

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF ALABAMA
NORTHERN DIVISION**

**RANDALL L. WOODFIN, in his
official capacity as Mayor of the
City of Birmingham, Alabama, et
al.,**

Plaintiffs,

V.

Case No.: 2:25-cv-00352-AMM-KFP

**KAY IVEY, in her official
capacity as Governor of the State
of Alabama, et al.,**

Defendants.

ORDER

This case is before the court on motions to dismiss by defendants Governor Kay Ivey, Lieutenant Governor Will Ainsworth, Attorney General Steve Marshall, James A. Stephens, Jefferson County Commission, Shelby County Commission, Blount County Commission, Walker County Commission, St. Clair County Commission, Bill Morris, Philip Wiedmeyer, David Standridge, Jeffrey Brumlow, and Thomas Hudson Jr. Docs. 74, 75, 76, 77, 78. For the reasons below, the motions are **GRANTED**.

I. BACKGROUND

This case involves challenges to a 2025 state law that (among other things) restructured the Birmingham Water Works Board. Ala. Code § 11-50-300 (2025).

Several plaintiffs bring claims in various capacities. Plaintiff Randall Woodfin brings claims in his official capacity as the Mayor of the City of Birmingham and as a ratepayer. Doc. 28 ¶ 2. Plaintiffs Clinton P. Woods, Valerie A. Abbott, Jonathan T. Moore, Darrell O’Quinn, Carol E. Clarke, and LaTonya A. Tate bring their claims officially as Birmingham City Council members and individually as citizens and ratepayers. *Id.* ¶¶ 3, 5–7, 10–11. Plaintiffs Hunter Williams, Crystal Smitherman, and Wardine T. Alexander bring their claims officially as members of the Birmingham City Council. *Id.* ¶¶ 4, 8–9. The City of Birmingham is a plaintiff in its capacity as a municipal corporation. *Id.* ¶ 12. The facts as alleged in the operative complaint are these:

The Water Works Board of the City of Birmingham (hereinafter the “Water Works”) was incorporated in 1950 by private parties (the “Incorporators”). *Id.* ¶ 30. The intended purpose of the Water Works was “to acquire and operate the privately owned Birmingham Waterworks Company.” *Id.* ¶¶ 30, 31. The Incorporators organized the Water Works as “electors” and “property owners.” *Id.* ¶ 32. They are referred to as “natural persons” in the enabling statute. *Id.*

The City of Birmingham “authorized the Water Works to supply potable water to Birmingham and adjacent areas,” subject to the City’s appointment of all members of the Water Works and approval of any amendments to the Water Works Articles

of Incorporation. *Id.* ¶ 34. The Water Works is and has always been an independent, non-municipal, public corporation. *Id.* ¶¶ 33, 37.

On June 1, 1999, the Water Works amended its Articles of Incorporation (the “1999 Articles”). *Id.* ¶ 38. These amendments reformed the corporate structure of the Water Works. *Id.* By operation of state law, the 1999 Articles “authorized the City of Birmingham to appoint all directors to the Water Works.” *Id.* ¶ 40. “The 1999 Articles also mandated that the Water Works had the power to enter into contracts, set rates, and issue bonds backed by revenues from ratepayers in the City of Birmingham and in adjacent areas.” *Id.* ¶ 39. Plaintiffs assert that the 1999 Articles thus established a contract between the City of Birmingham and the Water Works, and state law requires consent from the Birmingham City Council for any amendments to the Water Works Articles of Incorporation. *Id.* ¶¶ 42–43.

On May 1, 2025, Governor Kay Ivey signed Alabama Act 2025-297 (“the Act”) into law even though it had not received a two-thirds vote of approval from the Alabama House of Representatives. *Id.* ¶¶ 49–50. The Act, codified at Alabama Code Section 11-50-300, restructures municipal water boards that own or operate assets in four or more counties outside “the county where the authorizing municipality is principally located.” *See* Ala. Code §§ 11-50-300(a), 11-50-300.02 (2025). “The Water Works is the only water utility” in the state that meets those criteria. Doc. 28 ¶ 53.

