



## AlaFile E-Notice

02-CV-2023-901332.00

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# NOTICE OF ELECTRONIC FILING

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IN THE CIRCUIT COURT OF MOBILE COUNTY, ALABAMA

SYNOVUS CORPORATE TRUST V. WATER WORKS AND SEWER BOARD OF CITY OF PRIC  
02-CV-2023-901332.00

The following CASE STATUS REPORT was FILED on 1/22/2024 12:37:07 PM

Notice Date: 1/22/2024 12:37:07 PM

SHARLA KNOX  
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MOBILE COUNTY, ALABAMA  
CIRCUIT CIVIL DIVISION  
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251-574-8420



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02-CV-2023-901332.00  
CIRCUIT COURT OF  
MOBILE COUNTY, ALABAMA  
SHARLA KNOX, CLERK

**IN THE CIRCUIT COURT OF MOBILE COUNTY, ALABAMA**

SYNOVUS BANK,	)	
	)	
Plaintiff,	)	
	)	CIVIL ACTION NO.
v.	)	
	)	CV-2023-901332
THE WATER WORKS AND SEWER	)	
BOARD OF THE CITY OF PRICHARD,	)	
	)	
Defendant.	)	

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**NOTICE OF FILING RECEIVER’S REPORT**

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On behalf of the Receiver appointed in this action, the undersigned gives notice of the filing of the attached Receiver Monthly Report No. 2, dated January 22, 2024.

/s/ W. Patton Hahn  
W. PATTON HAHN (HAH 002)  
One of the attorneys for the Receiver

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**CERTIFICATE OF SERVICE**

I hereby certify that on January 22, 2024, the foregoing has been sent via this Court's electronic filing system to all counsel of record:

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/s/ W. Patton Hahn  
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**IN THE CIRCUIT COURT OF MOBILE COUNTY, ALABAMA**

SYNOVUS CORPORATE TRUST,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. 02-CV-2023-901332.00
	)	
WATER WORKS AND SEWER BOARD	)	
OF CITY OF PRICHARD,	)	
	)	
Defendant.	)	

**John S. Young Jr. LLC,**

**Receiver of the Prichard Water Works and Sewer Board**

**Receiver Monthly Report #2**

**January 22, 2024**

**Introduction**

The following is a high-level summary and update of the Financial and Operational status of the System and actions taken by the Receiver since the filing of Receiver Monthly Report #1 on December 18, 2023:

**Financial**

The 2024 PWWSB budget, created by the Board, was developed for the Fiscal Year (FY) of October 2023 through September 2024. The first quarter results (ending December 31, 2023) showed revenues were 19% below budget. While additional investigation needs to be completed, it appears that the Board’s November rate increase did not generate the anticipated income, and collection rates may have been hampered by the collection protocol required in the Receiver Order.

First quarter operating costs were substantially above budget due to increased purchased water costs, legal fees, and maintenance expenditures. Additionally, the funds derived from the hydrant settlement were well below budgeted amounts. A new PWWSB budget will be developed to more accurately reflect projected revenue, operating costs and other financial obligations.

### **Operations**

Sanitary sewer overflows, non-revenue water (primarily caused by leakage and water theft), high maintenance costs and regulatory compliance will continue to be a significant problem until capital funds are available to improve the deteriorated infrastructure. The Receiver is continuing to solicit grant funds from the County, USEPA, Alabama Department of Environmental Management (ADEM), and other sources.

Due to the poor condition of its water storage tanks, lack of a cross-connection prevention program, need to improve the content and training associated with its Standard Operating Procedures, lack of a comprehensive Asset Management Plan, and potential chlorine residual issues, ADEM has proposed a Consent Order for the water system. PWWSB is currently operating under a Consent Order for its wastewater system. In addition to requiring resolution of the above concerns with the water system, the Order would require that an Alternatives Analysis be performed to determine the long-term structure and ownership of the utility and a Technical/Management/Financial capacity study to confirm the sustainability of the utility. Negotiations regarding the content of the Order continue with ADEM.

### **Receiver Progress**

- Multiple meetings with USEPA and Moonshot Missions to request technical assistance and training.

- Awarded a contract to perform an affordability analysis and develop a low-income assistance program. Met with Board members, non-profits organizations and employees to review issues associated with the study.
- Implemented a new collection process that was consist with the Receiver Order requirements.
- Awarded a contract for an Asset management/Source of Supply study that will identify and evaluate the condition of all assets and develop a 20-year Capital Investment Program. The study would also evaluate the feasibility and cost of replacing the MAWSS purchased water with either a groundwater or surface water supply.
- Met with MAWSS to discuss billing issues.
- Discussed the status of the 2022 audit with the auditor and began to collect financial information and records necessary to complete the audit.
- Meet with Mobile County engineer to review on-going road and culvert projects that require relocation of PWWSB infrastructure. These projects are being delayed due to the lack of PWWSB capital fund necessary to relocate water and wastewater pipes.
- Meetings with ADEM to discuss regulatory compliance and the availability of grant funds.
- Launched the website ([www.fixprichardwater.com](http://www.fixprichardwater.com)) to provide customers and the public with information and reports.
- Held the second Advisory Council meeting on January 18, 2024, which was livestreamed to the public.
- Began to address staffing issues to improve field and customer service deficiencies.
- Began negotiations with vendors to reduce operating costs.

Dated this 22<sup>nd</sup> day of January, 2024.

John S. Young, Jr. LLC  
Receiver of the Prichard Water Works and Sewer  
Board

/s/ John S. Young, Jr.  
By: John S. Young, Jr., Sole Member of John S.  
Young, Jr. LLC