

MILLER CANFIELD

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March 6, 2013

Mr. Jack Martin
Chief Financial Officer
City of Detroit
Office of the Chief Financial Officer
Coleman A. Young Municipal Center
2 Woodward Ave., Suite 1126
Detroit, Michigan 48226

Re: Proposal for Local Restructuring Legal Counsel


Dear Mr. Martin:

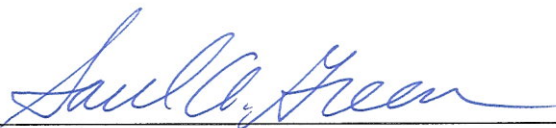
Thank you for the invitation to submit our proposal to serve the City of Detroit (the "City") as restructuring legal counsel. We value our longstanding relationship with the City and are pleased to submit this proposal to serve as local partner with whichever firm the City selects as national counsel.

We would be happy to discuss our proposal at your convenience.

Sincerely,

Miller, Canfield, Paddock and Stone, P.L.C.

By: 
Michael P. McGee

By: 
Saul A. Green

dms

cc: Edward V. Keelean, Acting Corporation Counsel (w/enclosure)
Suite 500, Coleman A. Young Municipal Center

Proposal to Serve as
Local Restructuring Legal Counsel
to the City of Detroit



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Summary of Our Proposal

Miller Canfield is pleased to submit this proposal to continue working with the City of Detroit as local partner to the lead restructuring counsel to be engaged by the City. Our firm has successfully partnered with national firms on high-level legal projects in the past, and we can work effectively with any of the national firms from whom the City is seeking proposals.

We are confident in promising effective teamwork because our firm's skills match those which the City's RFP identifies as important. Our recent experience includes:

- Addressing Chapter 9 and related insolvency issues and concerns under the Bankruptcy Code and applicable Michigan law (including providing bankruptcy opinions to the City and others), and representing major clients in Chapter 11 proceedings.
- Successfully representing major private-sector clients in cases regarding changes to and reductions in OPEB obligations.
- Implementing the City Employment Terms (CETs) in July 2012, enabling the City to accomplish budget savings in FY 2013.
- Successfully defending in 2012 a range of lawsuits having the common objective of frustrating the restructuring, allowing some space for City restructuring actions to proceed.
- Maintaining our position among the leading public finance firms in the United States, including earning recognition from *The Bond Buyer* as part of the team on the 2012 "Deal of the Year." This is the second consecutive year in which we received "Deal of the Year" honors.
- Representing a number of Michigan municipalities and school districts which have been subject to State oversight under either PA 72 or PA 4.
- Assisting with drafting Michigan's new law on pension funding, 2012 PA 329.
- Successfully structuring the spinoff of public entity operating units, including the transfer of Cobo Hall from the City to the Detroit Regional Convention Facility Authority, and of Detroit Metropolitan Airport from Wayne County to the Wayne County Airport Authority.

Our relationship with the City spans decades. Today, adding value to a complex restructuring of the magnitude confronting the City requires judgment, relevant experience, speed, and analytical skill. We believe we can offer great judgment derived from our deep experience, and great skill owing to the outstanding quality of our lawyers. We look forward to contributing.

Contents of Response

1. Firm Description

Miller Canfield is a full-service AmLaw 200 firm employing more than 350 lawyers and paralegals and 260 staff. Our principal office is in Detroit, where it has been located since our founding in 1852. We have five additional Michigan offices, as well as U.S. offices in Chicago, New York, Cincinnati and Tampa, together with offices in Poland (Warsaw, Gdynia, Wroclaw), Canada (Toronto, Windsor), Mexico (Monterrey) and China (Shanghai).

137 of our lawyers in the U.S. and Canada have been selected for inclusion among *Best Lawyers® 2013*, including 23 “Best Lawyers of the Year;” 109 of our lawyers have been named *Super Lawyers in 2012*; and *Chambers USA 2012* recognized 21 of our lawyers as leading business lawyers. Chambers USA ranks our firm for its work in banking & finance, commercial litigation, employee benefits & executive compensation, labor & employment law, real estate law, and corporate/M&A work.