The Act converts the Water Works into a regional water board and restructures the board. *Id.* ¶¶ 78–79. The Act stripped the City of Birmingham of the sole authority to appoint board members. *Id.* ¶¶ 40, 89–90. Instead, the Act “add[ed] members appointed by the Jefferson County Mayors’ Association, Shelby Count[y], and Blount County.” *Id.* ¶ 46; *see also id.* ¶¶ 89–90. Plaintiffs assert that the Act allowed the “takeover” of the Water Works by appointees not selected by the City of Birmingham. *Id.* ¶¶ 54, 79. The Legislature did not obtain the City of Birmingham’s consent to effectuate this change. *Id.* ¶ 44.

The Legislature made a number of findings in connection with the Act. *Id.* ¶ 54; 2025 Ala. Laws Act 2025-297 (S.B. 330). Plaintiffs assert that those findings are “based on false allegations of incompetence and mismanagement,” that are vague, not established by objective evidence, and speculative, Doc. 28 ¶¶ 54, 61–62, 68–71. Plaintiffs assert that the objective evidence establishes the success of the Water Works. Plaintiffs assert that Water Works has an “AA” credit rating, *id.* ¶ 56, which is a higher credit rating than the Helena Utilities Board and the Jefferson County Sewer Board, *id.* at ¶¶ 58–59, which the state has not reorganized, *id.* ¶ 66; *see also id.* ¶ 53. And plaintiffs assert that the expansion of Water Works service to surrounding areas indicates the success of the corporation. *Id.* ¶ 72.

Plaintiffs argue that the Act reduces the appointment power of the City of Birmingham from six board members to two board members, *id.* ¶ 90, and shifts

appointment powers away from the majority-black City of Birmingham to predominantly white counties, *id.* ¶¶ 89–90. Plaintiffs assert that this change in board composition leads to decision making that does not align with the interests of the residents of the City of Birmingham. *Id.* ¶ 79.

The ratepayer plaintiffs argue that the Act dilutes their power to select their representation to the Water Works. *Id.* ¶ 92. Ratepayer plaintiffs assert that this dilution treats ratepayers “in the predominantly Black City of Birmingham differently from ratepayers in predominantly White counties without establishing a compelling government interest” for the disparity. *Id.* ¶¶ 92–93.

Plaintiffs claim that the 1999 Articles are still enforceable because (1) the Act is an *ex-post facto* law that impermissibly attempts to change the charter of a public non-municipal corporation, *id.* ¶ 45; and (2) in 2015, the Legislature illegally changed the composition of the Water Works to add members appointed by the Jefferson County Mayors’ Association, Shelby County, and Blount County, *id.* ¶ 46. They assert that by law, “[t]he valid Water Works has nine members, six of whom are appointed by City officials.” *Id.* ¶ 82.

The plaintiffs assert claims in nine counts. In Count I, the City of Birmingham and plaintiffs in their official capacities assert a claim against all defendants for a violation of the Contract Clause of the U.S. Constitution. *Id.* ¶¶ 97–125. In Counts II and III, the ratepayer plaintiffs in their individual capacities assert claims against

all defendants for violations of the Equal Protection Clause. *Id.* ¶¶ 126–50. In Count IV, the ratepayer plaintiffs assert a claim against Defendant Stephens in his official capacity, the Shelby County Commission, the Blount County Commission, the Walker County Commission, and the St. Clair County Commission for violations of 42 U.S.C. § 1983. *Id.* ¶¶ 151–73. In Count V, “the City Plaintiffs in their individual capacities” assert a claim against all defendants for violations of due process. *Id.* ¶¶ 174–79. In Count VI, all plaintiffs assert a claim against all defendants alleging that the Act violates two provisions of the Alabama Constitution. *Id.* ¶¶ 180–86. In Count VII, all plaintiffs bring a claim against the Alabama Attorney General for a violation of Article XVII, Section 280 of the Alabama Constitution. *Id.* ¶¶ 187–93. In Count VIII, “the City Plaintiffs” bring a claim against all defendants alleging that the Act violates Article XII, Section 220 of the Alabama Constitution. *Id.* ¶¶ 194–200. In Count IX, all plaintiffs bring a claim against the Alabama Attorney General alleging that Act 2025-297 violates Article IV, Sections 104, 106, and 110 of the Alabama Constitution. *Id.* ¶¶ 201–09.

