

**PRESS RELEASE
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FOR IMMEDIATE RELEASE**

Refunds Coming to Kernersville Sewer Customers

Court Approves \$12.3 Million Settlement in Class Action over Sewer Charges

Over 10,500 Kernersville sewer customers will receive full refunds, plus interest, of excess sewer charges paid during 2012-16, following a \$12.3 million settlement approved in Forsyth County Superior Court on Friday, July 27.

The court case, *Fasano v. Town of Kernersville and the Winston-Salem – Forsyth County City/County Utilities Commission*, was filed in 2016. The suit alleged that between July 1, 2012 and August 1, 2016, the Town of Kernersville and the City/County Utilities Commission (“CCUC”) overcharged Kernersville customers for sewer services, by failing to follow a 2011 agreement that required Kernersville sewer rates to be reduced on June 30, 2012.

Kernersville and the CCUC contested the merits of the lawsuit, but in August 2017, Superior Court Judge Edwin G. Wilson, Jr. ruled against the defendants and found them to be liable for the overcharges. The case was certified as a class action, and then shifted into determining the actual amount of overcharges and other damages suffered by those affected. The parties agreed to settle the case at mediation in March 2018. The settlement was unanimously approved by both the Kernersville Board of Aldermen and the City/County Utilities Commission.

Notices regarding the proposed settlement were mailed in April to class members, and were also published in local newspapers. A website at www.kernersvillesewersettlement.com was set up to provide information regarding the settlement, along with a toll-free telephone information line. Of the 10,541 class members, no one elected to drop out of the class or to object to the settlement.

Ed and Debra Fasano, the plaintiffs who served as class representatives, said that “*We sincerely appreciate the time and attention that Judge Wilson has put into the case, and are glad that people who were overcharged will be made whole.*” The attorneys for the class also commented, saying “*We’re pleased that the Court has approved a really good result for the citizens in Kernersville who have been concerned about their sewer bills for years,*” said attorney Brent Helms. “*Once the court ruled that the defendants had overcharged the sewer users, I think Kernersville and the CCUC saw that it was in the public’s best interest to settle the lawsuit and*

refund the overcharges. We appreciate the professionalism of the attorneys, the CCUC staff and the governing boards of Kernersville and the CCUC who have worked on behalf of the defendants in this case,” added Alan Duncan, another of the attorneys for the class.

Refunds will be issued to each class member, who are “*citizens and residents of Kernersville and persons in its outlying (extraterritorial) area, including any businesses, firms, trusts, corporations or any other entity, who received, and paid for, Kernersville sanitary sewer system services at any time between 1 July 2012 and 1 August 2016.*” Class members should receive a full refund of their excess sewer charges, plus approximately 9% interest. A total of \$10,455,000 (85% of the settlement fund) will be paid to class members in settlement payments, with the remainder covering the costs of administering the settlement, class representative awards, attorneys’ fees, and other expenses of class administration.

The value of settlement payments will vary depending upon a class member’s sewer bills, but over 75% of class members should receive settlement payments of between \$100 and \$2,000. Settlement payments are expected to start being mailed in September, and most refunds are expected to be delivered during 2018. Settlement payments will be made by checks issued by Garden City Group, the court-appointed class administrator. It will be important for class members to promptly deposit their settlement checks.

The class is represented by attorneys H. Brent Helms and Scott Templeton of Robinson & Lawing, LLP in Winston-Salem, and by Alan Duncan and Stephen Russell, Jr. of Mullins Duncan Harrell & Russell PLLC in Greensboro.

Please see www.kernersvillesewersettlement.com for additional information and documents regarding the case.

For further information, please contact Scott Templeton at 336.837.1201 or stempleton@robinsonlawing.com (Winston-Salem), or Steve Russell at 336.645.3320 or srussell@turningpointlit.com (Greensboro).

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