Miller Canfield was named as an “Awesome Opponent” in the BTI Litigation Outlook 2013 report. Over 300 general counsel and in-house litigation heads at top-spending organizations in over 20 industries were asked by BTI to identify the best litigation firms in the U.S. Miller Canfield also has been highly recommended as a leading litigation firm in Michigan in *Benchmark: The Definitive Guide to America’s Leading Litigation Firms in America*.

Miller Canfield has been named a 2013 *Go-To Law Firm®* for Labor and Employment Law and Litigation, chosen by Fortune 500 companies.

Miller Canfield ranked first in the Mideast region and Michigan and 16th in the U.S. among bond counsel firms in the 2012 Municipal Markets Review by Thomson Reuters, with 128 long-term new bond issues totaling \$5.76 billion. We have been ranked first in Michigan, either by number of issues opined or dollar volume, in every year of the more than three decades that the ranking has been produced.

U.S. News & World Report and *Best Lawyers* have again ranked our firm among the nation’s best law firms in the 2013 edition of “Best Law Firms.” Miller Canfield has more first-tier metropolitan rankings than any other law firm in Michigan – 77 in all – and is the only firm with a first-tier ranking in Michigan in Private Funds / Hedge Funds Law. In addition, Miller Canfield has the most first-tier rankings in the U.S. in Municipal Litigation and received national first-tier rankings in Product Liability Litigation-Defendants, Professional Malpractice Law-Defendants and Public Finance Law.

2. Proposed Staffing

The principal lawyers we propose to use to service the City of Detroit for restructuring matters are as follows:



Michael P. McGee
+1.313.496.7599
mcgee@millercanfield.com

Over the past 30 years, Michael McGee has had primary responsibility for general obligation and revenue bond issues amounting to more than \$3.5 billion. With academic degrees in public policy and economics in addition to law, he brings a unique perspective to his broad legal experience in structuring public/private economic development and public improvement projects. Mike has served as bond counsel and underwriters' counsel for hundreds of transactions in various areas including infrastructure, economic development, transit and transportation. In addition, he has negotiated complex intergovernmental agreements for a wide variety of clients, including a major economic development project for the Southeast Michigan region and related legislation. In 2010, he consulted with Governor Snyder's transition team in the drafting of what became the State's new emergency manager law, 2011 PA 4.

Retained by Mayor Bing in February 2012 to assist with the negotiation of the Financial Stability Agreement, over the past year Mike has overseen the firm's assignments by the Mayor for labor, litigation, and public law matters and has advised on implementation matters under the FSA.



Saul A. Green
+1.313.496.7535
greens@millercanfield.com

Saul Green served as Deputy Mayor of the City of Detroit from 2008 to 2011, having been appointed by Mayor Cockrel and retained by Mayor Bing. He brings unmatched hands-on experience with the challenges confronting the City's operations. In addition, as a former United States Attorney for the Eastern District of Michigan, Saul has broad experience and expertise with federal agencies and governmental operations.

Drawing on his long and distinguished background in government and academia, Saul is widely regarded for his ability to deal with complex and often acrimonious matters. In a number of civil rights disputes between parties with a history of distrust and acrimony, for example, he has skillfully guided the parties to successful resolutions and assisted them in developing a process for future healthy dialogue.



Jonathan S. Green
+1.313.496.7997
greenj@millercanfield.com

Widely regarded as one of the leading bankruptcy lawyers in Michigan, Jon Green represents clients in debtor-in-possession financings, supply protection negotiations, and Chapter 11 restructurings and asset acquisitions. He has extensive experience in automotive and troubled-supplier restructurings inside and outside of bankruptcy, including the negotiation and documentation of supply protection and lender support agreements. He also has industry expertise in automotive and commercial lending. Jon is the leader of the firm's Bankruptcy Group and has delivered a number of opinions in a Chapter 9 context.



Harold W. Bulger
+1.313.496.7507
bulger@millercanfield.com

Harold Bulger's primary expertise is helping municipalities secure the financing they need for infrastructure projects such as water, sewer and street improvements. His particular emphasis is in the areas of municipal economic development, brownfield redevelopment and tax increment financing. Harold also assists cultural and educational institutions in obtaining the loans to improve buildings, facilities and equipment. Harold has significant experience in representing issuers and underwriters in financing federally guaranteed and alternative state higher education student loan programs.

Harold has extensive experience in assisting financially distressed cities and school districts, including the City, with short- and long-term borrowings secured by anticipated taxes to solve fiscal structural imbalances. He also is actively involved with Miller Canfield's efforts to increase its representation of multiculturally diverse individuals and businesses.



