

**LEGAL NOTICE  
NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

**IF YOU PAID THE CITY OF DETROIT (THE “CITY”) FOR PRIVATE FIRE LINE SERVICE AT ANY TIME BETWEEN JULY 1, 2020 AND JUNE 30, 2022 AND ARE STILL A WATER AND SEWER CUSTOMER OF THE CITY AS OF SEPTEMBER 30, 2022, YOU WILL RECEIVE A CREDIT AGAINST YOUR PFL ACCOUNT. YOU NEED NOT FILE A CLAIM OR TAKE ANY OTHER ACTION TO RECEIVE THIS CREDIT.**

**IF YOU PAID THE CITY FOR PRIVATE FIRE LINE SERVICE AT ANY TIME BETWEEN JULY 1, 2020 AND JUNE 30, 2022 AND YOU ARE NO LONGER A WATER OR SEWER CUSTOMER OF THE CITY AS OF SEPTEMBER 30, 2022, AND WISH TO RECEIVE A CASH REFUND IF YOU QUALIFY FOR SUCH REFUND, YOU MUST SUBMIT THE ATTACHED CLAIM FORM ON OR BEFORE SEPTEMBER 30, 2022 AND MAIL IT TO:**

**KICKHAM HANLEY PLLC, 32121 WOODWARD AVENUE, SUITE 300, ROYAL OAK, MICHIGAN 48073 OR EMAIL THE COMPLETED FORM TO [KHTEMP@KICKHAMHANLEY.COM](mailto:KHTEMP@KICKHAMHANLEY.COM)**

**WHETHER YOU MAIL OR EMAIL THE CLAIM FORM, IT MUST BE RECEIVED BY KICKHAM HANLEY ON OR BEFORE SEPTEMBER 30, 2022.**

**IN ORDER TO RECEIVE A REFUND AS PART OF THIS CLASS ACTION SETTLEMENT, YOU ARE REQUIRED TO SUBMIT A WRITTEN CLAIM.**

**IF YOU DO NOT HAVE A WATER AND SEWER BILLING ACCOUNT WITH THE CITY OF DETROIT, YOU ARE NOT ELIGIBLE TO RECEIVE YOUR PRO RATA SHARE IN THE FORM OF A CREDIT. YOU MUST SUBMIT A WRITTEN CLAIM IN ORDER TO RECEIVE ANY PORTION OF THE SETTLEMENT FUND.**

**PLEASE RETAIN THIS NOTICE**

*A Michigan court authorized this notice.*

STATE OF MICHIGAN  
WAYNE COUNTY CIRCUIT COURT

UNITED HOUSE OF PRAYER,  
a District of Columbia non-profit corporation,  
individually and as representative of a class of  
similarly-situated persons and entities,

Case No. 20-014218-CZ  
Hon. Annette J. Berry

Plaintiff,

v.

CITY OF DETROIT,  
a municipal corporation,

Defendant.

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(734) 668 7786  
*Attorneys for Defendant*

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## LEGAL NOTICE

### NOTICE OF CLASS ACTION SETTLEMENT

TO: All persons and entities who or which have paid or incurred the City of Detroit's (the "City") charges for private fire line service between July 1, 2020 and June 30, 2022.

You are hereby notified that a proposed settlement in the amount of \$3,970,371 has been reached with the City of Detroit in a class action lawsuit pending in Wayne County Circuit Court titled *United House of Prayer v. City of Detroit*, Case No. 20-014218-CZ, presiding Judge Annette J. Berry (the "Lawsuit"). The Lawsuit challenges a charge for private fire line service (the "PFL Charges") imposed by the City on users of its private fire line services. Plaintiff has brought these claims on behalf of itself and a class of all others similarly situated.

Plaintiff is an entity which has paid the PFL Charges imposed by the City. Plaintiff contends that the cost assumptions and data underlying the rates with which the City, through its Water and Sewerage Department ("DWSD"), calculates its PFL Charges result in PFL Charges which substantially exceed the actual expenses of providing private fire line service to the City's fire line service customers, and that the excess pays for the City's governmental functions other than private fire line service.

The Plaintiff seeks a judgment from the Court against the City which would order and direct the City to disgorge and refund all PFL Charges to which Plaintiff and the class are entitled and would grant any other appropriate relief.

