



JASON E. MUMPOWER
Comptroller

Agenda
Tennessee Board of Utility Regulation
September 10, 2026
9:00 A.M.

- I. Call to Order
- II. Administrative Items
 - a. Conflict of Interest Statement
 - b. Public Comment Period
 - c. Approval of Minutes
- III. Consent Orders
 - a. Annual Information Report Non-Compliance
 - b. Annual Information Report Release
 - c. Financial Distress Release
 - d. Financial Distress Update Cycle
 - e. Late Audits Release
 - f. Training Non-Compliance Release
 - g. Water Loss Release
- IV. Customer Complaints
 - a. Nolensville-College Grove Utility District
 - b. Englewood
 - c. Witt Utility District
- V. Manager Cases
 - a. Grundy County
 - b. South Fork Utility District
- VI. East Tennessee
 - a. Friendsville
- VII. Middle Tennessee
 - a. Huntland
- VIII. West Tennessee
 - a. Lexington
 - b. Martin
 - c. McEwen
 - d. Tennessee Ridge
 - e. West Point Utility District
- IX. Board Discussion



Re: Request for Ocoee Financial-Distress Release Documents (September 10th, 2026) Meeting

From Melanie Lawson <mel.lawson34@yahoo.com>

Date Fri 9/4/2026 12:44 PM

To Benjamin S Johnson <Benjamin.S.Johnson@cot.tn.gov>; Utilities@cot.tn.gov <Utilities@cot.tn.gov>; Sheila Reed <Sheila.Reed@cot.tn.gov>; Steve Osborne <Steve.Osborne@cot.tn.gov>

Cc Nate Fontenot <Nate.Fontenot@cot.tn.gov>

Good morning Meghan,

Thank you for your prompt response and for confirming that I am registered to speak during the public comment period.

Please include this email as my written submission in the September 10 meeting packet and distribute it to all TBOUR members, including Chairman Greg Moody. My comments concern Agenda Item IV(c), Financial Distress Release, and I oppose Ocoee Utility District's release at this time.

I respectfully request that the Board remove Ocoee's proposed release from the consent agenda and defer action until the record demonstrates that Ocoee has achieved sustainable financial recovery.

My concerns include the following:

1. Although Ocoee reported improved operating results following substantial rate increases, its unrestricted net position reportedly declined from approximately \$2.89 million to \$1.48 million, while unrestricted cash was approximately \$705,000. The Board should determine whether this represents durable recovery or short-term stabilization funded primarily through increased customer rates.
2. Ocoee's prior financial statements required material corrections and restatements, including a reported \$370,564 reduction of prior year net position related to overstated accounts receivable. Before release, the Board should require independent evidence that the underlying billing, receivables, asset accounting, and financial reporting controls have been corrected.
3. Ocoee continues to face substantial infrastructure and capital risks. These include ongoing line failures, a reported monthly water-loss figure of 49%, unresolved wastewater planning and permitting, approximately \$26.9 million in existing longterm debt, and the possibility of millions of dollars in additional borrowing.

I recognize that monthly water loss may not be identical to the annual statutory non-revenue water calculation and that water loss may be addressed through a separate regulatory process. Nevertheless, infrastructure failure and water loss create operating expenses, capital requirements, borrowing exposure, and future rate pressure that bear directly on Ocoee's long term financial sustainability.

I am not asking TBOUR to reopen my previously closed customer complaint. My comments are limited to Ocoee's district wide financial condition, internal controls, debt exposure, infrastructure obligations, and whether the available record supports ending financial oversight.

Before releasing Ocoee, I respectfully ask the Board to determine:

- Whether every requirement of Ocoee's financial distress order has been fully completed;
- Whether Ocoee's financial improvements are sustainable without repeated rate increases;
- Whether the controls responsible for prior financial corrections have been independently verified;
- Whether Ocoee has adequate liquidity to address existing obligations and foreseeable infrastructure costs; and
- Whether its anticipated borrowing and wastewater plans could return the district to financial distress.

At minimum, I ask the Board to defer release until the staff recommendation, proposed release order, supporting calculations, and documentation showing completion of every outstanding requirement are publicly available and can be reviewed.

Please confirm that these written comments will be included in the meeting materials and distributed to the Board members. Please also confirm that I may participate remotely and that my allotted speaking time is three minutes.

Thank you for your assistance.

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Respectfully,

Melanie Lawson

423-473-0665



TENNESSEE BOARD OF UTILITY REGULATION

Cordell Hull Building · Nashville, TN 37243

MINUTES

of the

TENNESSEE BOARD OF UTILITY REGULATION MEETING

June 11, 2026

Regular Meeting

I. CALL TO ORDER AND ROLL CALL

Chairman Moody called the regular meeting of the Tennessee Board of Utility Regulation to order. Mr. Ross Colona, Board staff, called the roll by name down the list. The Chairman welcomed the Board's in-person and online guests.

Members Present (in roll-call order):

BOARD MEMBER	STATUS
Mr. Eugene Hampton	Present
Mr. Britt Dye	Present
Mr. Alex Smith	Present
Mr. Edwin Carter	Present
Mr. Bruce Giles	Present
Mr. Anthony Pelham	Present
Mr. Steve Stone	Present
Mr. David Purkey	Present
Ms. Paula Mitchell (Vice-Chair)	Present
Mr. Greg Moody (Chair)	Present

A quorum was confirmed by the Chair.

Staff Present: Mr. Ross Colona, Mr. Ben Johnson, and Mr. Nate Fontenot (Tennessee Comptroller of the Treasury).

Counsel Present: Mr. Matt Napolitano.

II. CONFLICT OF INTEREST STATEMENT

Counsel Napolitano read the conflict-of-interest statement at [0:00:57], advising that the Board was created to act for the public welfare in furtherance of the legislature's intent that utility systems be operated as self-sufficient enterprises, and that Board members are not authorized to participate in the discussion of, or vote on, matters involving entities in which a member has a financial interest, a conflict of interest, a contract of employment, or where any appearance of impropriety exists.