John H. Willems
+1.313.496.7544
willems@millercanfield.com

John Willems brings the unique perspective of having been both a union and management representative. A practicing attorney for more than 25 years, John has extensive experience in every facet of labor and employment law, including complex employment and class action litigation in state and federal court, collective bargaining and arbitration, as well as administrative proceedings before the EEOC, NLRB and MERC. John has a consistent record of achieving favorable results in high-exposure labor disputes.

John led our labor litigation team for the City in 2012, successfully defending suits brought by DPOA, AFSCME and related parties. He also successfully structured and defended Michigan's first major public safety consolidation in a distress context, transferring the City of Mount Clemens police department to Macomb County in 2005. The same structure was recently used by the Pontiac EFM to reduce that City's public safety expenses.



Richard W. Warren
+1.313.496.7932
warren@millercanfield.com

Richard W. Warren defends employers facing all types of wrongful discharge lawsuits, including discrimination, retaliation and harassment claims filed by employees. He also has a wealth of experience handling non-competition litigation and defending employers faced with complex and class action cases, including age discrimination, race discrimination and retiree health benefit claims. In order to help companies avoid employment lawsuits, Richard also spends a significant amount of time counseling management and human resource professionals in areas such as hiring, layoffs, discipline and termination.

Richard is leading our team providing advice to the City in respect of the City's retiree health care obligations, the analysis of contract provisions having a bearing on the obligation, and suggesting strategies to address the issue.



Irene Bruce Hathaway
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hathawayi@millercanfield.com

In more than a quarter century of practice as a trial attorney, Irene Bruce Hathaway has been involved in a wide variety of complex commercial and tort cases. She has particular expertise in governmental contract litigation — including fraud recovery—catastrophic tort litigation and contract and business disputes. She has represented clients in many industries including manufacturing, food, retail sales, government and health care. Irene's broad and varied experience (over 100 trials and dozens of arbitrations) has honed two key qualities—efficiency and attention to detail. Irene successfully defended the FSA and the Mayor in three matters in 2012. She also was part of our team which recently favorably resolved a high-profile matter for DWSD.



Stephen S. LaPlante
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laplante@millercanfield.com

Stephen S. LaPlante has been extensively involved in virtually every auto industry-related bankruptcy case in the United States and Canada in the past decade, representing the interests of a large American automobile manufacturer and several Tier 1 automotive parts suppliers. Coping with the issues arising in a customer relationship with a financially troubled auto parts supplier has become increasingly challenging in this rapidly changing industry, calling for new, innovative solutions. The automobile business—like government—is unlike any other and experience is essential to avoid potentially catastrophic consequences. Stephen brings that experience to bear on each case.



Kenneth J. Sachs
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sachs@millercanfield.com

A principal in our employee benefits group, Ken Sachs has extensive experience with employee benefits and executive compensation business planning. He specializes in the design, implementation and administration of all types of retirement plans, both tax-qualified and non tax-qualified; welfare plans; medical plans, both self-funded and insured, and every other type of benefit provided to employees including insurance, disability, adoption assistance and more. In addition, Ken handles IRS, USDOL and Pension Benefit Guaranty Corporation matters, and advises clients on multi-employer pension plans and withdrawal liability under the Multiemployer Pension Plan Amendments Act.



Noah P. Hood
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hood@millercanfield.com

Noah P. Hood specializes in complex commercial litigation. He has litigated a variety of business disputes, including matters involving: breach of contract, business torts, land use litigation, public law litigation, public corruption, nuisance abatement, oil and gas litigation, and trademark disputes. Noah assisted Irene Hathaway in 2012 defending the FSA.



Laura M. Bassett
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bassett@millercanfield.com

Laura M. Bassett advises public entities on a range of financing and related legal matters, including economic development initiatives, municipal infrastructure finance and school finance. Laura has particular experience assisting financially distressed municipalities and school districts, including the City. She presently is working on various Annex B restructuring initiatives, including DDOT restructuring and Recreation financing.



