

EMERGENCY MANAGER CITY OF DETROIT

ORDER No. 31

ORDER SUPPLEMENTING ORDER No. 20

By the Authority Vested in the Emergency Manager
For the City of Detroit
Pursuant to Michigan's Public Act 436 of 2012,
Kevyn Orr, the Emergency Manager,
Issues the Following Order:

Whereas, on March 28, 2013, Public Act 436 of 2012 ("PA 436") became effective and Kevyn D. Orr became the Emergency Manager ("EM") for the City of Detroit (the "City") with all the powers and duties provided under PA 436; and

Pursuant to section 9(2) of PA 436, the EM "shall act for and in the place and stead of" the Detroit Mayor (the "Mayor") and the Detroit City Council (the "City Council") and "shall have broad powers in receivership to rectify the financial emergency and assure the fiscal accountability of the City and the City's capacity to provide or cause to be provided necessary governmental services essential to the public health, safety, and welfare;" and

Pursuant to section 9(2) of PA 436, the Mayor and City Council, "following the appointment of an emergency manager and during the pendency of receivership, shall not exercise any of the powers of those offices except as may be specifically authorized in writing by the emergency manager or as otherwise provided by PA 436 and are subject to any conditions required by the emergency manager;" and

Pursuant to section 10(1) of PA 436, the EM may "issue to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government the orders the emergency manager considers necessary to accomplish the purposes of this act; and

Pursuant to section 12(n) of PA 436, the EM may "transfer functions from 1 department to another and appoint, supervise, and, at his or her discretion, remove administrators, including heads of departments other than elected officials;" and

The EM has determined that the Mayor will play a vital role in the collaborative process of ensuring continuity of essential services and restoring financial stability; and

On December 30, 2013, the EM issued Order No. 20, the Order Restoring The Salary and Benefits of the Mayor and Adopting the Agreement Between the Emergency Manager and Mayor Duggan Concerning Delegations of Authority and Transition Protocols, which became effective on January 1, 2014 ("Order No. 20"). Pursuant to Order No. 20 the Delegations and Protocols Agreement attached and made a part of Order No. 20 was adopted and ratified in full; and

Consistent with Emergency Manager Order No. 20, the EM has determined that, at the present time, it is in the best interests of the City that the Mayor be granted the power and authority that the Mayor would have had with respect to the Detroit Water and Sewerage Department ("DWSD") and the Board of Water Commissioners for DWSD ("BOWC") absent PA 436 in order to aid the EM in providing necessary governmental services essential to the public health, safety and welfare; and

By its express terms, the EM reserved the right to "modify, amend, rescind, replace, supplement or otherwise revise" Order No. 20 any time; and

The EM hereby supplements and revises Order No. 20 as follows:

It is hereby ordered that:

- 1. Order No. 20 is supplemented and revised solely in accordance with the terms of this Order. Except as expressly supplemented or revised herein, Order No. 20 shall remain in full force and effect.
- 2. The Mayor is hereby granted the authority and responsibilities with respect to DWSD and BOWC that the Mayor would have had with respect to DWSD and BOWC, absent PA 436.
- 3. This grant of authority shall neither abrogate any of the EM's powers, rights or responsibilities under PA 436 nor grant any authority or responsibility to the Mayor other than with respect to DWSD and BOWC.
- 4. If any component of this Order is declared illegal, unenforceable or ineffective by a court of competent jurisdiction, such component shall be deemed severable so that all other components contained in this Order shall remain valid and effective.
- 5. This Order is effective immediately upon the date of execution below.

- 6. The EM may modify, amend, rescind, replace, supplement or otherwise revise this Order at any time.
- 7. This Order shall be distributed to the Mayor, City Council members and all department heads.

Dated: July 28, 2014

Kevyn D. Orr

Emergency Manager

City of Detroit

cc: State of Michigan Department of Treasury

Mayor Michael Duggan

Members of Detroit City Council