III. APPROVAL OF MINUTES

The minutes of the March 12, 2026 meeting were presented for approval. Mr. Stone moved to approve the minutes as presented.

MOTION: To approve the minutes of March 12, 2026 as presented. **Moved by:** Mr. Stone **Seconded by:** Mr. Pelham **Outcome:** Carried by voice vote.

IV. CONSENT ORDER (MR. BEN JOHNSON PRESENTING)

Mr. Johnson presented the consent order beginning on page 16 of the packet, comprising a financial-distress release, a financial-distress update cycle, an annual-information-report non-compliance order, a training non-compliance release order, a water-loss release order, and a water-loss update cycle. Staff recommended passage of each item.

MOTION: To accept the staff recommendations on the consent order. **Moved by:** Mr. Purkey **Seconded by:** Mr. Smith **Outcome:** Carried by voice vote.

V. CUSTOMER COMPLAINTS (MR. BEN JOHNSON PRESENTING)

A. Alpha-Talbott Utility District

Mr. Johnson presented a customer complaint from Mr. Marcus Powell, a prospective customer who challenged the estimated \$36,000 to \$38,000 cost to tie into service. Staff reported that Alpha-Talbott Utility District had followed its policy, treated the customer as it would any other customer, and sought to avoid burdening the existing customer base. Mr. Purkey recused himself, stating that the utility is located in his county and that he knows the manager personally. The Board also discussed whether the complaint involved gas service or water service.

MOTION: To accept the staff recommendation to close the customer complaint. **Moved by:** Mr. Giles **Seconded by:** Mr. Hampton **Outcome:** Carried by voice vote. Mr. Purkey recused.

B. North Utility District of Rhea County

Mr. Johnson presented a complaint from Mr. Michael Harris concerning a severe leak at his property. Following discussion, the Board concluded that the utility had followed its policy.

MOTION: To accept the staff recommendation to close the customer complaint for the North Utility District of Rhea County. **Moved by:** Mr. Pelham **Seconded by:** Mr. Dye **Outcome:** Carried by voice vote. Case closed.

C. Town of Englewood

Mr. Johnson presented the matter as a revisit of a prior customer complaint on which the Board had questions about how the leak adjustment had been determined. Vice-Chair Mitchell and Mr. Pelham observed that, while the utility appeared to have followed its policy, the explanation for the difference between the original and second billing volumes remained unclear and additional information was needed.

MOTION: To accept the staff/Board recommendation to gather additional, detailed information on the reading and the volume loss for the months involved. **Moved by:** Mr. Pelham **Seconded by:** Mr. Giles **Outcome:** Carried by voice vote.

D. City of Rocky Top

Mr. Johnson presented the previously-discussed complaint after staff received additional information. Following discussion of the additional information, the Board moved to close the complaint.

MOTION: To accept the Board recommendation to close the complaint. **Moved by:** Mr. Pelham **Seconded by:** Mr. Smith **Outcome:** Carried by voice vote. Case closed.

VI. ADMINISTRATIVE REVIEW - CHEROKEE HILLS UTILITY DISTRICT (POLK COUNTY)

Mr. Johnson presented the matter, noting that it involved two referrals: a customer complaint and an administrative review, with a financial-distress order also in place. The Board discussed the absence of any statutory requirement governing what financial information a utility must provide to its governing body, the recurring pattern of embezzlement and poor financial condition among small systems, and whether legislative guidance or staff-developed best practices would help. Staff agreed to develop best practices in coordination with MTAS, CTAS, and related resources. The Board acted on the two referrals separately.

MOTION: To close the customer complaint. **Moved by:** Mr. Pelham **Seconded by:** Mr. Smith **Outcome:** Carried by voice vote. Case closed.

MOTION: To close the administrative review, with the financial-distress order remaining open. **Moved by:** Mr. Pelham **Seconded by:** Mr. Hampton **Outcome:** Carried by voice vote.

VII. WEST POINT UTILITY DISTRICT - ADDITION TO AGENDA

Mr. Colona advised that the board president of the West Point Utility District was present but the matter was not on the agenda, and asked whether the Board wished to hear from him. Mr. Purkey moved to add the request to the agenda for three minutes.

MOTION: To add the West Point Utility District request to the agenda for three minutes. **Moved by:** Mr. Purkey **Seconded by:** Mr. Giles **Outcome:** Carried by voice vote. The item was added.

VIII. GRUNDY COUNTY - SEWER / DEPRECIATION MATTER (MR. ROSS COLONA PRESENTING)

Mr. Colona presented the Grundy County matter, describing a sewer project tied to economic development around The Caverns tourism attraction and partially funded with ARPA money. He noted that the state had legislatively created the Southern Cumberland Plateau Water and Wastewater Authority by private act, but that the authority does not yet own any assets. Grundy County Mayor Michael Brady addressed the Board, describing the county's economic-development efforts, a letter of agreement with The Caverns, and approximately \$500,000 per year in hotel/motel tax that the county's Tourism Authority had agreed to apply toward depreciation.

Mr. Giles and other members expressed concern that the Board was being asked to evaluate and approve the matter without signed agreements, a cost-of-service study, or other supporting documentation, and asked that those materials be provided. Counsel Napolitano noted that the Board's enforcement could extend to its orders and

sanctions and, if necessary, to seeking injunctions in Chancery Court. After discussion, the Board elected to defer action.

MOTION: To defer action until the September meeting, pending the additional information laid out as required for approval. **Moved by:** Mr. Giles **Seconded by:** Mr. Stone **Outcome:** Carried by voice vote.