M. Misbah Shahid
+1.313.496.7919
shahid@millercanfield.com

M. Misbah Shahid practices in the area of labor and employment litigation. He is involved in handling contract negotiation and arbitration for both public and private sector clients, nationally and locally. He is also involved in a variety of employment litigation matters. His special focus involves assisting Muslim, Arab, and South Asian employers with issues relating uniquely to them. Misbah played a critical role in organizing, drafting, and implementing the CETs in 2012, and is actively engaged in our labor representation of the City.

Connection to the Community

Miller Canfield has a long tradition of deep involvement with and service to the Detroit community. Some examples include:

- Pro bono assistance to several non-profit corporations doing business serving Detroit residents. Lawrence Dudek and Noah Hood are working through Michigan Community Resources f/k/a Community Legal Resources, neighborhood associations and residents in a project to bring nuisance abatement actions against owners of blighted property to improve certain neighborhoods within the City.
- Represented the West Grand Boulevard Collaborative in connection with a Neighborhood Opportunity Fund grant from the City of Detroit to improve the quality of life of low-income residents in the West Grand Boulevard Area.
- In partnership with the Legal Aid and Defenders of Detroit, in 2011-12 handled 40 expungements of Michigan criminal-felony convictions, the vast majority of which were for Detroit residents.
- Working with the Accounting Aid Society to provide tax preparation assistance to a large number of indigent Detroit residents as part of the Accounting Aid Society's tax preparation program.
- We are active partners within Asian Indian, Middle Eastern, African-American, Pan-Asian and Latino communities. Regular team meetings keep us – and the organizations - educated and connected. We are proud of our many initiatives, including sponsoring the start-up of the South Asian Bar Association in southeast Michigan; hosting a goals-sharing forum and reception for leaders in Detroit's multi-cultural organizations; partnering Miller Canfield's minority attorneys to in-house corporate counsel; and introducing Detroit's multi-cultural leaders to the new Michigan Market President of Bank of America.
- Saul Green is presently on the steering committee for the City of Detroit's Youth Violence Prevention Initiative, which is a collaborative effort by the City, the City's Police Department and the School District to reduce and prevent youth violence.
- Amanda Van Dusen has served on the boards of the Gleaners Community Food Bank and the Mayor's Committee for the 21st Century and currently serves on the board of the Hudson Webber Foundation (which focuses on proactive efforts to stimulate economic revitalization, safe community and the arts in Detroit), as an emeritus board member of the Detroit Institute of Arts, and on the advisory boards for the Detroit Revitalization Fellow Program and the Van Dusen Professorship on Urban Leadership at Wayne State University.
- Jerome Watson is a Board member and Secretary of the Detroit Public Schools Foundation. Mr. Watson and numerous other Miller Canfield attorneys and staff have participated in reading programs for Detroit Public School students, including the current Detroit Free Press Program and the prior Barbour Middle School Program.

- **Jerome Watson and Tim Attalla participate in the NAACP Voter Protection Program.**
- **Harold Bulger is a founding and current board member of the Detroit Summer Finance Institute, Inc. a non-profit whose primary purpose is to provide an annual program to inform the District's high school students about financial services careers through summer intern work experiences and related seminars. Our firm has had an intern from the District working at the firm as part of the program in twelve out of the last thirteen years.**
- **Laura Bassett is President of the Board of the Heidelberg Project and is actively involved in its Art, Community and Environmental Education Program which is a comprehensive program that supplements the lack of art education by providing arts curriculum for certain schools in the District and at the same time teaches children the value of the environment and community. The program includes a school presentation and workshop, an on-site educational field trip to the Heidelberg Project, and a visit with internationally acclaimed Artist Tyree Guyton at his studio.**
- **Miller Canfield has funded the Detroit Metropolitan Bar Association Barristers Section scholarship for Detroit public high school seniors through 2014. The total donation of \$4,500 will be awarded in increments of \$1,500 per year to students chosen as part of the Barristers School Partnership Program with Detroit Public Schools.**

Diversity in the Firm

Our firm earnestly works to align our behaviors with our values. This means that our key values inspire and motivate our actions, to produce results. Our firm has a longstanding legacy of not just saying diversity is important but instituting programs and efforts to demonstrate it. We believe that diversity opens doors for our firm to be a catalyst for growth, innovation, and change. Our team for Detroit has been structured to reflect those values.

