

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:)	Chapter 9
)	
CITY OF DETROIT, MICHIGAN,)	Case No. 13-53846
)	
Debtor.)	Hon. Steven W. Rhodes
)	

***EX PARTE* MOTION TO EXPEDITE HEARING ON MICHIGAN COUNCIL 25 OF
THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL
EMPLOYEES, AFL-CIO, AND SUB-CHAPTER 98, CITY OF DETROIT RETIREES’
MOTION TO COMPEL TESTIMONY OF KEVYN ORR AND ALL OTHER CITY
AND STATE WITNESSES REGARDING CITY-STATE COMMUNICATIONS
PRIOR TO JULY 17, 2013**

The Michigan Council 25 of the American Federation of State, County & Municipal Employees, AFL-CIO and Sub-Chapter 98, City of Detroit Retirees (the AFSCME retiree chapter for City of Detroit retirees) (collectively, “**AFSCME**”) by its counsel requests that this Court expedite hearing of *The Michigan Council 25 of the American Federation of State, County & Municipal Employees, AFL-CIO and Sub-Chapter 98, City of Detroit Retirees’ Motion to Compel Testimony of Kevyn Orr and All Other City and State Witnesses Regarding City-State Communications Prior to July 17, 2013* (the “**Motion to Compel**”). As grounds for this motion to expedite, AFSCME states as follows:

1. AFSCME filed the Motion to Compel in response to the assertion of a common interest by Emergency Manager Kevyn Orr (“**Orr**”) through his counsel at his deposition held on September 16, 2013, at which time Orr asserted a common interest privilege with respect to any questions that would reveal communications between Orr and State officials at which counsel for either was present during the time period from Orr’s appointment as Emergency Manager to the present, whether related to pending litigation filed by the Pension System

against the City and State on July 17, 2013 or “to the entire Chapter 9 filing.” AFSCME filed the Motion to Compel to resolve any and all assertions of common interest between any State and City witnesses with respect to such communications.

2. As discussed further in the Motion to Compel, on September 1, 2013, counsel for the City represented to AFSCME by email that it would agree to offer at least seven (7) witnesses in response to AFSCME’s subpoenas – Mr. Orr; Mr. Guarav Malhotra from Ernst & Young; Mr. Moore from Conway McKenzie; Mr. Buckfire of Miller Buckfire; Mr. Satchel of the City; and a to-be-determined representative from Milliman. At a hearing held on September 10, 2013 to consider the State’s motion to quash the subpoenas issued by AFSCME to the State witnesses, the State and AFSCME resolved that AFSCME would depose Governor Snyder and, if AFSCME deemed it necessary thereafter, AFSCME would have the right to depose Transformation Manager Baird and Treasurer Dillon.

3. Pursuant to the Order entered by this Court on August 2, 2013 establishing dates and deadlines [Docket No. 280], the deadline to complete depositions of non-expert witnesses is September 23, 2013.

4. In light of the expedited nature of the proceedings with respect to the debtor’s eligibility to file for Chapter 9 protection and the imminent deadline to complete non-expert depositions critical to such eligibility determination, this Court should grant AFSCME’s request for an expedited hearing to resolve any assertion of common interest between any State and City witnesses. The assertion of a common interest between all such State and City witnesses will significantly limit and impede relevant and critical discovery necessary for this Court’s determination of whether the city is eligible to file for protection under chapter 9 of the

Bankruptcy Code. It is critical that the question of a common interest privilege be resolved now to ensure that all relevant discovery is produced.

5. This Court twice recognized the exigency with which discovery disputes raised in connection with the City's eligibility to file for chapter 9 relief must be resolved through its orders for expedited hearings to consider the State's Motion to Quash certain of AFSCME's discovery requests [Docket No. 703] and AFSCME's Objections and Comments to the Court's August 26, 2013 Order Regarding Eligibility Objections, Notices of Hearing and Certifications [Docket No. 759]. For the same reasons that compelled this Court to grant expedited consideration of the proceeding discovery disputes, the instant dispute should be addressed with the same urgency.