The City denies that the City's PFL Charges are improper or substantially in excess of the actual expenses of providing private fire line service to the city's fire line service customers. Thus, the City denies the Plaintiff's claims, denies any wrongdoing, and contends that it should prevail in the Lawsuit. The Court has made no rulings concerning the merits of the Lawsuit at this time.

On May 17, 2021, the Court entered an order certifying the Lawsuit as a class action. You are receiving this Notice because the City's records indicate that you paid or incurred PFL Charges between July 1, 2020 and June 30, 2022 and are therefore a member of the class.

For settlement purposes, the parties have agreed that the Class consists of all persons and entities who or which paid or incurred the PFL Charges between July 1, 2020 and June 30, 2022 and who do not request to be excluded from the Class. The Settlement Agreement is intended to settle all of the Claims of the Class.

The principal terms of the Settlement Agreement are as follows:

For the purposes of the proposed Settlement, the City expressly denies any and all allegations that it acted improperly or unlawfully, but, to avoid litigation costs, the City has agreed to create a Settlement Fund (the "Settlement Fund") in the amount of Three Million Nine Hundred Seventy Thousand Three Hundred and Seventy-One Dollars (\$3,970,371) for the benefit of the Class ("Settlement Amount"). The Settlement Amount will be utilized, with Court approval, to provide credits or refunds to the Class, and to pay Class Counsel an award of attorneys' fees, the total amount of which shall not exceed 33% of the Settlement Amount, and expenses for the conduct of the litigation.

The "Net Settlement Fund" is the Settlement Amount less the combined total of: (a) the attorneys' fees awarded to Class Counsel by the Court; (b) expenses reimbursed pursuant to the terms of the Settlement; (c) out-of-pocket expenses of the Claims-Escrow Administrator, and (d) any incentive award made by the Court to the class representative in an amount not to exceed \$20,000.

The Net Settlement Fund shall be used to give credits or pay refunds to Class Members as described below.

Each Class Member's share in the Net Settlement Fund shall be referred to herein as his, her or its "Pro Rata Share," and each Class Member's Pro Rata Share of the Net Settlement Fund will be distributed via an account credit or a refund payment. The Pro Rata Share to be allocated to each Class Member shall be determined as described below.

The Net Settlement Fund shall be distributed as follows:

a. The Claims-Escrow Administrator shall calculate each Class Member's pro rata share of the Net Settlement Fund (the "Pro Rata Share"). Only (i) those Class Members who paid or incurred PFL Charges during the Class Period and/or (ii) those Class Members with active private fire line accounts or inactive private fire line accounts that are subject to collection or have not been written off (provided that the account is tied to a person or entity that paid or incurred the PFL Charges on or after July 1, 2020) are entitled to distribution of a Pro Rata Share of the Net Settlement Fund. The size of each Class Member's Pro Rata Share shall be determined by (1) calculating the total amount of PFL Charges the City assessed against the property or properties of that Class Member during the Class Period and then (2) dividing that number by the total amount of PFL Charges the City assessed against all Class Members during the Class Period and then (3) multiplying that fraction by the amount of the Net Settlement Fund. An example appears below:

Total PFL Charges assessed against a Class Member during the Class Period -- \$5,000

Total PFL Charges assessed against all Class Members during the Class Period -- \$7,400,000

Net Settlement Fund -- \$2,600,000

Class Member's Pro Rata Share –  $\$5,000/\$7,400,000 \times \$2,600,000 = \$1,756.76$

b. All Class Members as of June 30, 2022 who remain current water and sewer customers of the City as September 30, 2022 are eligible to receive Credits against their PFL accounts. Class Members do not need to do anything to receive a Credit, but Class Members who have unpaid balances for the PFL Charges that are more 30 days past due as of July 31, 2022 (the "Outstanding Balance") will have their Credits reduced by the amount of their PFL accounts' Outstanding Balance as further set forth in Paragraph 10(e) of the Settlement Agreement.

c. Only Class Members who are no longer PFL customers of the City as of September 30, 2022 and do not have any unpaid account balances with DWSD which equal or exceed their Pro Rata Shares are eligible to receive a distribution of cash via check (a "Refund") from the Net Settlement Fund. To qualify to receive a Refund from the Net Settlement Fund, **Class Members must no longer be water or sewer customers of the City** and must submit sworn claims (the "Claims") which identify their names, addresses, and the periods of time in which they incurred or paid the PFL Charges in order to participate in the Settlement. Class Members who submit qualifying Claims are referred to as "Claiming Class Members." The Claiming Class Members will be required to submit those claims no later than September 30, 2022.