3. Experience in Large and Complex Restructurings (noting debtor/creditor representation)

While we have not yet represented a debtor in a Chapter 9 case, we have had a great deal of experience addressing Chapter 9 and related insolvency issues and concerns under the Bankruptcy Code and applicable Michigan law, and representing major clients in Chapter 11 proceedings. That experience, together with our long-standing representation of the City of Detroit, make us the ideal choice to act as Michigan and local bankruptcy counsel in assisting the financial manager and partnering with his or her restructuring professionals within or without of a Chapter 9 restructuring for the City.

Our bankruptcy group, led by Jon Green, has advised the City and numerous municipalities in the State on a host of Chapter 9 and related issues, including the treatment of special revenues, general obligations under Michigan law, and statutory and consensual liens. In many cases, this has resulted in the issuance of reasoned legal opinions on emergency manager and Chapter 9 issues and/or the giving of legal advice necessary to enable our clients to make the necessary disclosures in raising or restructuring public debt. In order to do this, we have had to become, and remain, quite familiar with the Chapter 9 decisional law (and the arguments for and against that law) that has developed or been made since *Vallejo* and before. Furthermore, from time to time, as part of those engagements we have participated in the drafting of legislation necessary to implement a financing or restructuring for a municipal client.

In addition to the City, our municipal and quasi-municipal clients that required such advice include the Detroit Public Schools, the Michigan Finance Authority, the Cities of Flint, Benton Harbor, Highland Park and Ecorse.

We have also been involved in large and complex Chapter 11 restructurings for many clients. We have represented, and continue to represent, Ford Motor Company in substantially all of the restructurings of its distressed tier 1 suppliers. These engagements include Visteon Corporation, Lear Corporation, Metaldyne Corporation, Collins & Aikman, Meridian Automotive, J.L. French Castings, Venture Industries, Rouge Steel, Delphi Corporation, Dura Automotive, Dana Corporation, Plastech Engineering, Allied Systems Holdings, Inc., Revstone Industries, Blue Water Automotive, and many more. In addition, we have represented Comerica Bank and other lenders and suppliers in numerous chapter 11 cases.

Jon Green and Stephen LaPlante would be the attorneys chiefly responsible for the Chapter 9 aspects of the engagement. Jon is one of only two lawyers in the State of Michigan recognized by Chambers USA in Band 1 for "Banking and Finance: Bankruptcy" for 2012. In addition, Jon was selected as the 2013 Detroit Bankruptcy and Creditor Debtor Rights/Insolvency and Reorganization law Lawyer of the Year. Both Jon and Steve have been recognized in Best lawyers in America; Bankruptcy and Creditor-Debtor Law, and Michigan Super Lawyers for a number of consecutive years.

4. Public Finance and Government/Authority Advisory Experience

Miller Canfield has served public entity clients as bond counsel for over 90 years and is widely considered Michigan's leading public finance law firm. "Experience" is defined as the *"direct, active participation in events as a basis of knowledge."* By that definition, our experience, gained over direct, active leadership in thousands of transactions, is unsurpassed.

We have been ranked first in Michigan by Thomson Reuters, which reports on the municipal finance industry in the U.S., either in number of bonds issued or in dollar amount, since Thomson Reuters began ranking Michigan bond counsel over 30 years ago.

Over the past five years alone we have handled 1,614 bond issues having an aggregate face amount of \$35.1 billion. This represents nearly half of the transactions done in Michigan over that period. The financings range from a \$19,000 installment purchase contract for the Village of Pellston to the Michigan Finance Authority's recent \$2.9 billion unemployment obligation revenue bond issue (*The Bond Buyer's* 2012 "Deal of the Year"), and includes every manner and size of transaction in between.

Why is experience essential, or even important? Because over the past 30 years, and especially over the past 5 years, the regulatory agencies overseeing the bond market—the IRS and the SEC in particular—have grown increasingly muscular in reviewing municipal bond transactions. IRS bond audits, unheard of in 1980 and quite rare even in 2000, are now commonplace. In 2010 the SEC, for the first time in U.S. history, charged a government with fraud in a municipal bond transaction. The regulatory risk to governments, and to government officials, has never been greater. Demanding experience in bond counsel provides the greatest degree of protection in this new, more aggressive, regulatory environment. Requiring such experience has become a key aspect of risk management for prudent government officials.