Defendants filed motions to dismiss, Docs. 74, 75, 76, 77, 78; plaintiffs filed a consolidated response, Doc. 86; and defendants filed replies, Docs. 87, 88, 89, 90, 91. Plaintiffs filed a surreply on April 10, 2026. Doc. 115. The undersigned held a hearing on August 20, 2026. *See* Doc. 117.

II. LEGAL STANDARD

A complaint must provide “a short and plain statement of the claim showing that the pleader is entitled to relief.” Fed. R. Civ. P. 8(a)(2). A complaint need not make “detailed factual allegations”; its purpose is only to “give the defendant fair notice of what the claim is and the grounds upon which it rests.” *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 555 (2007) (cleaned up). To survive a motion to dismiss based on Rule 12(b)(6), a complaint’s “[f]actual allegations must be enough to raise a right to relief above the speculative level, . . . on the assumption that all the allegations in the complaint are true (even if doubtful in fact).” *Id.* But “courts are not bound to accept as true a legal conclusion couched as a factual allegation,” such as the “recitation of [an] element[] of a cause of action.” *Id.* (cleaned up).

To test the complaint, the court discards any “conclusory allegations,” takes the facts alleged as true, *McCullough v. Finley*, 907 F.3d 1324, 1333 (11th Cir. 2018), and “draw[s] all reasonable inferences in the plaintiff’s favor,” *Randall v. Scott*, 610 F.3d 701, 705 (11th Cir. 2010). These facts and inferences must amount to a “plausible” claim for relief, a standard that “requires the reviewing court to draw on its judicial experience and common sense.” *Ashcroft v. Iqbal*, 556 U.S. 662, 679 (2009).

“Because a motion to dismiss for lack of standing is one attacking the district court’s subject matter jurisdiction, it is brought pursuant to Rule 12(b)(1).” *Region 8 Forest Serv. Timber Purchasers Council v. Alcock*, 993 F.2d 800, 807 n.8 (11th

Cir. 1993). When the court reviews facial attacks on subject matter jurisdiction, the court gives plaintiffs “safeguards similar to those retained when a Rule 12(b)(6) motion to dismiss for failure to state a claim is raised, and . . . the district court . . . must consider the well-pleaded allegations in the plaintiff’s complaint as true.” *Watson v. Kingdom of Saudi Arabia*, 159 F.4th 1234, 1252 (11th Cir. 2025) (cleaned up).

III. ANALYSIS

A. Ratepayer Plaintiffs’ Federal Claims — Counts II, III, IV

To establish standing to bring a lawsuit, a plaintiff must have: “(1) suffered an injury in fact, (2) that is fairly traceable to the challenged conduct of the defendant, and (3) that is likely to be redressed by a favorable judicial decision.” *Johnson v. 27th Ave. Caraf, Inc.*, 9 F.4th 1300, 1311 (11th Cir. 2021) (quoting *Spokeo, Inc. v. Robins*, 578 U.S. 330, 338 (2016)). To satisfy the injury-in-fact requirement, a plaintiff must allege a harm that is “concrete and particularized.” *Hunstein v. Preferred Collection & Mgmt. Servs., Inc.*, 48 F.4th 1236, 1242 (11th Cir. 2022) (cleaned up). To be concrete, an injury must “actually exist.” *Spokeo*, 578 U.S. at 340. An injury is particularized when it affects a plaintiff “in a personal and individual way.” *Id.* at 339 (cleaned up).

A generalized injury cannot provide standing. *See id.* Generalized grievances are “undifferentiated and common to all members of the public.” *Lujan v. Defs. of*

Wildlife, 504 U.S. 555, 575 (1992) (cleaned up). The Supreme Court has been “clear that a generalized grievance, ‘no matter how sincere,’ cannot support standing.” *Wood v. Raffensperger*, 981 F.3d 1307, 1314 (11th Cir. 2020) (quoting *Hollingsworth v. Perry*, 570 U.S. 693, 706 (2013)). And the Eleventh Circuit has made clear that standing cannot rest on allegations of “undifferentiated harm suffered in common by all citizens of [a] county.” *Dillard v. Chilton Cnty. Comm’n*, 495 F.3d 1324, 1333 (11th Cir. 2007).