d. Class Members thus will be separated into three (3) groups, each of which will benefit from the Settlement as follows.

i. Group 1 – Class Members who are PFL customers and have Outstanding Balances equal to or greater than their respective Pro Rata Shares of the Net Settlement Fund. Group 1 Class Members will receive a Credit against their Outstanding Balances in the amount of their Pro Rata Shares paid from the City Administered Portion irrespective of whether the Class Member has submitted a sworn claim. If the Class Member's Pro Rata Share of the Net Settlement Fund is less than such Class Member's Outstanding Balance, the Outstanding Balance will be reduced by the amount of that Pro Rata Share, and the Class Member will still owe any remaining Outstanding Balance.

ii. Group 2 – Class Members who are PFL customers and have no Outstanding Balances or whose Outstanding Balances are less than their Pro Rata Shares of the Net Settlement Fund. Group 2 Class Members without Outstanding Balances will receive from the City Administered Portion a Credit to be applied against future charges that accrue in in the Class Member's PFL account until the Credit is exhausted. Group 2 Class Members who have Outstanding Balances will receive a Credit against their Outstanding Balances to the extent of their Outstanding Balances. The Credit will then be applied against any future charges that accrue in in the Class Member's PFL account until the Credit is exhausted.

iii. Group 3 – Class Members who are no longer PFL customers of the City as of September 30, 2022 and do not have any unpaid account balances with DWSD which equal or exceed their Pro Rata Shares. Group 3 Class Members are eligible to receive a distribution of cash via check (a "Refund") from the Net Settlement Fund. **Group 3 Class Members must submit timely sworn claims to receive a Refund.**

**It is very important for any Class Member who paid the PFL Charges *but who is no longer a water or sewer customer of the City* as of September 30, 2022 to submit a Claim. The only way for Class Members who are no longer water or sewer customers of the City to receive a portion of the Net Settlement Fund is for them to file Claims.**

In addition to the credits and refunds described above, the parties have agreed that the City shall be allowed to utilize its FY 2022 rates through July 31, 2022. On August 1, 2022 the City will implement the PFL Rates stated in paragraph 15 of the Settlement Agreement. For FY 2023, the City will implement new PFL Rates as described in paragraph 16 of the Agreement. During a five-year prospective relief period beginning August 1, 2023, any annual increases in the PFL Revenue Requirement will be limited to no greater than 1.671% of the total water revenue requirement covered by the rates, except that, if during any fiscal year in the Prospective Relief Period, the estimated private fire line bad debt expense exceeds 10% of the projected PFL Revenue Requirement, the City will have the authority to increase the PFL Revenue Requirement above 1.671% of the total water revenue requirement covered by rates to account for higher private fire line bad debt expense.

Class Members who receive credits or refunds from the Net Settlement Fund shall, on behalf of himself, herself or itself, and his, her or its parents, subsidiaries, affiliates, members, shareholders, predecessors, heirs, administrators, officers, directors, successors, assigns, and any person the Class Member represents, intending to be legally bound hereby, for good and valuable consideration, the receipt of which is hereby acknowledged, hereby absolutely, fully and forever releases, relieves, remises and discharges the City, and each of its successors and assigns, present and former agents, representatives, employees, insurers, affiliated entities, attorneys and administrators, of and from any and all manner of actions, causes of action, suits, debts, accounts, understandings, contracts, agreements, controversies, judgments, consequential damages, compensatory damages, punitive damages, claims, liabilities, and demands of any kind or nature whatsoever, known or unknown, which arise from the beginning of time through July 31, 2022 concerning (1) the City's calculation or assessment of the PFL Rates and/or PFL Charges; (2) the components of costs included in the PFL Rates and/or PFL Charges; (3) the City's efforts to charge and/or collect PFL Rates and/or PFL Charges; and/or (4) the City's PFL's Revenue Requirement. This release is intended to include all claims that were asserted or could have been asserted in the Lawsuit concerning the City's PFL Rates, PFL Charges, and/or PFL Revenue Requirement. In executing the Release and Covenant Not to Sue, each Class Member also covenants that: (a) except for actions or suits based upon breaches of the terms of this Agreement or to enforce rights provided for in this Agreement, he, she or it will refrain from commencing any action or suit, or prosecuting any pending action or suit, in law or in equity, against the City on account of any action or cause of action released hereby; (b) none of the claims released under the Release and Covenant Not To Sue has been assigned to any other party; and (c) he, she or it accepts and assumes the risk that if any fact or circumstance is found, suspected, or claimed hereinafter to be other than or different from the facts or circumstances now believed to be true, the Release and Covenant Not To Sue shall be and remain effective notwithstanding any such difference in any such facts or circumstances.