Our Public Finance Group also has been referred to as "the authority on authorities" and is particularly skilled at multi-unit intergovernmental ventures. For example, our firm:

- Represented the Snyder Administration in conceptualizing and structuring the intergovernmental agreement between the State and the Government of Canada on the construction, management, operation and financing of the New International Trade Crossing – the planned second international bridge between Detroit and Ontario. The agreement has been widely praised as innovative and creative.
- Drafted and implemented the legislation establishing the Detroit Regional Convention Facility Authority and effecting the transfer of Cobo Hall from the City to the Authority.
- Drafted and implemented the legislation establishing the Wayne County Airport Authority and effecting the transfer of Detroit Metropolitan Airport from Wayne County to the Authority.

- **Drafted a White Paper on intergovernmental cooperation legal constraints, which formed the basis of the Snyder Administration’s 2011 legislative program fostering greater cooperation.**
- **Played a major role in drafting the 2010 rewrite of the State’s emergency management law, which became 2011 PA 4 (much of which is retained in the new law, 2012 PA 436).**
- **Drafted the initial version of legislation which became the Regional Transportation Authority bill approved by the Legislature in December 2012.**
- **Assisted with the drafting of the Public Lighting Authority bill approved by the Legislature in December 2012 which enables the spinoff of the City’s Public Lighting Department.**
- **Advised communities within an urbanized area in respect of a proposed regionalization and sale of a wastewater treatment system.**
- **On behalf of the Southeast Michigan Council of Governments, drafted a definitive legal guide to intergovernmental cooperation statutes, available online.**
- **Has counseled government clients regarding means to achieve private operation of infrastructure in a variety of contexts, including water, sewer, refuse, recycling and recreation facilities.**

We understand and have substantial experience with the full range of “functional areas of municipal management” set forth on page 2 of the Request for Proposals. We are prepared to advise immediately on any of those topics as required.

5. Other Relevant Practice Areas

A. *Miller Canfield's Demonstrated Expertise in Handling Retiree Health Benefit Disputes*

Miller Canfield has extensive experience assisting clients in reducing the costs of retiree health benefits, and a proven track record of success in class action lawsuits involving claims that employers are required to provide retirees with vested, lifetime health care benefits. The firm has recently and successfully represented a Fortune 100 aerospace and defense manufacturer in a class action lawsuit concerning retiree health benefits. The litigation resulted in a finding that the manufacturer was entitled to modify or terminate retiree health benefits unilaterally.

The firm has represented employers in retiree health benefit disputes at every level of the judiciary, and is currently at the United States Supreme Court in a retiree health benefit dispute. Miller Canfield has also assisted several employers in spotting, addressing and resolving retiree health benefit disputes before they result in litigation. The firm has also assisted clients in the creation of Voluntary Employee Beneficiary Associations.

The firm's approach to handling retiree health benefit disputes, and litigation, is steeped in decades of litigating these matters, as well as an unparalleled understanding of the development of retiree health benefit law at both the federal and state levels. If selected as restructuring counsel, we would staff all retiree health benefit matters with outstanding attorneys who possess decades of substantive expertise, have tried and won major cases, and successfully execute class action strategy.

B. *Miller Canfield's Experience Representing the City regarding Retiree Health Benefit Matters*

Miller Canfield recently completed a comprehensive review of many collective bargaining agreements – dating from the 1970s to the present date – between the City of Detroit and its unions, including but not limited to the Teamsters, AFSCME, Detroit Police Officers Association (DPOA) and Detroit Firefighters Association (DFFA), to analyze the City's obligation to provide health benefits to its retirees and rights to modify, amend or terminate those benefits. Following its review, Miller Canfield provided the City with a memorandum outlining the critical retiree health benefit language in its collective bargaining agreements, assessing the City's obligations and providing the City with options for reducing the cost of providing those benefits.

Miller Canfield's detailed knowledge of all of these areas, and its continued representation of the City, establishes that it is the ideal legal restructuring partner for the City. Miller Canfield does not need to "get up to speed" regarding the history of these matters, already contains the knowledge necessary to provide the City with precise advice and will be an efficient and knowledgeable partner.

