankruptcy Judge Prepared By:

DAVIS BURKET SAVAGE LISTMAN BRENNAN

William N. Listman William N. Listman (P52030) Attorneys for SOCWA 10 S. Main St., Suite 401 Mt. Clemens, MI 48043 Wlistman@dbsattorneys.com

EXHIBIT 2

13-53846-swr Doc 4373-3 Filed 05/02/14 Entered 05/02/14 11:57:20 Page 1 of 3

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION – DETROIT

In re:

CITY OF DETROIT, MICHIGAN,)

Debtor,

Case No. 13-53846

In Proceedings Under Chapter 9

Hon. Steven W. Rhodes

Notice of SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY'S MOTION FOR INTERVENTION AND TO BE HEARD PURSUANT TO FEDERAL RULES OF BANKRUPTCY PROCEDURE, RULE 2018 AND TO SUPPORT FACILITATIVE MEDIATION WITH RESPECT TO ISSUES RELATED TO THE FUTURE OF THE DETROIT WATER AND SEWERAGE DEPARTMENT

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Interested party, Southeastern Oakland County Water Authority ("SOCWA") has

filed papers with the Court to allow SOCWA to Intervene and Be heard Pursuant to

Federal Rules of Bankruptcy Procedure Rule 2018.

<u>Your rights may be affected</u>. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)

If you do not want the court to allow SOCWA to intervene, or if you want the court to consider your views on the Motion For Intervention And To Be Heard Pursuant To Federal Rules of Bankruptcy Procedure, Rule 2018 And To Support Facilitative Mediation With Respect To Issues Related To The Future Of The Detroit Water And Sewerage Department, within <u>14</u> days, you or your attorney must:

1. File with the court a written response or an answer, explaining your position at:¹

United States Bankruptcy Court (Mail to 211 West Fort Street, Ste 2100 Detroit, MI 48226)

¹ Response or answer must comply with F. R. Civ. P. 8(b), (c) and (e)

If you mail your response to the court for filing, you must mail it early enough so the court will **receive** it on or before the date stated above. All attorneys are required to file pleadings electronically.

You must also mail a copy to:

William N. Listman (P52030) 10 S. Main St., Suite 400 Mt. Clemens, MI 48043

2.

If a response or answer is timely filed and served, the clerk will schedule a hearing on the motion and you will be served with a notice of the date, time and location of the hearing.

If you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.

Date: May 2, 2014

DAVIS BURKET SAVAGE LISTMAN BRENNAN

By: <u>s/William N. Listman</u> William N. Listman (P52030) Attorney for SOCWA 10 S. Main St., Suite 401 Mt. Clemens, MI 48043 wlistman@dbsattorneys.com

EXHIBIT 3

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION – DETROIT

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In re:

Case No. 13-53846

CITY OF DETROIT, MICHIGAN,)

Debtor.

In Proceedings Under Chapter 9

Hon. Steven W. Rhodes

SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY'S BRIEF IN SUPPORT OF ITS MOTION FOR INTERVENTION AND TO BE HEARD PURSUANT TO FEDERAL RULES OF BANKRUPTCY PROCEDURE, RULE 2018 AND TO SUPPORT FACILITATIVE MEDIATION WITH RESPECT TO ISSUES RELATED TO THE FUTURE OF THE DETROIT WATER AND SEWERAGE DEPARTMENT

The Southeastern Oakland County Water Authority ("SOCWA"), a municipal organization, and for its Brief in Support of Its Motion For Intervention and To Be Heard Pursuant to Federal Rules of Bankruptcy Procedure, Rule 2018 And To Support Facilitative Mediation With Respect To Issues Related To The Future Of The Detroit Water And Sewerage Department, states the following:

TABLE OF CONTENTS

INDE	X OF A	UTHORITES
INDE	X OF E	XHIBITS4
I.	Staten	nent of the Issue Presented5
II.	Staten	nent of the Most Controlling Authority5
II.	Staten	nent of Concurrence Sought5
IV.	Statem	ent of the Standard of Review5
V.	Statem	ent of Relevant and Controlling Facts5
VI.	Legal	Arguments7
	A.	This Court Should Grant SOCWA'S Motion For Intervention
		1. SOCWA Has An Economic Interest In the Above Captioned Bankruptcy Proceeding
		2. The Formation Of A Regional Water Authority Is A Viable Solution To The DWSD Issues Which Should be Mediated through Chief District Judge Gerald Rosen
VII.	Conclu	usions and Relief Requested11

INDEX OF AUTHORITIES

	Page
<u>Cases:</u>	
In Re Addison Community Hospital Authority,	
175 B.R. 646, 650-651 (Bkrtcy.E.D.Mich., 1994)	5, 8
Court Rules:	

FRBP 2018	5,	7,	8,	11
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- 4. Certificate of Service
- 5. Affidavit of Jeffrey McKeen Dated April 29, 2014

I. <u>STATEMENT OF THE ISSUE PRESENTED</u>

I. Should this Bankruptcy Court Grant SOCWA'S Motion for Intervention?

Debtor says: "Has Not spoken on this issue"

SOCWA says: "Yes"

II. STATEMENT OF THE MOST CONTROLLING AUTHORITY

SOCWA, for its Statement of the Most Controlling Authority, relies on FRBP 2018 and

In Re Addison Community Hospital Authority, 175 B.R. 646, 650-651 (Bkrtcy.E.D.Mich.,1994).

III. STATEMENT OF CONCURRENCE SOUGHT

Pursuant to L.B. R. 9014-1 (g), SOCWA states that concurrence was not sought as it would be unduly burdensome to do so.

IV. STATEMENT OF THE STANDARD OF REVIEW

A. <u>FRBP 2018</u>

FRBP 2018 states that an interested party has the right to file a motion to intervene.

V. STATEMENT OF THE RELEVANT AND CONTROLLING FACTS

The Detroit Water and Sewerage Department ("DWSD") currently provides water and sewage service to four million residents of southeast Michigan, most of whom reside in Oakland, Macomb and Wayne Counties (together, the "Counties"). SOCWA, as authorized under Public Act 4 of 1957, by its member communities of Berkley, Beverly Hills, Bingham Farms, Birmingham, Clawson, Huntington Woods, Lathrup Village, Pleasant Ridge, Royal Oak, Southfield and Southfield Township and its customer communities of Bloomfield Hills and Bloomfield Township, is the largest water customer of DWSD. (Exhibit 5 -- McKeen Affidavit)

SOCWA currently purchases approximately 7.5% of the total volume of water sold by DWSD. (Exhibit 5 -- McKeen Affidavit) SOCWA, and its predecessor organization, have been a significant water customer of DWSD since 1927. SOCWA is part of the DWSD customer partnering process. SOCWA has served on the Technical Advisory Committee ("TAC") since its inception in 2003 with two different SOCWA employees serving as the elected co-chair of the TAC. SOCWA employees have also served on each of the technical subcommittees of the TAC and currently serve as the customer chair of the Rates and Analytical Work Group Committees. SOCWA is widely recognized as DWSD's leading water customer. (Exhibit 5 -- McKeen Affidavit)

The Western Townships Utilities Authority ("WTUA"), comprised of Canton Township, Northville Township and Plymouth Township, are water and sewer customers of DWSD representing a significant water and sewer customer base of DWSD. The WTUA supports SOCWA's position herein. (**Exhibit 5** -- McKeen Affidavit) The following municipal organizations support the position of SOCWA as set forth herein.

- Brownstown Township
- City of Livonia
- City of Troy
- West Bloomfield Twp.
- City of Centerline

(Exhibit 5 -- McKeen Affidavit)

Although negotiations between the Counties and the City have occurred, the negotiations have not yet reached a conclusion, and need to be accelerated to ensure a timely and beneficial result for all parties, including the customers of DWSD. On August 13, 2013, this Bankruptcy Court entered its Mediation Order (DE 322), appointing Chief District Judge Gerald Rosen of the Eastern District of Michigan, as judicial mediator for the purpose of facilitative mediation. Chief Judge Rosen is authorized to engage in facilitative mediation on discovery, substantive issues and process issues, as referred by the Bankruptcy Court, with such other mediators, judicial or non-judicial, as Chief Judge Rosen may designate.

