

On Jan 6, 2016, at 8:54 PM, Khouri, Nick (TREASURY) <KhouriN@michigan.gov> wrote:

Ok

But we sound pretty silly that it went from \$30m to \$3m in 2 hours

Sent from my iPhone

On Jan 6, 2016, at 8:51 PM, Headen, Frederick (Treasury) <HeadenF@michigan.gov> wrote:

Chris Trebilcock of Miller Canfield thinks the number is \$3.0 million. However, he indicated that he keeps requesting info from the City, but has yet to receive it.

The other thing to bear in mind is that the \$30.0 million estimate, to the extent it was ever accurate, assumed refunds from September 2011 to roughly September 2015. We now are talking about a refund period of only nine months.

Sent from my iPhone

On Jan 6, 2016, at 6:18 PM, Khouri, Nick (TREASURY) <KhouriN@michigan.gov> wrote:

Thanks

I thought we were talking about a \$30m refund?

Is the number now \$3m?

Sent from my iPhone

On Jan 6, 2016, at 5:45 PM, Headen, Frederick (Treasury) <HeadenF@michigan.gov> wrote:

All:

This is an update regarding *Shears v City of Flint*.

Background. Plaintiffs sought injunctive relief and order from

Genesee County
Circuit Court
declaring: (1) that a 35
percent water/sewer
rate increase City
officials adopted
September 16, 2011,
violated the City's
charter; (2) that
water/sewer rate
increases EM Brown
adopted, effective July
1, 2012, were voided
by the November 6,
2012, voter
disapproval of Public
Act 4 of 2011; and (3)
that City officials
improperly
commingled
water/sewer funds.

In August 2015, the
Court issued a
preliminary injunction
directing City
officials: (1) to rescind
the 35 percent rate
increase; (2) to refrain
from service shut offs
for failure to pay if the
35 percent rate
increase was involved;
and (3) on the Court's
own motion, to
rescind a \$15.7
million transfer from
the water/sewer fund
to a litigation
settlement fund that
City officials made in
2008 to settle claims
related to sewer
backups.

Recent Developments.

(1) Plaintiffs asked the
Court to hold City
officials in contempt
for not properly