



# City of Madison Heights, Michigan

City Hall Municipal Offices  
300 W. Thirteen Mile Road  
Madison Heights, MI 48071

Department of Public Services  
300 W. Thirteen Mile Road  
Madison Heights, MI 48071

Fire Department  
31313 Brush Street  
Madison Heights, MI 48071

Police Department  
280 W. Thirteen Mile Road  
Madison Heights, MI 48071

[www.madison-heights.org](http://www.madison-heights.org)

January 24, 2018

Chairman Freman Hendrix  
Great Lakes Water Authority  
735 Randolph, Suite 1900  
Detroit, MI 48226

Re: Class Action Settlements Potentially Impacting GLWA Rates

Dear Chairman Hendrix:

On behalf of the City of Madison Heights, I am writing to express my serious concern about the settlement of the *Michigan Warehousing LLC v City of Detroit* and *United House of Prayer* lawsuits and their impact on my community. I understand that the GLWA administration participated in mediation for settlement of the *Michigan Warehousing LLC* class action lawsuit and agreed, without the Board's knowledge, to GLWA paying 50 percent of the \$29.5 million settlement. Prior to that, the GLWA administration agreed to pay \$4 million of the settlement costs for the *United House of Prayer* class action without the Board ever being apprised of the matter. How these settlement liabilities are allocated will greatly impact the water and sewer rates the residents of my community pay.

I understand the Board has resolved to go to arbitration to determine several issues, one of which is the allocation, but I strongly urge you to take action to allocate these liabilities exclusively to DWSD-R as, for example, in the *Michigan Warehousing LLC* matter this liability is due to the drainage charges paid by customers of the City of Detroit. This liability cannot be allocated to "common-to-all" due to the very definition in the lease agreements. In short, no benefit to the suburban customers exists.

Sincerely,

Benjamin I. Myers  
City Manager

cc: Robert J. Daddow, GLWA Board Representative for Oakland County  
Sue F. McCormick, GLWA CEO  
Jim Nash, Water Resources Commissioner  
City Council  
Larry H. Sherman, City Attorney

RECEIVED  
GLWA CEO'S OFFICE  
2018 JAN 30 AM 9:30

Area Code (248)

Assessing.....	858-0776	Fire Department.....	588-3605	Police Department.....	585-2100
City Clerk.....	583-0826	43rd District Court.....	583-1800	Purchasing.....	837-2602
City Manager.....	583-0829	Human Resources.....	583-0828	Recreation.....	589-2294
Community Development.....	583-0831	Library.....	588-7763	Senior Citizen Center.....	545-3464
Department of Public Services.....	589-2294	Mayor & City Council.....	583-0829	Water & Treasurer.....	583-0845
Finance.....	583-0846	Nature Center.....	585-0100		