IX. WEST POINT UTILITY DISTRICT - BOARD-MEMBER ELIGIBILITY PETITION (MR. ROSS COLONA PRESENTING)

Mr. Colona presented a petition by Mr. Davis to have his eligibility to serve on the West Point Utility District board reinstated. Mr. Michael Wall addressed the Board, stating that he represents Mr. Davis, the statutory petitioner, and also the Utility District, which supports the petition. Mr. Pelham noted that this was, to his knowledge, the first time the new law had been used and moved to reinstate Mr. Davis's eligibility to serve if nominated and ratified by the County Mayor. Counsel Napolitano advised that the order must require the petitioner to obtain 12 hours of training within one year of the order and must include an effective date for eligibility reinstatement. The Board discussed the training requirement and an effective date, settling on July 1, 2026. Mr. Pelham amended his motion accordingly.

Record note: The Chairman did not name a Board member as seconder of the eligibility motion on the record; the only second placed on the record was by staff member Mr. Colona. The seconder is therefore recorded as undetermined.

MOTION: To reinstate Mr. Davis's eligibility to serve on the West Point Utility District board if nominated and ratified, with an effective eligibility date on or before July 1, 2026, and requiring 12 hours of training and continuing education within one year, with hours achieved within the previous 12 months acceptable. **Moved by:** Mr. Pelham **Seconded by:** Not named on the record **Outcome:** Carried by voice vote. Eligibility reinstated.

Following this item, Mr. Colona noted that his portion of the meeting had concluded at approximately 10:45 a.m., with lunch planned for 11:30 a.m.

X. EAST TENNESSEE CASES (MR. BEN JOHNSON PRESENTING)

A. Siam Utility District

Mr. Johnson presented Siam Utility District. Ms. Michelle Henniger, the district's manager, addressed the Board and described recent progress at the utility. Staff's recommendation had contemplated possible consolidation or merger; following discussion, Mr. Purkey moved, and later amended the motion, to grant a one-year extension with staff monitoring rather than pursue consolidation at this time, with the matter to be revisited if performance did not continue to improve.

MOTION: To grant a one-year extension with staff monitoring. **Moved by:** Mr. Purkey **Seconded by:** Mr. Giles **Outcome:** Carried by voice vote.

B. Mooresburg Utility District

Mr. Johnson presented Mooresburg Utility District. The Board discussed a rate-study concern. Mr. Pelham and Mr. Colona asked that the rate-study firm provide a revised, clarified recommendation specifying the targeted revenue the recommended rates were designed to produce, while seeking to avoid requiring the utility to pay any more than necessary to correct work that should have been done properly initially.

MOTION: To accept the modified staff recommendation for Mooresburg Utility District, including the proposed modifications. **Moved by:** Mr. Pelham **Seconded by:** Mr. Hampton **Outcome:** Carried by voice vote.

C. Town of Oakdale

Mr. Johnson presented the Town of Oakdale, noting that the town had been under the Board since 2018 and continued to display a negative change in statutory net position, with operating revenues declining across recent years. Mr. Pelham observed that the system has very few customers, including a housing authority and one citizen on flat rates per the audit. Mr. Colona noted that third-party cost-of-service studies are sometimes available at no cost.

During the Board's consideration, Mr. Colona advised that Mr. Mike Monroe of the Plateau Utility District was present. Mr. Monroe addressed the Board regarding Plateau's prior assumption of the Wartburg sewer system and its potential role as a solution for Sunbright/Oakdale. The motion stood through that testimony and was carried.

MOTION: To accept the Board recommendation with amended dates, changing point 2 to November 30, 2026 and point 3 to April 30, 2027, and adding a provision authorizing staff to seek an alternate resolution to mitigate the full cost-of-service study. **Moved by:** Mr. Pelham **Seconded by:** Mr. Smith **Outcome:** Carried by voice vote.

XI. WEST TENNESSEE CASES (MR. NATE FONTENOT PRESENTING)

A. Town of Hollow Rock

Mr. Fontenot presented the Town of Hollow Rock and recommended that the Board order a feasibility study.

MOTION: To accept the staff recommendation. **Moved by:** Mr. Giles **Seconded by:** Mr. Carter **Outcome:** Carried by voice vote.

B. Iron City Utility District

Mr. Fontenot presented Iron City Utility District (Lawrence County), providing context on conditions in Lawrence County.

MOTION: To accept the staff recommendation on Iron City Utility District. **Moved by:** Mr. Pelham **Seconded by:** Vice-Chair Mitchell **Outcome:** Carried by voice vote.

C. City of Moscow

Mr. Fontenot presented the City of Moscow, which opened a policy discussion regarding the training requirement applicable to elected board members and whether grant eligibility should be conditioned on training compliance. Following discussion, Mr. Pelham amended his motion to require that all current board members be in compliance with the training requirements by December 1 in order to remain eligible for grants. Mr. Carter raised a concern about setting precedent.

Record note: The Chairman did not name a Board member as seconder of the amended Moscow motion on the record; the only second placed on the record was by staff member Mr. Colona. The seconder is therefore recorded as undetermined.

MOTION: To accept the staff recommendation for the City of Moscow, as amended to require all current board members to be current on training by December 1 to remain eligible for grants. **Moved by:** Mr. Pelham **Seconded by:** Not named on the record **Outcome:** Carried by voice vote, with one member voting no.

D. City of Sharon

Mr. Fontenot presented the City of Sharon, noting that the city, like Hollow Rock, had long been under the Board, was three years behind on financial reports, and had recorded two years of decrease in net position as of its most recent 2022 audit. Mr. Fontenot recommended ordering a feasibility study. Ms. Jean Suh of the Division of Local Government Audit advised that the City of Sharon is on the penalty list, under which approximately 3% of the

entity's state-shared sales-tax revenue is withheld by the Department of Revenue, and that four municipalities were then on the penalty list.

MOTION: To accept the staff recommendation on the City of Sharon. **Moved by:** Mr. Smith **Seconded by:** Mr. Pelham **Outcome:** Carried by voice vote.

E. City of Tennessee Ridge

Mr. Fontenot presented the City of Tennessee Ridge, reporting that the city's audit had been delayed by issues with its auditor. The Board's action, as amended, included an order asking certain board members to attend the next meeting.

