

*The Water Works and Sewer Board of the City of Prichard
September 2, 2015*

PRESS RELEASE

At 5:00 pm Monday, August 31st, The Water and Sewer Board of the City of Prichard (PWWSB) resumed full and complete operations of its water and wastewater systems. This comes after five and a half (5 ½) months of preparation to ensure that PWWSB would be fully capable of resuming all aspects of the operations.

The transition of the daily operations back to PWWSB will be seamless for the customers. All the necessary personnel to operate and maintain the systems have been hired. PWWSB has acquired all needed equipment, whether field and maintenance equipment or office equipment, to fully operate the systems. For any major maintenance and repair needs, PWWSB has in place a contract for a contractor to be on call for any such needs. Most importantly for the customers of PWWSB, PWWSB has resumed the billing, collection and customer service operations. This will mean that customers will begin to immediately receive improved customer service.

This transition began in March of this year, when PWWSB gave Severn Trent Environmental Services, Inc. (STES) notice of its intent to bring to an early end the operations and maintenance agreement it had with STES. This decision followed numerous meetings and conversations over several months with STES regarding their unsatisfactory contractual performance. Following this notice, STES continued to take actions, or failed to take actions, that were inconsistent with its contractual obligations to PWWSB. Due to STES' numerous contractual breaches, this led to a formal notice of termination of the agreement to be issued by PWWSB to STES on May 19 of this year.

While there were many reasons for the formal notice of termination, the main reasons included poor maintenance of PWWSB's facilities, poor customer service and poor billing and collection services. It is the poor billing and collection services by STES that lead to PWWSB not having the necessary funds to pay STES during certain months. The reason that the agreement has been terminated is not because STES claims that it is owed money by PWWSB, but because of STES breached its agreement with PWWSB.

The disputes that led to the agreement being terminated and PWWSB resuming the daily operations of the systems have been referred to PWWSB's legal counsel. PWWSB is going to leave the resolution of those disputes to its legal counsel and plans to focus its attention and efforts on ensuring that its customers receive quality services.