The Mediation Order also provided that this Court may order the parties to engage in any mediation that the Bankruptcy Court refers to Chief Judge Rosen. On April 17, 2014, this Bankruptcy Court entered an Order for Continued Facilitative Mediation. SOCWA asserts that the formation of a regional water authority is a viable solution to the DWSD issues and said issues should be mediated forthwith with a representative from the moving party herein participating actively in that process. SOCWA has many years of experience in managing a water authority and wishes to be part of a regional water authority solution. SOCWA is willing to allocate time and resources to assist in the mediation process and is willing to provide expertise on the water authority issues.

VI. LEGAL ARGUMENTS

A. <u>This Court Should Grant the SOCWA's Motion For Intervention</u>.

Federal Rules of Bankruptcy Procedure, Rule 2018, clearly states that, in a case under the Code, after a hearing on a motion to intervene and for cause shown, this Bankruptcy Court

may permit any interested party to intervene generally or with respect to any specified matter.

"(a) Permissive intervention

In a case under the Code, after hearing on such notice as the court directs and for cause shown, the court may permit any interested entity to intervene generally or with respect to any specified matter." (Federal Rules of Bankruptcy Procedure, Rule 2018) (Emphasis Added)

This Bankruptcy Court, in In Re Addison Community Hospital Authority, 175 B.R.

646, 650-651 (Bkrtcy.E.D.Mich., 1994) ruled that granting permissive intervention is within the

Court's discretion. Specifically, Judge Rhodes ruled as follows:

"<u>Granting permissive intervention is within the court's discretion</u>. In re Benny, 791 F.2d 712 (9th Cir.1986);" (<u>In re Addison Community</u> <u>Hosp. Authority</u>, 175 B.R. 646, 650 -651 (Bkrtcy.E.D.Mich.,1994).) (Emphasis Added)

This Bankruptcy Court further ruled, in In Re Addison Community Hospital Authority, that

intervention will be permitted upon the showing of cause.

"<u>Intervention will be permitted upon the showing of cause</u>." (<u>In re</u> <u>Addison Community Hosp. Authority 175</u> B.R. 646, 651 (Bkrtcy.E.D.Mich., 1994).) (Emphasis Added)

This Bankruptcy Court also ruled, in <u>In Re Addison Community Hospital Authority</u>, that good cause constitutes having an economic interest in the case or one of its aspects. This applies here.

"<u>Cause constitutes an economic interest in the case or one of its</u> <u>aspects</u> or a concern with its precedential ramifications. *Id.* at 687–88 (citing *In re Ionosphere Clubs, Inc.,* 101 B.R. 844, 853 (Bankr.S.D.N.Y.1989)); *In re Public Service Co. of New Hampshire,* 88 B.R. 546, 551 (Bankr.D.N.H.1988)." (<u>In re Addison Community Hosp.</u> <u>Authority</u>, 175 B.R. 646, 651 (Bkrtcy.E.D.Mich.,1994).) (Emphasis Added)

Here, SOCWA has a significant economic interest in the above captioned bankruptcy proceeding and/or one of its aspects.

1. <u>SOCWA Has An Economic Interest In the Above Captioned</u> <u>Bankruptcy Proceeding</u>.

As stated above, SOCWA, as authorized under Public Act 4 of 1957, by its member communities of Berkley, Beverly Hills, Bingham Farms, Birmingham, Clawson, Huntington Woods, Lathrup Village, Pleasant Ridge, Royal Oak, Southfield and Southfield Township and its customer communities of Bloomfield Hills and Bloomfield Township, <u>is the largest water</u> <u>customer of DWSD</u>. (**Exhibit 5** -- McKeen Affidavit)

SOCWA currently purchases approximately 7.5% of the total volume of water sold by DWSD. (Exhibit 5 -- McKeen Affidavit) The Western Townships Utilities Authority ("WTUA"), comprised of Canton Township, Northville Township and Plymouth Township, are water and sewer customers of DWSD representing a significant water and sewer customer base of DWSD. The WTUA supports the position of SOCWA herein. (Exhibit 5 -- McKeen Affidavit)

