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Release Date: 1/11/2024

MEDIA RELEASE

PHENIX CITY WINS NEARLY \$2M AGAINST RUSSELL COUNTY

Phenix City, Alabama: On January 10, 2024 a Montgomery County Circuit Court Judge, Honorable Brooke E. Reid ruled in favor of the City of Phenix City and against Russell County in a dispute over the distribution of gasoline tax proceeds. The lawsuit was filed in 2018 when Russell County made the unilateral decision to stop paying proceeds from the gasoline tax distributed to Russell County and paid to the City of Phenix City pursuant a local act of the legislature enacted in 1968.

Russell County stopped paying the proceeds to Phenix City stating that a subsequent law had repealed the local act. Phenix City filed suit and argued that the local act had never been repealed by the legislature and that Russell County had no right to withhold these funds from Phenix City.

After all local judges recused themselves, the Alabama Administrative Office of Courts appointed Judge Reid to hear the controversy. After reviewing briefs and hearing arguments, the court issued a 10-page order on January 10, 2024. In her detailed ruling, Judge Reid stated that Russell County is obligated to pay Phenix City gasoline revenue as set out in local act 1968-859. She further ordered that Russell County immediately resume paying the gasoline tax and that a hearing be set on the rearge owed to Phenix City.

Attorney Chan Gamble, of McKoon and Gamble, argued the case for Phenix City. Attorney James McKoon, one of the City's attorney in the case, stated, "This is a just result and a huge win for the City of Phenix City. Hopefully, Russell County has been setting these funds aside as the total of rearge could amount to as much as \$2,000,000." He went on to say, "The whole purpose behind the tax originally was to provide the City additional revenue for road maintenance and construction as Phenix City has the largest population in Russell County and that its roads are more heavily trafficked."

The City of Phenix City will be available for questions concerning the case today at 2:00PM ET at the City Council Chambers, 1111 Broad Street, Phenix City, AL 36867.

For additional questions, please contact James McKoon at (334) 297-2300 or Chan Gamble at (334) 448-2684.