Counts II, III, and IV are asserted by certain plaintiffs as ratepayers. Some of the ratepayer plaintiffs’ alleged injuries asserted in these counts are generalized political grievances. The Equal Protection claims in Counts II and III hinge on the ratepayer plaintiffs’ assertion that the Act injured them by diluting their ability to select board members. *See* Doc. 28 ¶¶ 131, 133, 136.e, 147, 148. The ratepayer plaintiffs admit that there are 90,411 Water Works customers in the City of Birmingham. *Id.* ¶ 84. On the ratepayer plaintiffs’ logic in the operative complaint, each and all of these customers (regardless of their race) share in the alleged dilutive harm of the Act. The ratepayer plaintiffs suggest in their response to the motions to dismiss that the Equal Protection claims are asserted only on behalf of black ratepayers in the City of Birmingham, *see* Doc. 86 at 21, but neither the operative complaint nor the responsive brief explains how the alleged dilutive injury is suffered only by certain ratepayers in the City of Birmingham. And because the

mechanism of the alleged injury is a reduction in to the number of appointments made by City of Birmingham authorities, the court finds no basis for a plausible inference that the alleged dilutive injury flows only to some residents of the City of Birmingham. Ultimately, because the alleged harm is “undifferentiated and common to all members of the public” in the City of Birmingham, it cannot provide standing. *Lujan*, 504 U.S. at 575.

The Section 1983 claim in Count IV hinges on the ratepayer plaintiffs’ asserted property interest in Water Works appointments. *See* Doc. 28 ¶ 161 (“The power to select the Water Works board members affords property rights to the Ratepayer Plaintiffs.”). But no state law — neither the 1999 Articles, nor the Act, nor any other state law — confers any appointment authority, nor any property interest in appointments, on any ratepayers, let alone a particular group of ratepayers. *See* Doc. 76-1 at 73–76 (collecting authorities). Under the Act, the appointments are (as they always have been) made by local authorities. *See* Ala. Code § 11-50-300.03 (2025); Doc. 76-1 at 73–76. And the ratepayer plaintiffs have identified no controlling precedent setting forth a basis for a plausible inference that when a local authority has an appointment power, ratepayers living in the area governed by that authority have a property interest in that appointment. *See* Doc. 86 at 69–70, 78–80.

Because the ratepayer plaintiffs have alleged no injury to support standing to assert the claims pleaded in Counts II, III, and IV, those counts are **DISMISSED WITHOUT PREJUDICE**.

B. City Plaintiffs’ Federal Claims — Counts I, V

1. The injury that the plaintiffs allege is neither traceable to the defendants nor redressable by them.

The traceability requirement for standing necessitates “a causal connection between the injury and the conduct complained of—the injury has to be ‘fairly . . . trace[able] to the challenged action of the defendant, and not . . . th[e] result [of] the independent action of some third party not before the court.’” *Lujan*, 504 U.S. at 560 (quoting *Simon v. Eastern Ky. Welfare Rts. Org.*, 426 U.S. 26, 41–42 (1976)).

An injury is not traceable to a government official who has no authority to enforce an allegedly injurious act. *Lewis v. Governor of Alabama*, 944 F.3d 1287, 1296, 1299–1301 (11th Cir. 2019) (finding no traceability to Alabama Attorney General because challenged statute “provides for no enforcement mechanism whatsoever, and it certainly envisions no role for the Attorney General”).

The redressability requirement dictates that “it must be ‘likely,’ as opposed to merely ‘speculative,’ that the injury will be ‘redressed by a favorable decision.’” *Lujan*, 504 U.S. at 561 (quoting *Simon*, 426 U.S. at 38, 43).

