

CONDITIONAL ACCEPTANCE of Flint City Council of
Resolution # 200488 – **Resolution to Approve Settlement of Flint Water Litigation**
Resolution #200488 to be Amended to #200488.1 to include these conditions and this document.

It is Flint City Council’s belief that the Council will/may be willing to accept the proposed Settlement of Flint Water Litigation if the following conditions are met. This will be a “Conditional Acceptance”.

The Conditions:

1. A) City Council is allowed to hire an Attorney (Law Firm) of their choosing without getting permission of City Attorney for that choice. B) City Attorney to expedite all contractual agreements necessary to engage those services (City Attorney will do so within one week of that firm being identified by Council).
2. A) Deadlines for decisions are changed (advanced by approximately two months) to give council enough time to hire their own attorney and for that person to evaluate the agreement and get up to speed on all issues. B) That attorney to provide analysis to Council of the issues involving the Settlement and all pending water litigations. C) that attorney to be privy to ALL and ANY documents that were 1) used to make Settlement Proposals and/or Counter Offers as well as any (filed) responses to the Settlement Filed , and 2) and subsequent Filed Objections to the Settlement. To include any emails, letters or other pertinent correspondence, including any “Privileged and Confidential” communications. D) That attorney to work with potential Mediator and all pertinent Defendant and Plaintiff Water Litigation attorneys to both provide them with council’s input for litigation Settlement terms, and bring back to council all offers or responses made to Settlement negotiations.
3. A) Judge Levy, or Judge Farah, or Judge Murray, appoints a Mediator to bring resolution to all types of existing water litigations against the City of Flint. All three types of lawsuits 1) Damages/Injury, 2) Refunds, 3) and Over-charging of Rates to be included in the Settlement and negotiations, including resolution of Water Liens placed on property for non-payment of water that the public couldn’t use. B) If necessary, negotiations will include requests to the State of Michigan to add to the pool of funds allocated for this Settlement, in order to fulfill a final Settlement for ALL Water Litigation lawsuits. This will thereby Fully and Finally resolve all current water litigation against the City of Flint

4. A) Re-allocation of two percent (2%) of the 18% in the Adult category (of the Settlement Agreement) for payment to citizens for REFUNDS for water they paid for but could not use. [NOTE – approximate sum of 2% of 18% to be in the neighborhood of \$2,307,600. B) To be verified by accountants] C) Not to be reassigned as “credits”. D) Criteria for refund to be 1) you had an active water account during the period of January 17, 2017 through June 30, 2019, or as claimed in Attorney Loyst Fletcher’s refund lawsuit and, 2) you were paying on your water bill, even if in arrears. The amount to be REFUNDED to be the actual amount considered paid, but unable to use (previously estimated to be 65% of the water bill). E) Not to be confused with \$42.8 M given by State to the City for refunds during the time period of April 2015 through December 2016. [NOTE – Without Council approval previous Mayor Karen Weaver (with State Agreement) gave NOT REFUNDS to water customers, but CREDITS on future water bills while simultaneously increasing the Service Charge and thereby resulting in minimal NET GAIN for a CREDIT for water customers. F) The Settlement Clauses in the Agreement to clearly reflect and specify the word and criteria of Water REFUNDS. [NOTE – it does not currently do so.]
5. A) Investigation by Michigan Attorney General’s Office, of illegal and improper use of approx. \$10.3M (and really much more, verbally estimated by Eric Scorsone to probably be about \$30M) out of the (591) Water Fund and out of (592) Sewer Fund, by four of the five Flint Emergency Managers (i.e., Ed Kurtz, Michael Brown, and Gerald Ambrose) plus previous Mayors Dayne Walling and Karen Weaver. B) Also a request to investigate: 1)remiss in responsibilities “failure to investigate” despite Council complaint and warning; 2)provide oversight of this practice and 3) stop this practice by R-TAB and Michigan Treasury who had knowledge this was occurring. [NOTE -This illegal practice and use of using 591/592 Funds by Transferring out money to General Fund (to cover budget and Fund deficits) was, and is, expressly prohibited in the Old and New City Charters (New: Article 7, Section 7-106 B). This prohibition against “borrowing from these Enterprise Funds) occurred without loan documents, without agreement of Council – and without ANY repayment.] [NOTE –some of this information is documented in Attorney Washington’s court filings, see “Transfers Out” of funds]. B) This is pertinent because we could have had significant money in these funds to help pay for water

Settlement Judgments including REFUNDS C) This investigation could take place after Final Settlement Agreement is concluded.

6. Mayor Sheldon Neeley has to sign the agreement as well as council, signifying to the Public his approval of the Settlement. This is not just a Council decision, it affects the entire City and the decision needs to be made by all City Elected Officials.