6. Accordingly, AFSCME respectfully requests that this Court expedite consideration of the Motion to Compel and schedule a hearing for September 19, 2013 or such other date as the Court deems appropriate.

WHEREFORE, AFSCME respectfully requests that this Court: (1) enter an order substantially in the form attached hereto as Exhibit 1, granting the relief sought herein; and (ii) grant such other and further relief to AFSCME as the Court may deem proper.

Dated: September 18, 2013

LOWENSTEIN SANDLER LLP

By: /s/ Sharon L. Levine

Sharon L. Levine, Esq.

John K. Sherwood, Esq.

Philip J. Gross, Esq.

65 Livingston Avenue

Roseland, New Jersey 07068

(973) 597-2500 (Telephone)

(973) 597-6247 (Facsimile)

slevine@lowenstein.com

jsherwood@lowenstein.com

pgross@lowenstein.com

-and-

Herbert A. Sanders, Esq.
THE SANDERS LAW FIRM PC
615 Griswold St., Suite 913
Detroit, MI 48226
(313) 962-0099 (Telephone)
(313) 962-0044 (Facsimile)
hsanders@miafscme.org

-and-

Richard G. Mack, Jr., Esq.
Miller Cohen, P.L.C.
600 West Lafayette Boulevard
4th Floor
Detroit, MI 48226-3191

*Counsel to Michigan Council 25 of the American
Federation of State, County and Municipal
Employees (AFSCME), AFL-CIO and Sub-
Chapter 98, City of Detroit Retirees*

SUMMARY OF ATTACHMENTS

The following documents are attached to this Motion, labeled in accordance with Local Rule 9014-1(b).

Exhibit 1	Proposed Form of Order
Exhibit 2	Certificate of Service

EXHIBIT 1

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:)	
)	Chapter 9
CITY OF DETROIT, MICHIGAN,)	Case No. 13-53846
)	
Debtor.)	Hon. Steven W. Rhodes
)	

EX PARTE ORDER GRANTING MOTION TO EXPEDITE

This matter coming before the Court on the *ex parte* motion (the “**Motion**”) of the Michigan Council 25 of the American Federation of State, County & Municipal Employees, AFL-CIO and Sub-Chapter 98, City of Detroit Retirees (the AFSCME retiree chapter for City of Detroit retirees) (collectively, “**AFSCME**”) for expedited consideration of *The Michigan Council 25 of the American Federation of State, County & Municipal Employees, AFL-CIO and Sub-Chapter 98, City of Detroit Retirees’ Motion to Compel Testimony of Kevyn Orr and All Other City and State Witnesses Regarding City-State Communications Prior to July 17, 2013* (the “**Motion to Compel**”), filed by AFSCME; and the Court being fully advised in the premises;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. A hearing on the Objection is scheduled for _____, 2013
at ____:00 ____m.

Signed on _____

Steven Rhodes
United States Bankruptcy Judge

EXHIBIT 2

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:))	Chapter 9
))	
CITY OF DETROIT, MICHIGAN,))	Case No. 13-53846
))	
Debtor.))	Hon. Steven W. Rhodes
))	

CERTIFICATE OF SERVICE

The undersigned certifies that on September 18, 2013, *Ex Parte Motion to Expedite Hearing on The Michigan Council 25 of the American Federation of State, County & Municipal Employees, AFL-CIO and Sub-Chapter 98, City of Detroit Retirees' Motion to Compel Testimony of Kevyn Orr and all Other City and State Witnesses Regarding City-State Communications Prior to July 17, 2013* was filed with the Clerk of the Court using the CM/ECF system, which provides electronic notification of such filing to all counsel of record.

Dated: September 18, 2013

/s/ Lisa Marie Bonito
Lisa Marie Bonito
Paralegal
LOWENSTEIN SANDLER LLP
65 Livingston Avenue
Roseland, New Jersey 07068
(973) 597-2500 (Telephone)
lbonito@lowenstein.com