It is clear that SOCWA, combined with the supporting municipal organizations, has a significant economic interest in the DWSD and this economic interest constitutes good cause allowing for SOCWA's intervention into the above captioned bankruptcy proceedings related to the DWSD issues. Moreover, there would be no delay or prejudice which would result from SOCWA's intervention. As stated in detail below, SOCWA has many years of experience in managing a water authority and wishes to be part of a regional water authority solution. SOCWA is willing to allocate time and resources to assist in the mediation process and

is willing to provide expertise on the water authority issues. Given this fact, SOCWA's intervention related to the DWSD issues would actually expedite a resolution and not hinder any such resolution. As noted by this Court in **In Re Addison Community Hospital Authority**, Rule 2018 provides the Courts with the discretion to balance the needs of a potential intervenor against any delays or prejudice which can result from intervention.

"<u>Rule 2018</u> gives courts the discretion to balance the needs of a potential intervenor against any delay or prejudice which would result from the intervention." (In re Addison Community Hosp. <u>Authority</u>, 175 B.R. 646, 651 (Bkrtcy.E.D.Mich., 1994).) (Emphasis Added)

Here, the intervention of SOCWA not only serves the interests of SOCWA but also serves the interests of an expedited resolution of the DWSD issues.

2. <u>The Formation Of A Regional Water Authority Is A Viable Solution</u> <u>To The DWSD Issues Which Should be Mediated through Chief</u> <u>District Judge Gerald Rosen</u>.

As stated above, on August 13, 2013, this Bankruptcy Court entered its Mediation Order (DE 322), appointing Chief District Judge Gerald Rosen of the Eastern District of Michigan, as judicial mediator for the purpose of facilitative mediation. Chief Judge Rosen is authorized to engage in facilitative mediation on discovery, substantive issues and process issues, as referred by the Bankruptcy Court, with such other mediators, judicial or non-judicial, as Chief Judge Rosen may designate.

The Mediation Order also provided that this Court may order the parties to engage in any mediation that the Bankruptcy Court refers to Chief Judge Rosen. On April 17, 2014, this Bankruptcy Court entered an Order for Continued Facilitative Mediation. SOCWA asserts that the formation of a regional water authority is a viable solution to the DWSD issues and said

issues should be mediated forthwith with a representative from the moving party herein participating actively in that process. SOCWA has many years of experience in managing a water authority and wishes to be part of a regional water authority solution. SOCWA is willing to allocate time and resources to assist in the mediation process and is willing to provide expertise on the water authority issues.

VII. <u>CONCLUSIONS AND RELIEF REQUESTED</u>

WHEREFORE, the Interested Party, Southeastern Oakland County Water Authority,

seeks an Order from this Court:

- (I) Granting SOCWA's Motion for Intervention; and
- (II) Granting SOCWA's intervention which is limited to the issue of SOCWA receiving notices and being authorized to participate in the Facilitative Mediation process for the Detroit Water and Sewage Department / Regional Authority issues; and
- (III) Granting such other relief in favor of SOCWA as this Honorable Court deems just, equitable and appropriate under the circumstances presented.

Respectfully Submitted,

DAVIS BURKET SAVAGE LISTMAN BRENNAN

/s/ William N. Listman By: William N. Listman (P52030) Attorneys for SOCWA 10 S. Main St., Ste. 401 Mt. Clemens, MI 48043 (586) 469-4300 rdavis@dbsattorneys.com

Dated: May 2, 2014

CERTIFICATE OF SERVICE

I hereby certify that on May 2, 2014, I electronically filed the foregoing paper with the Clerk of the Court using the ECF system which will send notification of such filing to all counsel of record by the ECF system. I also certify that on May 2, 2014, I served each of the parties noted on the Court's website as requiring manual noticing/service by placing these documents in a US mail box in the City of Mt. Clemens, State of Michigan. I declare the foregoing statement to be true to the best of my information, knowledge and belief.

