

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:
City of Detroit, Michigan,
Debtor.

Chapter 9
Case No. 13-53846
Hon. Steven W. Rhodes

**Eighth Amended Order Establishing Procedures, Deadlines and
Hearing Dates Relating to the Debtor's Plan of Adjustment**

The City has stated its intention to file a sixth amended plan of adjustment. The Court concludes that this constitutes extraordinary cause to adjourn the dates and deadlines that it previously established. Accordingly, the Court hereby establishes the deadlines and hearing dates set forth below.

1. August 18, 2014 is the deadline to file briefs regarding:

(a) The Court's authority to determine the reasonableness of fees under 11 U.S.C. § 943(b)(3); and

(b) The admissibility of the report of the court-appointed expert, Martha Kopacz (assuming she is qualified as an expert).

2. August 18 (and 19 if necessary), 2014 at 9:00 a.m. will be the date and time of the hearing to receive the testimony of witness Robert Cline.

3. August 19, 2014 at 9:00 a.m. will be the date and time of the hearing regarding the legality of the UTGO Settlement.

4. August 20, 2014 is the deadline for the City to file its sixth amended plan of adjustment.

5. August 21, 2014 at 9:00 a.m. will be the date and time of a status conference regarding the plan confirmation process.

6. August 25, 2014 is the deadline:

(a) To file supplemental objections to the City's sixth amended plan, but only to the extent that additional or modified objections result from changes incorporated in that plan;

(b) To file motions *in limine* and *Daubert* motions;



(c) To submit a proposed joint final pretrial order in compliance with LBR 7016-1; and

(d) To exchange deposition designations.

7. August 27, 2014 is the deadline:

(a) For the Court's expert, Martha Kopacz, to file a supplement to her report, as she deems necessary and appropriate;

(b) To file pretrial briefs, which shall be limited to 100 pages in length;

(c) For the City to file one combined response to supplemental objections to the plan due on either August 12, 2014, or August 25, 2014 (this may be combined with its pretrial brief);

(d) To file responsive briefs to motions *in limine* and *Daubert* motions; and

(e) To exchange deposition counter-designations.

(i) The designation or counter-designation for each witness shall be a separate exhibit.

(ii) The parties shall identify which designations and counter-designations they agree to admit into evidence.

(iii) At the time a designation or counter-designation is offered into evidence, the objecting party may request the Court to rule on any evidentiary objections preserved at deposition. In the absence of such a request, evidentiary objections are deemed waived.

8. August 29, 2014 at 9:00 a.m. will be the date and time of the final pretrial conference on plan confirmation.

9. August 29, 2014 at 11:00 a.m. will be the date and time for the commencement of the hearing on plan confirmation. On this date the Court will receive evidence from those creditors without counsel whose motions to participate in the confirmation hearing were granted by the Court as set forth in the Court's order of August 7, 2014. (Dkt. #6584)

At the trial on August 29, 2014:

(a) The City and any other objecting creditor may cross examine any witnesses called by *pro se* parties and the time used for these examinations will be charged against the time allotted to the parties in paragraph 12 below; and,

(b) The time expended by *pro se* parties examining their witnesses pursuant to court order will not be charged to the time allotted to the parties in paragraph 12 below.

10. September 2, 2014 at 8:30 a.m. will be the date and time for the confirmation hearing to continue to the next phase with the opening statements by the City and by the creditors whose objections were filed by attorneys.

Additional plan confirmation hearing dates, as necessary, will be September 3-5, September 8-12, September 15-19, September 22-24, September 29-October 3, October 6-7, and October 14-17. Trial will be conducted from 8:30 a.m. to 5:00 p.m. each day, except that trial will be conducted from 8:30 a.m. to 12:30 p.m. on September 24 and October 3.

At this hearing, in addition to any evidence addressing the factual issues raised in the parties' plan objections, the City shall present evidence establishing the feasibility of its plan as required by 11 U.S.C. § 943(b)(7).

Specifically, in addition to other evidence of feasibility, the City shall present evidence from state and city officials concerning:

(a) The implementation of the Michigan Financial Review Commission Act, Public Act 181 of 2014, M.C.L. §§ 141.1631-1643;

(b) The power and authority of the commission;

(c) The make-up, staff support, and resources of the commission;

(d) How the commission will carry out its several duties under § 6 of the Act, including:

(i) The duty to provide oversight for the City under § 6(1);

(ii) The duty to ensure that the City is complying with the plan of adjustment under § 6(2);

(iii) The duty to establish and maintain programs and requirements for the responsible fiscal management of the City under § 6(5); and

(iv) The duty to review contracts under § 6(6) and collective bargaining agreements under § 6(9);

(e) The plan for making the commission operational; and

(f) The time by which the commission will become operational.

At the hearing on plan confirmation, the Court will conduct the direct examination of its expert witness, Martha Kopacz. Ms. Kopacz will testify at the conclusion of the City's case in chief.

During this phase of the hearing, the time expended by *pro se* parties cross examining witnesses pursuant to court order will not be charged to the time allotted to the parties in paragraph 12 below.

11. September 5, 2014 is the deadline for the City to file its response to the objections raised in the Court's Order Requiring City to Respond to Certain Pro Se Objections to Confirmation. (Dkt. #6640)

12. The City and those parties who support confirmation will be permitted 85 hours to present their case, including opening statements, closing arguments, direct and re-direct examinations of their witnesses and cross examinations and re-cross examinations of objectors' witnesses. (The City used 3.25 hours of its allotted time on the site visit.) Objecting parties will be permitted 85 hours to present their case, including opening statements, closing arguments, direct and re-direct examinations of their witnesses and cross examinations and re-cross examinations of objectors' witnesses.

The Court requests that counsel on each side meet and confer with a view toward consensually dividing the allotted time for each side. If either side is unable to reach a consensual agreement, the Court will determine the time allotments among the parties on that side.

13. The dates and deadlines established herein will be extended only on motion establishing extraordinary cause.

It is so ordered.

Signed on August 13, 2014

/s/ Steven Rhodes
Steven Rhodes
United States Bankruptcy Judge