MOTION: To accept the staff recommendations as amended for the City of Tennessee Ridge, including the order for some board members to attend the next meeting. **Moved by:** Mr. Hampton **Seconded by:** Mr. Giles **Outcome:** Carried by voice vote.

F. Town of Troy

Mr. Fontenot presented the Town of Troy, describing it as a standard decrease-in-net-position case, with the town approximately one year late on its audits.

MOTION: To accept the staff recommendation for the Town of Troy. **Moved by:** Mr. Giles **Seconded by:** Mr. Smith **Outcome:** Carried by voice vote.

XII. CORRESPONDENCE - BUDDY PETTY (RATE-DIFFERENTIAL INQUIRY)

Mr. Colona presented an email and letter from Mr. Buddy Petty concerning the practice of limiting outside-customer rate differentials. Mr. Giles and Mr. Pelham expressed the view that there is no sound justification for a fixed differential figure given the many variables involved, and that cost-of-service studies are the appropriate tool. Mr. Stone cautioned that offering an opinion could set a problematic precedent. The Chairman stated that the Board had decided to take no action on the item.

XIII. USEFUL LIFE OF DUCTILE IRON WATER PIPE (MR. ROSS COLONA PRESENTING)

Pursuant to a directive from the prior TBOUR meeting, Mr. Colona reported that staff had investigated the useful life of ductile iron water pipes and presented research offering three options. Members discussed the difficulty of generalizing pipe useful lives given soil corrosiveness and other site-specific factors. Mr. Smith moved to accept staff recommendation option 1, maintaining the status quo.

MOTION: To accept staff recommendation option 1 (status quo) on the useful life of ductile iron water pipe. **Moved by:** Mr. Smith **Seconded by:** Mr. Giles **Outcome:** Carried by voice vote.

XIV. EXECUTIVE SESSION

The Chairman moved to enter executive session to receive legal advice. The motion was seconded on the record by Mr. Colona.

Record note: The Chairman did not name a Board member as seconder of the executive-session motion on the record; the only second placed on the record was by staff member Mr. Colona. The seconder is therefore recorded as undetermined.

MOTION: To enter executive session to receive legal advice. **Moved by:** Mr. Moody **Seconded by:** Not named on the record **Outcome:** Carried by voice vote. The Board entered executive session.

The Board returned to regular session. Mr. Colona moved to return to regular session and, following the Chairman's confirmation that no further deliberation was needed on the matter, the Board prepared to adjourn. The Chairman thanked attendees and recognized Mr. Fontenot for preparing maps included in the packet.

XV. ADJOURNMENT

MOTION: To adjourn. **Moved by:** Mr. Stone **Seconded by:** Mr. Hampton **Outcome:** Carried by voice vote. The meeting was adjourned.



JASON E. MUMPOWER
Comptroller

Entity Referred: **Multiple Entities**

Referral Reason: **Annual Information Report**

Utility Type Referred: **Multiple Utility Types**

Staff Summary:

The Following Utilities were referred to the Tennessee Board of Utility Regulation (“The Board”) for Annual Information Report non-compliance. Board staff believes the utilities should remain under Board supervision until the Board releases them from its oversight.

- Town of Atwood
- City of Bolivar
- City of Charlotte
- Fall Creek Falls Utility District
- City of Gallaway
- City of Gleason
- Town of Henning
- Town of Mason
- New Market Utility District
- North Stewart Utility District
- City of Rives
- Saltillo Utility District
- Town of Stanton
- Town of Whiteville

Recommendation:

The Board should order the following:

1. The Utilities shall submit their Annual Information Reports or otherwise resolve the Annual Information Report non-compliance to the satisfaction of Board staff by December 31, 2026.



JASON E. MUMPOWER
Comptroller

Entity Referred: **Multiple Entities**

Referral Reason: **Annual Information Report**

Utility Type Referred: **Multiple Utility Types**

Staff Summary:

The Following Utilities were referred to the Tennessee Board of Utility Regulation (“The Board”) for the Annual Information Report. The utilities have complied with prior directives of the Board, and Board staff believes the utilities should be released from Board oversight.

- Iron City Utility District
- Jackson County Utility District
- City of McEwen
- West Point Utility District

Recommendation:

The Board should order the following:

1. The Utilities are officially released from the Board's oversight as it relates to their Annual Information Case.



JASON E. MUMPOWER
Comptroller

Entity Referred: **Multiple Entities**

Referral Reason: **Decrease In Net Position**

Utility Type Referred: **Water and Sewer**

Staff Summary:

The Following Utilities were referred to the Tennessee Board of Utility Regulation (“The Board”) for financial distress, pursuant to Tenn. Code Ann §7-82-703. The utilities have complied with prior directives of the board. The utilities have shown in consecutive audits positive changes in net position, and Board staff believe the Utility should be released from Board oversight.

- Benton-Decatur Special Sewer District
- Town of Gordonsville
- City of Harriman
- Ocoee Utility District
- Town of Rutledge

Recommendation:

The Board should order the following:

1. The Utilities are officially released from the Board's oversight as it relates to their financial distress cases.



JASON E. MUMPOWER
Comptroller

Entity Referred: **Multiple Entities**

Referral Reason: **Decrease In Net Position**

Utility Type Referred: **Water and Sewer**

Staff Summary:

The following Utilities have been referred to the Tennessee Board of Utility Regulation (“the Board”) due to financial distress, pursuant to TCA 7-82-703. The Utilities have complied with prior directives of the Board. The Utilities have shown progress in correcting their financial distress, and Board staff believe the Utilities should be placed in the update cycle.

- Town of Mount Carmel
- Town of Ridgely

Recommendation:

The Board should order the following:

1. The Utility shall remain under Board supervision until the Board releases the Utility from its oversight.



JASON E. MUMPOWER
Comptroller

Entity Referred: **Multiple Entities**

Referral Reason: **Late Audits (2 Years)**

Utility Type Referred: **Water and Sewer**

Staff Summary:

The Following Utilities were referred to the Tennessee Board of Utility Regulation (“The Board”) for Late Audits (2 Years). The utilities have complied with prior directives of the Board, and Board staff believes the utilities should be released from Board oversight.