C. *Additional Representative Class and Complex Action Experience*

Should the City's actions regarding retiree health benefits lead to class action litigation, Miller Canfield's class and collective action experience place it in the strongest position

possible to assert the most comprehensive and persuasive arguments on the City's behalf. Representative examples include:

- Defense of the seventh-largest US public utility in a wage and hour lawsuit where plaintiffs alleged they were misclassified and owed overtime payments. The district court granted the company's motion for summary judgment, concluding that plaintiffs were not entitled to overtime pay. The United States Court of Appeals for the Sixth Circuit affirmed the dismissal of plaintiffs' claims.
- Defense of a Fortune 500 national retailer in a disparate impact and disparate treatment age discrimination collective action in the United States District Court for the Eastern District of Michigan;
- Defense of a university health system in a class action involving gender discrimination and Equal Pay Act claims;

The examples above demonstrate that the firm is well-qualified to aggressively represent the City should litigation arise, appropriately assess the arguments that are likely to prevail, and formulate and execute a successful strategy for prevailing in litigation or obtaining an advantageous settlement.

D. *Labor Negotiation and Litigation Experience Relating to Detroit*

John Willems, principal at Miller Canfield, leads our labor team for the City. John served as member of the Detroit Corporation Counsel Labor Section from 1986-90, representing City management in every department in numerous arbitrations, contract negotiation support and labor and employment litigation opposing every major City union group. He has represented the City in all Detroit Fire Department (DFD) contract negotiations and Act 312 proceedings since 1988. John also was a key member of the City's police-fire economic strategy teams during 2004-12. John was the key labor advisor and led the team that drafted the City Employment Terms (CETs) imposed to replace some 46 CBAs with City Unions in 2012 and also acted as chief counsel of record, to date successfully defending the Mayor and City in numerous legal challenges mounted by Unions to the imposition of the CETs.

Miller Canfield Labor and Employment Group: As the largest management-focused labor and employment group in Michigan, our lawyers have many decades of experience in all facets of labor and employment law in both the public and private sector, including representation before the National Labor Relations Board, MERC, negotiation and administration of collective bargaining agreements, managing labor issues in mergers and acquisitions and representing clients in every conceivable venue under all federal and state labor and employment laws. Collectively, members of the group have negotiated, arbitrated and litigated such issues as wages, pension multipliers, retirement eligibility, and health insurance (including retiree health insurance issues), as well as a number of other public employer legal and contractual issues.

E. *Recent Restructuring Litigation Handled for the City*

Attached as Appendix A is a summary of litigation having the common objective of frustrating the restructuring for which we have or had primary or significant responsibility.

6. Demonstration of no conflicts and/or discussion of required releases

As is typical for a firm of our size, our attorneys represent and in the future will represent many other clients in many different legal areas. It is possible we may be asked during our representation of the City to represent a client in a matter adverse or which may become adverse to the City. We have reviewed the terms of Sec. 11.01 (Conflict of Interest) of the form of Contract for Professional Legal Services and agree to the same.

We recently were engaged by the City under Contract No. 2870456 to which is appended a table entitled “Miller Canfield Matters Adverse to City of Detroit,” which is restated and incorporated in this Proposal by reference. To this we would add an additional matter between the City and Merrill Lynch Capital Services, Inc., for which a waiver has been received from the General Counsel’s office of Bank of America-Merrill Lynch. The waiver has been provided to Corporation Counsel.

7. Proposed Fee Structure

We propose a flat blended billable rate of \$385 per hour for all lawyers and \$125 per hour for all legal assistants working on this engagement, excepting for bankruptcy work which would be billed at our standard rates. Hourly rates for our bankruptcy attorneys range from \$315 to \$565 per hour and legal assistants are \$185 per hour. We have reviewed the terms of Exhibit B, Schedule of Fees and Reimbursable Expenses, in the form of Contract for Professional Legal Services and agree to the same.

Contacts for this Proposal:

Saul A. Green
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Michael P. McGee
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Miller, Canfield, Paddock and Stone, PLC
150 West Jefferson Ave., Suite 2500
Detroit, MI 48226