Class Members who wish to exclude themselves from the Settlement may write to the Administrator, stating that they do not wish to participate in the Settlement and that they wish to retain their right to file an action against the City. This proposed settlement should not be interpreted, in any way, as suggesting that the claims alleged against the City have legal or factual merit. The City has challenged the validity of Plaintiff's claims and many of the substantive legal and factual issues have not been resolved. **This request for exclusion must be mailed to: Kickham Hanley PLLC, 32121 Woodward Avenue, Suite 300, Royal Oak, Michigan 48073 or emailed to [khtemp@kickhamhanley.com](mailto:khtemp@kickhamhanley.com) and must be received by Kickham Hanley no later than September 30, 2022.**

By remaining a Class Member, you will be bound by the terms of the proposed settlement and will be barred from bringing a separate action against the City for the claims asserted in the Lawsuit at your own expense through your own attorney. You will, however, receive your Pro Rata Share of the Net Settlement Fund if you do not request exclusion from the Class. If you were to successfully pursue such a separate action to conclusion, recovery might be available to you which is not available in this class action settlement. Whether to remain a member of this class or to request exclusion from this class action to attempt to pursue a separate

action at your own expense without the assistance of the City in this Action is a question you should ask your own attorney. Class Counsel cannot and will not advise you on this issue.

Pursuant to the Order of the Court dated August 26, 2022, a Settlement Hearing will be held in the Wayne County Circuit Court, Detroit, Michigan 48226 at 9 a.m., on October 21, 2022, to determine whether the proposed Settlement as set forth in the Settlement Agreement dated August 17, 2022 is fair, reasonable, and adequate and should be approved by the Court, whether the Lawsuit should be dismissed pursuant to the Settlement and whether counsel for Plaintiff Class should be awarded counsel fees and expenses. At the Settlement Hearing, any member of the Class may appear in person or through counsel and be heard to the extent allowed by the Court in support of, or in opposition to, the fairness, reasonableness and adequacy of the proposed Settlement.

No Class member will be heard in opposition to the Proposed Settlement unless, on or before September 21, 2022 they file and serve written objections that set forth the name of this matter as defined in the Notice, the objector's full name, address and telephone number, an explanation of the basis upon which the objector claims to be a Class Member, all grounds for the objection including any known legal support for the objection, the number of times in which the objector has objected to a class action settlement in the past five years and a caption of each case in which an objection was filed, the identity of all counsel representing the objector at the hearing, a statement confirming whether the objector intends to appear and/or testify at the hearing (along with a disclosure of all testifying witnesses) and the signature of the objector (not just the objector's attorney) and serves by first class mail copies thereof upon each of the following attorneys:

**Attorneys for Plaintiff**

Gregory D. Hanley, Esq.  
Kickham Hanley PLLC  
32121 Woodward Avenue, Suite 300  
Royal Oak, Michigan 48073

**Attorneys for Defendants**

Sonal Hope Mithani, Esq.  
Miller, Canfield, Paddock and Stone  
101 North Main Street, 7th Floor  
Ann Arbor, Michigan 48104

Any Class member who does not make and serve written objections in the manner provided above shall be deemed to have waived such objections and shall be forever foreclosed from making any objections (by appeal or otherwise) to the proposed Settlement.