- Town of Big Sandy
- City of Decherd
- Town of Gibson

Recommendation:

The Board should order the following:

1. The Utilities are officially released from the Board's oversight as it relates to their financial distress cases.



JASON E. MUMPOWER
Comptroller

Entity Referred: **Multiple Entities**

Referral Reason: **Training**

Utility Type Referred: **Multiple Utility Types**

Staff Summary:

The Following Utilities were referred to the Tennessee Board of Utility Regulation (“The Board”) for Training. The utilities have complied with prior directives of the Board, and Board staff believes the utilities should be released from Board oversight.

- Town of Bulls Gap
- City of Camden
- Clearfork Utility District
- City of Cookeville
- Town of Cumberland Gap
- City of Jellico
- Town of Mount Carmel
- City of Tennessee Ridge

Recommendation:

The Board should order the following:

1. The Utilities are officially released from the Board's oversight as it relates to their financial distress cases.



JASON E. MUMPOWER
Comptroller

Entity Referred: **Multiple Entities**

Referral Reason: **Water Loss**

Utility Type Referred: **Multiple Utility Types**

Staff Summary:

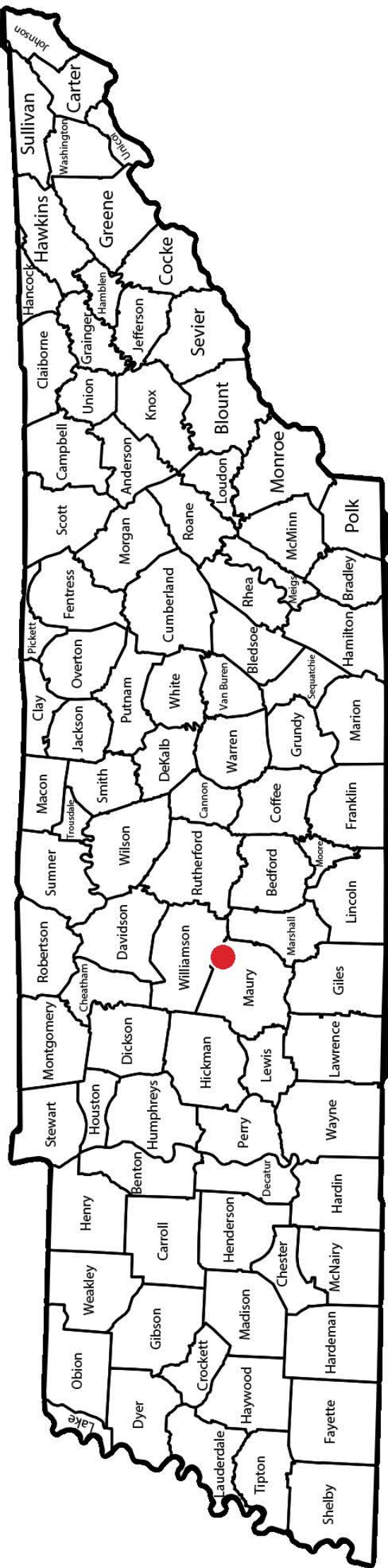
The Following Utilities were referred to the Tennessee Board of Utility Regulation (“The Board”) for Water Loss. The utilities have complied with prior directives of the Board, and Board staff believes the utilities should be released from Board oversight.

- Bon De Croft Utility District
- Town of Byrdstown
- Mooresburg Utility District
- City of South Pittsburg

Recommendation:

The Board should order the following:

1. The Utilities are officially released from the Board's oversight as it relates to their financial distress cases.



Nolensville-College Grove Utility District



Jason E. Mumpower
Comptroller

Entity Referred: **Nolensville-College Grove Utility District**
Referral Reason: **Customer Complaint**
Utility Type: **Water**
Referred: County: **Williamson**

Staff Summary:

The Nolensville-College Grove Utility District ("the Utility") has been referred to the Tennessee Board of Utility Regulation ("the Board") for customer complaint pursuant to Tenn. Code Ann. § 7-82-702. The complainant disputes a \$7,034 water bill resulting from approximately 538,500 gallons of usage associated with a leak in their privately owned irrigation system during freezing winter conditions. They contend the failure was caused by severe weather despite reasonable winterization efforts and was not the result of negligence or discretionary water use. After discovering the problem, they repaired it promptly, but NCGUD denied their request for a leak adjustment under its Leak Adjustment Policy.

The Utility determined that the charges were properly assessed and no adjustment is warranted. The Utility states that the leak occurred at the customer's irrigation backflow prevention assembly; freeze damage to such equipment is a known and preventable risk; and customers had been provided a winterization notice in October 2025. The Utility maintains that responsibility for equipment downstream of its meter rests with the property owner. The Utility also states that it discovered the high usage through its normal monthly billing review and promptly contacted the customer and discontinued service. According to the Utility, its Leak Adjustment Policy specifically excludes irrigation-related leaks, and after hearing the customer's presentation on April 14, 2026, the Board voted to uphold the policy and deny an exception.

The complainant is requesting relief that includes recalculating the usage at NCGUD's actual cost of water, refunding excess amounts already collected through automatic payment, waiving related fees or penalties, and reviewing NCGUD's leak-detection and customer-notification practices.

Staff Recommendation:

Informal Hearing between the Complainant and Utility.