DAVIS BURKET SAVAGE LISTMAN BRENNAN

/s/ William N. Listman By: William N. Listman (P52030) Attorneys for SOCWA 10 S. Main St., Ste. 401 Mt. Clemens, MI 48043 (586) 469-4300 rdavis@dbsattorneys.com

Dated: May 2, 2014

EXHIBIT 4

13-53846-swr Doc 4373-5 Filed 05/02/14 Entered 05/02/14 11:57:20 Page 1 of 2

CERTIFICATE OF SERVICE

I hereby certify that on May 2, 2014, I electronically filed the foregoing paper with the Clerk of the Court using the ECF system which will send notification of such filing to all counsel of record by the ECF system. I also certify that on May 2, 2014, I served each of the parties noted on the Court's website as requiring manual noticing/service by placing these documents in a US mail box in the City of Mt. Clemens, State of Michigan. I declare the foregoing statement to be true to the best of my information, knowledge and belief.

DAVIS BURKET SAVAGE LISTMAN BRENNAN

By: <u>s/William N. Listman</u> William N. Listman (P52030) Attorney for Southeastern Oakland County Water Authority 10 S. Main St., Suite 401 Mt. Clemens, MI 48043 <u>wlistman@dbsattorneys.com</u>

EXHIBIT 5

13-53846-swr Doc 4373-6 Filed 05/02/14 Entered 05/02/14 11:57:20 Page 1 of 3

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION – DETROIT

In re:

Case No. 13-53846

CITY OF DETROIT, MICHIGAN,)

In Proceedings Under Chapter 9

Debtor,

Hon. Steven W. Rhodes

AFFIDAVIT OF JEFFREY MCKEEN

STATE OF MICHIGAN

COUNTY OF OAKLAND

Jeffrey McKeen, being first duly sworn, deposes and states:

)

) ss.

1. I am the General Manager for the Southeastern Oakland County Water Authority ("SOCWA").

2. I have personal knowledge of the status and operations of SOCWA from 2002 to present.

3. SOCWA, as authorized under Public Act 4 of 1957, by its member communities of Berkley, Beverly Hills, Bingham Farms, Birmingham, Clawson, Huntington Woods, Lathrup Village, Pleasant Ridge, Royal Oak, Southfield and Southfield Township and its customer communities of Bloomfield Hills and Bloomfield Township, is the largest water customer of the Detroit Water and Sewerage Department ("DWSD").

4. SOCWA currently purchases approximately 7.5% of the total volume of water sold by DWSD. SOCWA, and its predecessor organization, have been a significant water customer of DWSD since 1927.

13-53846-swr Doc 4373-6 Filed 05/02/14 Entered 05/02/14 11:57:20 Page 2 of 3

5. SOCWA is part of the DWSD customer partnering process.

 SOCWA has served on the Technical Advisory Committee ("TAC") since its inception in 2003 with two different SOCWA employees serving as the elected cochair of the TAC.

7. SOCWA employees have served on each of the technical subcommittees of the TAC and currently serve as the customer chair of the Rates and Analytical Work Group Committees.

8. SOCWA is widely recognized as DWSD's leading water customer.

9. The Western Townships Utilities Authority ("WTUA"), comprised of Canton Township, Northville Township and Plymouth Township, are water and sewer customers of DWSD representing a significant water and sewer customer base of DWSD. The WTUA supports the Motion and the relief sought by SOCWA under Rule 2018.

10. That I have made contact with every supporting municipal entity set forth in the Motion concerning and verifying each entity's support for the relief sought in the Motion under Rule 2018.

11. That I have verified to combined revenue of the entities supporting the Motion and the relief sought by SOCWA under Rule 2018.

If sworn as a witness, I can testify competently to the facts stated herein.

Further, Affiant sayeth not.

Jeffrey McKeen General Manager of SOCWA

Subscribed and sworn to before me this day of May, 2014. , Notary Public County Michigan My Commission Expires: 2

TIFFANY N.LOCKETTE Notary Public, State of Michigan County of Cekland My Commission Expires 11/20/2019 Acting in the County of Oakland