

CITY OF DETROIT

News Release

Water and Sewerage Department

Dave Bing, Mayor

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TODAY'S TERMINATION OF COURT OVERSIGHT HAS MIXED MESSAGE FOR DWSD

Federal District Court Judge Sean F. Cox's decision to release the Detroit Water and Sewerage Department (DWSD) from 35 years of federal oversight is, of course, a major development and welcome news. On Judge Cox's own initiative, the long-standing case that monitored DWSD's historical violations was dismissed.

Specifically, the judge concluded that, "the DWSD has achieved substantial compliance with its National Pollutant Discharge Elimination System permit and the Clean Water Act."

Additionally, the Court complimented DWSD for the progress made in implementing the November 4, 2011 order that includes setting up independent Human Resources, Legal, Finance, and Procurement functions.

The court was particularly impressed with the work of the Board of Water Commissioners (BOWC) and acknowledged how quickly the Board became acclimated to the operations of DWSD and moved to improve both the Department's transparency and relationships with its customer communities.

At best, however, the court's action sent a mixed message.

It was disappointing that the Court's final order of dismissal did not incorporate the widely supported Root Cause Committee (RCC) recommendation to pursue the independent authority model for DWSD. While acknowledging the unanimous support of the RCC, and the vote of support from customer communities, the judge simply refused to consider the action.

The Court also declined to clarify any of the significant questions raised by the BOWC in the March 6, 2013 resolution regarding the interplay between the Court's order and the new Emergency Manager Law.

Finally, the order appears to create additional confusion about DWSD's interaction with the City by referring DWSD back to the administration to address the department's financial independence in the areas of vendor payments and the establishment of a defined contribution pension plan required by 10 collective bargaining agreements.

Given that the order was issued this morning, additional time is needed to fully digest the implications of the Court's action. The BOWC will be kept informed of this analysis and what course of action will be required going forward.

Please direct all media inquiries to Bill Johnson at (248) 840-1095.

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