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Nolensville-College Grove Utility District - Category: Water - County: Williamson

Fiscal Line Item	2022	2023	2024	2025
Net Assets	\$74,832,809.00	\$80,394,488.00	\$87,772,065.00	\$96,019,400.00
Deferred Outflow Resources	\$103,966.00	\$75,611.00	\$47,257.00	\$18,903.00
Net Liabilities	\$7,954,492.00	\$7,394,823.00	\$7,146,924.00	\$7,161,480.00
Deferred Inflow Resources	\$0.00	\$0.00	\$0.00	\$0.00
Total Net Position	\$66,982,283.00	\$73,075,276.00	\$80,672,398.00	\$88,876,823.00
Operating Revenues	\$12,251,277.00	\$12,897,451.00	\$14,738,146.00	\$14,088,501.00
Net Sales	\$11,466,216.00	\$11,962,691.00	\$13,328,084.00	\$13,037,869.00
Operating Expenses	\$10,192,418.00	\$10,871,066.00	\$11,911,056.00	\$13,363,473.00
Depreciation Expenses	\$1,753,192.00	\$1,834,764.00	\$1,867,920.00	\$1,922,631.00
Non Operating Revenues	-\$193,437.00	\$383,202.00	\$800,784.00	\$862,654.00
Capital Contributions	\$3,810,776.00	\$3,683,406.00	\$3,969,248.00	\$6,674,656.00
Transfers In	\$0.00	\$0.00	\$0.00	\$0.00
Transfers Out	\$0.00	\$0.00	\$0.00	\$0.00
GAAP Change In Net Position	\$5,676,198.00	\$6,092,993.00	\$7,539,209.00	\$8,262,338.00
Statutory Change In Net Position	\$1,865,422.00	\$2,409,587.00	\$3,569,961.00	\$1,587,682.00

Tennessee Board of Utility Regulation (TBOUR) Customer Complaint Form

Complainant: Menaka Ambarishan /Mohana Narasimhamurthy

9798 Glenmore Lane

Brentwood 37027, TN

Utility System: Nolensville/College Grove Utility District Water Board.

Date Brought before Local Utility Board: 4/14/2026

Date Submitted to TBOUR staff: 5/13/2026

Summary of Complaint:

On February 12, 2026, my water service was suspended after NCGUD detected an unusually high volume of water usage at my residence as part of the District's normal billing review process. Upon investigation, I determined that the excessive usage resulted from a mechanical failure of my irrigation pump system caused by severe winter weather and prolonged freezing conditions. This occurred despite my having taken reasonable and appropriate precautions to winterize and protect the system.

The incident was not the result of discretionary water use, negligence, misuse, or leaving a water source running. Rather, it was an unforeseeable equipment failure triggered by extreme weather conditions beyond my control. Once the problem was identified, I acted immediately to stop the water loss, repair the system, and fully comply with all guidance and requirements provided by the Nolensville/College Grove Utility District (NCGUD).

Despite these efforts, I received a water bill totaling \$7,034.17, an extraordinary and unexpected charge that has imposed a substantial financial hardship on my household. I promptly appealed against the charge and, at the request of NCGUD, attended the District's monthly Board meeting on 4/14/2026 to present the facts and circumstances surrounding the incident. Unfortunately, my request for relief was denied, despite the extraordinary nature of the event and the fact that the water loss resulted from a weather-related mechanical failure rather than any intentional or negligent conduct on my part.

I respectfully request that the Tennessee Board of Utility Regulation review this matter and assist in reaching a fair and equitable resolution.

Summary of Local Utility Board's Decision:

Despite my prompt cooperation, timely repairs, and full compliance with all guidance provided by the Utility District, my request for a leak adjustment was denied solely on the basis of the District's Leak Adjustment Policy. The Board applied the policy without meaningful consideration of the extraordinary circumstances surrounding this incident, including the fact that the water loss resulted from a weather-related mechanical failure beyond my control rather than

negligence, misuse, or discretionary water consumption. As a result, no accommodation or equitable relief was provided despite the exceptional nature of the event and the significant financial hardship it created.

Remedy Being Sought:

In light of the extraordinary weather-related circumstances that caused this incident, I respectfully request that the Tennessee Board of Utility Regulation grant the following relief:

1. Recalculation of the Bill at NCGUD's Actual Cost of Water

I request that the Board order NCGUD to recalculate the 538,500 gallons of disaster-related water usage at the District's actual wholesale or production cost of water, together with my normal average monthly consumption charged at the applicable residential rate. Given that this loss resulted from a weather-related event beyond my control, application of the highest tiered residential rates would be inequitable and punitive.

2. Refund of Excess Charges

Because NCGUD processed the full payment of \$7,034.37 through automatic withdrawal while the bill was actively being disputed, I respectfully request a refund of the difference between the amount paid and the amount determined under the Board-approved adjustment described above.

3. Waiver of Any Associated Fees, Penalties, or Interest

I request that NCGUD be ordered to waive any late fees, penalties, interest charges, collection costs, or other charges associated with this billing cycle, as the bill arose from extraordinary circumstances and was disputed in good faith from the outset.

4. Review and Improvement of Leak Detection and Customer Notification Practices

I further request that the Board review NCGUD's customer-notification and leak-detection practices in light of the concerns previously examined by the Board in the Deanna Douglass matter involving NCGUD (March 2025). In that proceeding, the Board expressed interest in the adequacy of customer notification procedures and encouraged review of utility policies regarding extraordinary water-loss events. [citizenportal.ai], [citizenportal.ai]

The loss of more than 538,500 gallons of water before corrective action was taken raises serious concerns regarding the effectiveness and timeliness of the District's current leak-detection and customer-notification systems. Earlier identification and escalation by the Utility District could have significantly reduced both the volume of water lost and the resulting financial hardship imposed upon the customer.

Accordingly, I respectfully request that the Board direct NCGUD to evaluate and implement continuous monitoring, automated high-usage alerts, and enhanced customer-notification procedures designed to identify abnormal consumption patterns at the earliest possible stage. Such measures would promote water conservation, protect customers from catastrophic losses, and strengthen public confidence in the District's commitment to responsible utility management.