In Counts I and V, the City of Birmingham, Mayor Woodfin, and City Councilors Clarke, Abbott, Smitherman, Tate, O’Quinn, Williams, Woods, Moore,

and Alexander (collectively, “the City plaintiffs”) claim that the Act violates the Contract Clause and the Due Process Clause of the United States Constitution. *See* Doc. 28 ¶¶ 97–125, 174–79. The City plaintiffs assert their claims under the Contract Clause in their official capacities, and they assert their claims under the Due Process Clause in their individual capacities. *See id.* ¶¶ 98, 175. The City plaintiffs assert the claims in Counts I and V against all defendants. *See id.* ¶¶ 99, 176.

The City plaintiffs’ claims under the Contract Clause are neither traceable to nor redressable by the named defendants. There is no causal link between the injuries that the City plaintiffs allege to their appointment powers and any action by the named defendants. And there is nothing that the court could order any of these officials to do that would remedy the alleged injury to the City plaintiffs.

The City plaintiffs identify two causal links to satisfy the traceability requirement, but both fail. *First*, the City plaintiffs argue that their alleged injuries are traceable to some defendants who have exercised their authority under the Act to make appointments to the Water Works, and other defendants who are currently serving on the Water Works as a result of those appointments. *See* Doc. 86 at 32, 55 (naming as appointing authorities the Governor, Lieutenant Governor, Jefferson County Commission (and its President, Mr. Stephens), Shelby County Commission, Blount County Commission, Walker County Commission, and St. Clair County Commission), 55–56 (asserting that the “existence” of the Water Works members

appointed under the Act “impairs the City Plaintiffs’ contractual authority to make appointments”).

But the ministerial act of making or receiving or serving pursuant to an appointment under the Act is a red herring. Under controlling precedent, in a facial challenge to a legislative enactment the traceability analysis hinges on how the enactment assigns enforcement power. *See Lewis*, 944 F.3d at 1299–1301. When the challenged statute assigns no enforcement power to a defendant, that reality “counts heavily against plaintiffs’ traceability argument” about standing to sue that defendant. *Id.* at 1299.

Because the City plaintiffs do not (and could not plausibly) assert that the Act assigns enforcement power to the defendants who have made appointments to the Water Works, nor to the defendants who are serving on the Water Works pursuant to those appointments, the City plaintiffs’ alleged injuries are not traceable to those defendants, and the City plaintiffs lack standing to sue them.

Second, the City plaintiffs argue that their alleged injuries are traceable to the Attorney General because the Act assigns the Attorney General some enforcement powers. *See Doc. 86* at 55. But the City plaintiffs have no response to the Attorney General’s point that those limited enforcement powers are separate from and unrelated to the distribution of appointment authority and alleged contractual impairments that form the basis for the plaintiffs’ claims. *See Doc. 74* at 17–19

(describing the Attorney General’s limited enforcement authority). Accordingly, the court finds no basis for a plausible inference that the injury the City plaintiffs allege is traceable to the Attorney General.

Together, these traceability deficits leave the City plaintiffs without standing to sue any named defendant.

In an abundance of caution, the court considers redressability. The City plaintiffs do not plausibly assert that there is any action the court can order any named defendant to take that would redress the alleged injuries to the City. The City plaintiffs’ alleged injuries result from the enactment of the Act, and none of the named defendants has the authority to repeal, replace, enforce, or change the Act. And even if the court were to enjoin a current member of the Water Works from serving pursuant to an appointment under the Act (relief the court sees no plausible allegations to support), such an injunction would not restore the status quo *ante* or otherwise remedy the City plaintiffs’ alleged dilutive injuries and impairments.

The City plaintiffs argue in passing that if this court were to “invalidate the Regional Board and any appointments to it,” “[t]hat decision alone would prevent all the Defendants from taking any further action” and “would redress the City Plaintiffs’ injuries.” *See* Doc. 86 at 56–57. But the City plaintiffs cite no authority for this argument, and the court sees no basis to accept it.

Because the court finds no basis for a plausible inference that any named defendant can redress the injuries the City plaintiffs allege, the City plaintiffs are without standing to sue these defendants.