**IF YOU PAID THE CITY FOR PRIVATE FIRE LINE SERVICE AT ANY TIME BETWEEN JULY 1, 2020 AND JUNE 30, 2022, ARE NO LONGER A WATER OR SEWER CUSTOMER OF THE CITY AS OF SEPTEMBER 30, 2022, AND WISH TO RECEIVE A CASH REFUND, IF YOU QUALIFY FOR SUCH REFUND, YOU MUST SUBMIT THE ATTACHED CLAIM FORM ON OR BEFORE SEPTEMBER 30, 2022 AND MAIL IT TO KICKHAM HANLEY PLLC, 32121 WOODWARD AVENUE, SUITE 300, ROYAL OAK, MICHIGAN 48073 OR EMAIL THE COMPLETED FORM TO KHTEMP@KICKHAMHANLEY.COM OR SUBMIT CLAIM FORM ONLINE AT [WWW.KICKHAMHANLEY.COM](http://WWW.KICKHAMHANLEY.COM) WHETHER YOU MAIL OR EMAIL THE COMPLETED FORM, IT MUST BE RECEIVED BY KICKHAM HANLEY ON OR BEFORE SEPTEMBER 30, 2022. THE ONLY WAY FOR CLASS MEMBERS WHO ARE NO LONGER WATER OR SEWER CUSTOMERS OF THE CITY TO RECEIVE A PORTION OF THE NET SETTLEMENT FUND IS FOR THEM TO FILE A CLAIM.**

**IF YOU PAID THE CITY FOR PRIVATE FIRE LINE SERVICE AT ANY TIME BETWEEN JULY 1, 2020 AND JUNE 30, 2022 AND ARE STILL A WATER AND SEWER CUSTOMER OF THE CITY AS OF SEPTEMBER 30, 2022 YOU WILL RECEIVE A CREDIT AGAINST YOUR PFL ACCOUNT. YOU NEED NOT FILE A CLAIM OR TAKE OTHER ACTION TO RECEIVE THIS CREDIT.**

**IF YOU DO NOT HAVE A WATER AND SEWER BILLING ACCOUNT WITH THE CITY OF DETROIT AS OF SEPTEMBER 30, 2022, YOU ARE NOT ELIGIBLE TO RECEIVE YOUR PRO RATA SHARE IN THE FORM OF A CREDIT. YOU MUST SUBMIT A WRITTEN CLAIM IN ORDER TO RECEIVE ANY PORTION OF THE SETTLEMENT FUND.** For a more detailed statement of the matters involved in the Lawsuit, including the terms of the proposed Settlement, you are referred to papers on file in the Lawsuit, which may be inspected during regular business hours at the Office of

the Clerk of Circuit Court for Wayne County, Michigan. You may also view the Settlement Agreement and other important court documents at [www.kickhamhanley.com](http://www.kickhamhanley.com).

Should you have any questions with respect to this Notice of the proposed settlement of the Lawsuit generally, you should raise them with your own attorney or direct them to counsel for the Class, **IN WRITING OR BY EMAIL TO KHTEMP@KICKHAMHANLEY.COM, NOT BY TELEPHONE**, identified as Attorneys for Plaintiffs, above. **DO NOT CONTACT THE COURT, THE CLERK OF THE COURT, THE DEFENDANT, OR THE ATTORNEYS FOR DEFENDANT.**

**PROOF OF CLAIM**

United House of Prayer v City of Detroit Case No. 20-014218-CZ  
c/o Kickham Hanley PLLC - 32121 Woodward Avenue, Suite 300, Royal Oak, MI 48073

**YOU MAY ONLY SUBMIT A CLAIM IF, AS OF SEPTEMBER 30, 2022, YOU WILL NOT BE A WATER AND SEWER CUSTOMER OF THE CITY AT THE PREMISES THAT WAS BILLED FOR PRIVATE FIRE LINE SERVICE AFTER JUNE 30, 2020**

Proof of Claim forms must be received by September 30, 2022 to be eligible.

You must fill out all five sections of this Proof of Claim to be eligible for a refund.

If your Proof of Claim is incomplete, you cannot receive a refund check.

You may submit the form to the address above or to [khtemp@kickhamhanley.com](mailto:khtemp@kickhamhanley.com).

1) Class Member's Name:

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2) Current Mailing Address: (This is the address where we will send your refund check)

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City:

State:

Zip Code:

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Telephone Number:

Email Address:

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3) You must enter the service address here: (This is the address of the property that received private fire line service)

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4) List the period in which you were billed and/or paid for Private Fire Line Service in order to participate in the settlement. Please submit a separate claim form for each property for which you were billed.

Date Range: From

Through

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5) By submitting this claim form, I swear or affirm under penalty of perjury that I am, or am an authorized agent of, the owner of a property which was billed and/or paid the City for Private Fire Line Service at any time between JULY 1, 2020 AND JUNE 30, 2022 and that the class member for whom I am submitting this claim is no longer a water and sewer customer of the City at the service address listed above or will no longer be a water and sewer customer of the City at the service address listed above as of September 30, 2022.

Signature

Date:

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