Conclusion

I am fully willing to pay for the actual cost of the water consumed. However, imposing a bill of \$7,034.37 resulting from an extraordinary weather event, an Act of God beyond my control creates an unconscionable financial hardship. I respectfully request that the Board exercise its equitable authority to provide the relief requested above and ensure a fair and reasonable resolution on this matter.



N **Nolensville/College Grove Utility District**
C P.O. Box 127, 2002 Johnson Industrial Blvd., Nolensville, TN 37135
G Phone No. 615-776-2511 - Fax No. 615-776-2591

July 30, 2026

Tennessee Comptroller of the Treasury

Ben Johnson

Senior Financial Analyst
Comptroller of the Treasury
425 Rep. John Lewis Parkway N.
Nashville, TN 37243

**Response of the Nolensville College Grove Utility District
Complaint Before the Tennessee Board of Utility Regulation**

Utility System: Nolensville / College Grove Utility District

Complainant: Menaka Ambarishan / Mohana Narasimhamurthy

Date Complaint Brought Before the Local Utility Board: April 14, 2026

Dear Mr. Johnson,

The Nolensville College Grove Utility District ("District") respectfully submits the following response to the complaint filed regarding the customer's request for relief from water charges resulting from a leak on the customer's privately owned irrigation system.

The District is sympathetic to the financial burden experienced by the customer. However, after reviewing the facts and circumstances surrounding this matter, the District maintains that the charges were properly assessed in accordance with its Board-adopted policies and that no adjustment is warranted.

Background

On February 12, 2026, as part of the District's normal monthly billing review process, District staff identified unusually high water consumption at the customer's residence. District personnel contacted the customer and discontinued water service to prevent additional water loss. Upon

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investigation, it was determined that the excessive water usage resulted from a leak in the customer's privately owned irrigation system.

The District does not dispute that the customer acted promptly to repair the leak once it was discovered. However, prompt repair after discovery does not alter responsibility for the water that had already passed through the meter or the applicability of the District's Leak Adjustment Policy.

Cause of the Water Loss

The customer contends that the water loss resulted from an unforeseeable mechanical failure caused by severe winter weather despite taking reasonable precautions to winterize the irrigation system.

The District respectfully disagrees with this characterization.

The leak occurred on the customer's privately owned irrigation system, specifically the irrigation backflow prevention assembly. Freeze damage to irrigation systems and backflow prevention devices is a well-known and preventable risk associated with freezing temperatures.

On **October 15, 2025**, prior to the onset of freezing weather, the District distributed a written notice to irrigation customers reminding them of the importance of properly winterizing irrigation systems and backflow prevention devices to prevent freeze-related damage. A copy of this notification is attached as **Exhibit A**.

Despite this advance notice, the customer's irrigation backflow assembly sustained freeze damage. Had the irrigation system and backflow prevention assembly been properly winterized, the failure would not have occurred. The District therefore considers this to have been a preventable failure involving customer-owned equipment rather than an unavoidable event beyond the customer's control.

Once water passes through the District's meter, responsibility for maintaining, protecting, and repairing all downstream plumbing and irrigation equipment rests solely with the property owner.

Leak Detection and Customer Notification

The customer suggests that the District failed to identify the leak in a timely manner and that earlier notification could have reduced the amount of water lost.

The District does not continuously monitor customer water usage in real time. Customer meters are read monthly for billing purposes, and this account was identified during the District's normal billing review process due to unusually high consumption.

Although the District is under no statutory or contractual obligation to monitor customer-owned plumbing systems for leaks, District staff routinely review monthly billing information for

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abnormal consumption and, as a courtesy, make reasonable efforts to notify customers when unusually high or continuous water usage is identified. These courtesy notifications are not guaranteed and are not a substitute for the customer's responsibility to monitor and maintain privately owned plumbing and irrigation systems.

Upon identifying the excessive usage during its normal billing review process, District personnel promptly contacted the customer and discontinued water service to prevent additional water loss. The District acted appropriately and within its established operating procedures.

Leak Adjustment Policy and Board Review

The District's Leak Adjustment Policy was adopted by the Board of Commissioners and is applied consistently and uniformly to all customers. A copy of the District's Leak Adjustment Policy is attached as **Exhibit B**.

At the customer's request, the matter was placed on the agenda for the Board of Commissioners' meeting held on **April 14, 2026**. The customer was given the opportunity to personally address the Board, present the circumstances surrounding the leak, and request an exception to the District's Leak Adjustment Policy.

After considering the customer's presentation, reviewing the facts, and discussing the matter, the Board determined that the leak originated on the customer's privately owned irrigation system. Because the District's Leak Adjustment Policy specifically excludes irrigation-related leaks from eligibility for adjustment, the Board voted to uphold the policy and deny the requested adjustment.

The Board carefully considered the customer's request before making its decision. However, granting an exception based upon the amount of water lost, weather conditions, or financial hardship would require the Board to disregard its adopted policy and would result in inconsistent treatment of customers who have experienced similar irrigation-related leaks.

Utility Rates

The customer requests that the District bill the water at its wholesale or production cost.

The District cannot do so.

Utility rates are established by the Board of Commissioners and are applied uniformly to all customers. The District is not authorized to charge one customer a different rate than another based upon the circumstances surrounding a leak.

The charges assessed reflect water that was accurately measured by the District's meter and delivered through the customer's service connection in accordance with the District's approved rate schedule.

Automatic Payment

The customer states that payment was processed while the account was under dispute.

The payment was processed through the customer's previously authorized automatic payment arrangement in accordance with the customer's enrollment in that program. The District did not manually process or accelerate collection because of the pending dispute.

