

THE BOND BUYER

Sunday, February 22, 2015 | as of 3:08 PM

Regional News

ET

Governor Asked to Join Jefferson County's Bankruptcy Appeal

by [Shelly Sigo](#)

FEB 19, 2015 5:17pm ET

BRADENTON, Fla. — Alabama Gov. Robert Bentley and Attorney General Luther Strange are being asked to intervene in the appeal of Jefferson County's bankruptcy case.

County Commissioner George Bowman and several litigants who filed the appeal on behalf of ratepayers on the county's sewer system said in a joint press release Feb. 19 that the governor and attorney general should "do their job to protect the public interest by joining in the existing appeal."

They want to meet with the governor and attorney general to discuss a number of issues raised in the appeal, including the fact that the plan of adjustment provides for the federal court to oversee implementation of the plan — and sewer system rate increases — for the next 40 years.

The group contends that the provision violates the state's rights in violation of the U.S. Constitution.

While Bowman is not named in the appeal, he opposed the commission's decision to file Chapter 9 bankruptcy in November 2011 with \$3.1 billion of sewer system debt. Bowman also voted against the plan of adjustment that enabled the county to issue \$1.8 billion of sewer refunding warrants to write down the debt, and exit bankruptcy in December 2013.

"We're asking in the interest of fairness and equity for the governor and the attorney general to step up to the plate. We need their help," Bowman said in an interview. "They could add the weight of their offices to the appeal of the ratepayers."

Bowman said the plan of adjustment burdens some of Jefferson County's poorest people with 40 years of sewer system rate increases that they cannot afford. Over the next four decades, he said rates will increase 471% to service the sewer refunding warrants that have been issued.

The ratepayers filed an appeal of the plan of adjustment in January 2014, which is before U.S. District Judge Sharon Blackburn.

Blackburn has ruled against the county's argument that the appeal is moot because the plan has been implemented. She also said she could rule against various provisions in the plan of adjustment.

Jefferson County appealed her ruling to the 11th Circuit Court of Appeals, where it is pending.

"The county has come out of bankruptcy, and accepted this plan as the way out," Bowman said. "But the county doesn't have to pay the bill. It all falls to the ratepayer and the bill continues to escalate for the next 40 years.

"We're asking the attorney general and the governor to intercede on our behalf to try and unravel this plan of adjustment to get a more equitable adjustment for our ratepayers."



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