Appendix A

Recent Restructuring Litigation Handled for the City

Litigation	Case Information	Claims and Status
City of Detroit v. State of Michigan, et al	Court of Claims. Case No. 12-66-MK. Judge William Collette.	Declaratory and injunctive relief sought by Detroit Corporation Counsel arguing the FSA is void because the State of Michigan is in default to the City of Detroit. CLOSED. Intervened on behalf of Mayor; Court dismissed action because it was improperly brought by Corporation Council. Motion for reconsideration was filed and successfully defended against. No appeal was filed.
Citizens United et al vs. Detroit City Council, et al	Court of Claims Case No. 12-698-CZ Judge Paula Manderfield Court of Appeals Case No. 312608, 312455/312479	Declaratory judgment action seeking order that FSA is invalid under Act 4 and/or violates the Michigan Constitution. Citizens United was dismissed but an Order was entered finding that Sections 4.1 and 4.3 of the FSA are invalid under Act 4. This order was reversed on appeal (see below). Amended Complaint including AFSCME was filed. Mayor's motion to intervene and motion to dismiss were both granted when the Court reversed its own prior ruling and found 4.1 and 4.3 valid. Court of Appeals Case No. 312608 was AFSCME's appeal of Mayor's intervention. This appeal was denied on October 4. Court of Appeals Case No. 312455/312479 were cross appeals by Citizens United and the State Defendants arguing that the Court's July 26 oral ruling and September 12 order (finding 4.1 and 4.3 of FSA invalid) are flawed. Mayor Bing filed a motion to enter the appeal as a party and filed a brief. The COA denied the applications and reversed the Trial Court's opinion. AFSCME and Citizens United have filed an appeal of the final order, which is pending.
Detroit Police Officers' Association vs. City of Detroit et al	Court of Claims Case No. 12-80-MK Judge Paula Manderfield. Court of Appeals Case No. 311317	Declaratory judgment action seeking order that Act 4 and FSA are unconstitutional; injunctive relief sought under status quo provision of Act 312; declaratory judgment that Sections 4.1 and 4.3 of the FSA are invalid under Act 4; tortious interference. Filed motion to intervene and to dismiss on behalf of Mayor. Both motions were granted when the Court held hearing and opined that Act 312 does not create independent bargaining obligations separate from PERA. Plaintiff filed an emergency leave to appeal this order, which was denied by the Court of Appeals on July 25, 2012. After election, DPOA filed for a renewed injunction and declaratory relief on all remaining issues because Act 4 had been repealed, which was denied because the Court held that repeal of the statute does not have a retroactive effect. DPOA is expected to file an appeal of this ruling.

Litigation	Case Information	Claims and Status
Detroit Police Officers' Association vs. City of Detroit et al	Wayne County Circuit Court Case No. 12-010859-CL Judge Kathleen MacDonald Court of Appeals Case No. 312439	Declaratory judgment action seeking an order that continued implementation of CETs violates referendum provision in Michigan Constitution and that status quo should be defined as pre-CET. Filed motion to intervene and to dismiss on behalf of Mayor. Both motions were granted and Court ruled that City lawfully took actions under the CETs while Act 4 was valid and suspension is not retroactive. Status quo for future negotiations is CETs. Plaintiff has filed a claim of appeal. MCPS responded on behalf of Mayor. The appeal is pending. DPOA also filed a motion to stay the Trial Court's order dismissing the case and to reinstate the TRO pending appeal with the Court of Appeals. Court of Appeals denied this motion.
Root et al. vs. City of Detroit et al.	Wayne County Circuit Court. Case No. 12-008780-CZ. Judge Amy Hathaway	Declaratory and injunctive relief sought because the FSA is void because the State of Michigan is in default to the City of Detroit. CLOSED. Court dismissed action because State was not in default to the City.
Pamela Willis Turner v. City of Detroit	United States District Court Eastern District of Michigan. Case No. 2:11-cv-12961. Judge Julian Abele Cook	Intervened on behalf of Mayor. Successfully prevented a default against City for failure to comply with discovery orders. Represented the Mayor at deposition. Successfully had cutoff dates extended to allow City to present defense.
Detroit City Council et al. v. David Bing, et al.	Wayne County Circuit Court. Case No. 12-012842-AQ. Judge Brian Sullivan.	Injunctive relief sought to preclude city from transferring health department to third party. Injunctive relief denied. Matter was facilitated without resolution. Case is pending.
AFSCME Council 25 et al vs. City of Detroit, et al	Wayne County Circuit Court Case No. 12-010147-CZ Judge Amy Hathaway	Injunctive relief sought to force City to ratify TAs; prohibit City from imposing any new terms and forcing it to comply with PERA. Answers have been filed. MERC recently ruled that actions taken under the FSA were lawful.