



UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF MICHIGAN
THEODORE LEVIN UNITED STATES COURTHOUSE
231 W. LAFAYETTE BOULEVARD
DETROIT, MICHIGAN 48226

DIVISIONAL OFFICES
ANN ARBOR
BAY CITY
FLINT
PORT HURON

APRIL 28, 2014

STATEMENT OF DETROIT BANKRUPTCY MEDIATORS

The Mediators are pleased to announce that the City of Detroit and the Coalition of Detroit Unions, representing over 3,500 employees of the City of Detroit, have reached a tentative agreement in principle on the major aspects of five year Collective Bargaining Agreements (“CBA”) with these unions. The Coalition of Detroit Unions is comprised of AFSCME, the City’s largest union comprised of 17 separate locals, and 13 other civilian unions. These agreement terms are subject to the execution of other master and supplemental agreements which will augment the terms just agreed to. All agreements are then subject to ratification of the union members. The CBA terms between the City and the Coalition unions are fair and balanced. They provide security for union workers and, at the same time, provide an economically feasible agreement for the City as it emerges from bankruptcy. The CBA terms cover a five year period and will be incorporated into the City’s Plan of Adjustment for confirmation by the Bankruptcy Court. Details of the CBAs will be provided following ratification.

The settlement was reached after intensive negotiating sessions over the past several months in which the parties’ interests were fully and vigorously represented by counsel and all issues robustly negotiated. The Mediators express their appreciation to all of the parties, their counsel and their advisors for the good faith spirit of cooperation and professionalism with which they engaged the Mediators and each other over the course of many mediation sessions. The Mediators particularly acknowledge the very productive and constructive role that AFSCME Council 25 and its International played in the success of the negotiations.

The Mediators are privileged to have assisted the parties to find common ground in reaching a resolution that reflects not only a viable, sustainable relationship between the City and its employees, but also recognizes the important service that City workers provide to the residents of Detroit. As the mediation process accelerates and more and more creditor groups reach agreement with the City, the Mediators hope that this settlement will encourage all of the remaining parties to the bankruptcy to re-double their mediation efforts to reach meaningful agreements which can be incorporated into a fair and balanced agreed-upon Plan of Adjustment to be presented to the Bankruptcy Court for confirmation.