2. The City plaintiffs allege no injury-in-fact.

The City plaintiffs lack standing for the separate and independent reason that they allege no injury-in-fact. To support their claims under the Contract Clause, the City plaintiffs allege that the Act injures their “contractual right” under the 1999 Articles “to appoint and fill vacancies of board members of the Water Works” and “illegally permits the Defendants to substantially impair the City Plaintiffs’ contractual agreements with the Water Works,” including a Buy-Sell Agreement, the Water Works articles of incorporation, and franchise agreements. Doc. 28 ¶¶ 103, 107, 111, 113, 119.

To support their due process claims, the City plaintiffs allege that the Water Works “created a property right in the form of the right to appoint board members,” that the City plaintiffs have this property right, and that the Act “illegally permitted the Defendants to deprive the City Plaintiffs of that property right.” *Id.* ¶¶ 177–79.

The common problem for both sets of claims is that because the City plaintiffs’ asserted contract and property rights are subject to the plenary power of the Alabama Legislature, the City plaintiffs suffered no legally cognizable injury-in-fact as a result of the Act. The relevant federal and state laws are well-settled and in

accord. *See, e.g., City of New Orleans v. New Orleans Water Works Co.*, 142 U.S. 79, 88–93 (1891); *Hard v. State ex rel. Baker*, 154 So. 77, 81 (Ala. 1934); *Alabama Water Co. v. City of Attalla*, 100 So. 490, 496–97 (Ala. 1924).

As the Alabama trial court that previously considered a similar argument in a similar case explained a decade ago, because both the City of Birmingham and the Water Works are “dependent on the Alabama Legislature for their existence and powers, they may not hide behind the contract between them – which itself is a creature arising from legislation – as a means of avoiding subsequent legislative directives.” *See* Doc. 78-4 at 16.

The City plaintiffs argue that *City of New Orleans* is not dispositive of their standing to assert a claim under the Contract Clause because the Incorporators, not the Legislature, created the Water Works. *See* Doc. 86 at 57–60. But as defendants explain on reply, Doc. 91 at 39–42, this misses the critical rule that the City is subordinate to the plenary power of the Legislature. *See City of New Orleans*, 142 U.S. at 88–91. And for purposes of the City plaintiffs’ arguments about dilution to their appointment powers, their argument also misses the longstanding reality that the manner of making appointments to the Water Works is a creature of state law, *see* Ala. Code § 11-50-234.

Because the City plaintiffs suffered no injury-in-fact from the enactment of the Act, let alone one that is traceable to and redressable by any named defendant, Counts I and V are **DISMISSED WITHOUT PREJUDICE**.

C. Counts VI, VII, VIII, IX

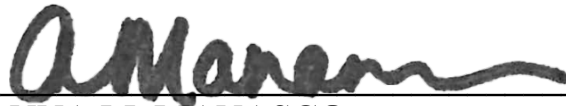
Counts VI, VII, VIII, and IX assert claims by plaintiffs for violations of the Alabama Constitution. Doc 28. ¶¶ 180–209. A “district court[] may decline to exercise supplemental jurisdiction” where, as here, it “has dismissed all claims over which it has original jurisdiction.” 28 U.S.C. § 1367(c)(3). “A district court . . . will rarely err by declining supplemental jurisdiction after the federal claims that supported its jurisdiction are dismissed.” *Silas v. Sheriff of Broward Cnty.*, 55 F.4th 863, 866 (11th Cir. 2022). “Although the district court has discretion, concerns of federalism—namely, of federal courts of limited jurisdiction weighing in on state law—counsel in favor of dismissing state-law claims after the federal claims are dismissed.” *Id.* Because no plaintiff has standing for the reasons already explained, and because the court has dismissed all federal claims, the court will not exercise supplemental jurisdiction over Counts VI, VII, VIII, or IX. Those counts are **DISMISSED WITHOUT PREJUDICE**.

D. CONCLUSION

For the reasons explained above, the pending motions to dismiss are **GRANTED** and Counts I through IX are **DISMISSED WITHOUT PREJUDICE**.

The Clerk of the Court is **DIRECTED** to close this case.

DONE and **ORDERED** this 15th day of October, 2026.

A handwritten signature in dark ink, appearing to read 'A. Manasco', written over a horizontal line.

ANNA M. MANASCO
UNITED STATES DISTRICT JUDGE