Conclusion

The District understands that the customer experienced a significant and unfortunate water loss and appreciates the customer's cooperation once the leak was discovered. However, the facts remain unchanged:

- The leak occurred on the customer's privately owned irrigation system.
- Freeze damage to irrigation systems and backflow prevention devices is a known and preventable risk.
- On **October 15, 2025**, the District proactively notified irrigation customers to properly winterize their irrigation systems and backflow prevention devices before freezing temperatures. A copy of that notification is attached as **Exhibit A**.
- Had the irrigation system and backflow prevention assembly been properly winterized, the failure would not have occurred.
- The water was accurately measured by the District's meter and delivered through the customer's service connection.
- The District identified the excessive usage during its normal monthly billing review process and promptly contacted the customer and discontinued water service to prevent additional water loss.
- The customer was afforded the opportunity to present the matter directly to the Board of Commissioners on **April 14, 2026**.
- After considering the customer's presentation and all relevant facts, the Board determined that the leak was ineligible for adjustment under the District's Leak Adjustment Policy and voted to uphold the policy. A copy of the policy is attached as **Exhibit B**.
- The District has consistently applied this policy to all customers and cannot make exceptions that would result in unequal treatment.

For these reasons, the Nolensville College Grove Utility District respectfully requests that the Tennessee Board of Utility Regulation uphold the District's application of its Board-approved Leak Adjustment Policy and deny the relief requested by the customer.

Attachments:

- **Exhibit A** – October 15, 2025 Irrigation System Winterization Notice

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- **Exhibit B** – Nolensville College Grove Utility District Leak Adjustment Policy
- **Exhibit C** – April 14, 2026 Board of Commissioners Meeting Minutes

Respectfully submitted,

Kandie Jennings
Director of Operations
Nolensville College Grove Utility District
(615)776-2511
KJennings@NCGUD.com

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Prevent costly damage to your irrigation system this winter by taking necessary steps to prepare it for the cold weather ahead.

ENSURE PROPER FUNCTIONALITY ALL YEAR ROUND

As the chill of winter approaches, preparing your irrigation system for the cold can save you both time and money in the long run. Winterizing your system protects it from the damaging effects of freezing temperatures, which can cause pipes, valves, and sprinkler heads to crack. This process also safeguards essential components like backflow preventers, ensuring that your system functions smoothly when spring arrives. By taking the time to winterize, you can avoid expensive repairs and water waste, and extend the lifespan of your irrigation setup. While some homeowners choose to tackle winterization themselves, many opt to have professional landscaping and irrigation companies handle the task. The process involves several key steps, including shutting off the water supply, draining the backflow preventer, using compressed air to



10. LEAK ADJUSTMENT

1. Customers are responsible for keeping their plumbing repaired and in good working order. If a leak does occur and the DISTRICT has knowledge of the leak, the DISTRICT may attempt to notify the customer of the leak (it is the responsibility of the customer to keep all contact information current); however, the failure to notify the customer of a leak in no way relieves the customer of the responsibility to pay for all water passing through the customer's meter. Failure to make timely repairs may disqualify a customer for a leak adjustment. No more than 2 consecutive months billing may be adjusted.
2. Each customer will be allowed only one adjustment during any 12-month period. Only the highest month's bill during the leak period will be considered for adjustment. The adjustment shall be calculated as follows:

- Step 1: Remove any usage for irrigation or fire protection (as estimated by the DISTRICT from available information) and recalculate bill using the mid-tier rate per 1,000 gallons, including sales taxes.
- Step 2: Find the average bill for that customer over the preceding four (4) month period.
- Step 3: Deduct the average of Step 2 from the total of the recalculated bill.
- Step 4: Divide the remainder from Step 3 by two (2).
- Step 5: The product from Step 4 shall be the amount to be deducted from the recalculated bill.

No Adjustment will be made for irrigation leaks or usage.

For the purpose of calculating the leak adjustment, the District will use the mid water rate per 1,000 gallons in effect at the time of the leak in calculating the leak portion of the bill. In hardship cases monthly payments may be arranged, but shall not exceed six (6) consecutive monthly installments unless board approval is granted.

3. Adjustments will only be made for *concealed* leaks on the customer's premises which have been repaired. The customer must submit an official leak adjustment form and proof of the repairs to the business office of the DISTRICT during regular business hours.
 - a. The leak must occur in the customer's underground water service line between the meter and the building or point of use, or in embedded pipes within the structure of the building (e.g. behind walls or under floors or over ceilings); and
 - b. The leak must have been concealed and not have been readily evident to a reasonable person.
4. No leak adjustment will be made for the following:
 - a. Any type of faulty customer plumbing, or fixtures (i.e. Water softener or filtration system);

- b. Faucets, hoses and other outlets left running;
- c. Water used for filling of swimming pools (either by hose or auto fill), washing cars, irrigation;
- d. Water used for irrigation, including leaks or improper operation of irrigation systems;
- e. Water used for fire protection, including leaks in a fire service line, sprinkler system, or private fire hydrant;
- f. Premises abandoned or unattended without reasonable care for the plumbing
- g. A leak that was not repaired in a timely manner (2 billing cycles) when not otherwise notified
- h. A leak that was not repaired within 10 business days after notification from the District.

NO LEAK ADJUSTMENTS FOR IRRIGATION

- 5. A written request for a leak adjustment must be submitted to the DISTRICT within sixty (60) days after the due date of the bill for which the customer is requesting an adjustment. Customer must reside at residence and have the account in their name at least one year at the time of the leak to qualify for an adjustment.
- 6. No leak adjustment will be given to a customer when a third party responsible for the customer's leak pays some or all of the customer's water bill for the months in which a leak occurs, or the leak bill is paid by either the customer's or responsible party's insurance company.
- 7. Leak **adjustments** of less than \$1,000 will be approved by the General Manager. Leak adjustment of \$1,000 or greater must be approved by the Board. A bill must exceed \$100.00 to be considered for a leak adjustment.

The Utility District's primary goal is to provide potable water to the customers within the Utility District. Irrigation is a secondary priority. Water contracts are negotiated, line size is upgraded, storage capacity is upgraded, and pumping facilities are upgraded all with irrigation needs in mind. Revenue from irrigation is only received a limited number of months per year. The Board of Commissioners have evaluated the cost incurred by the District to provide this service. After careful evaluation the decision was made not to make adjustments for this non-essential service since all adjustments are ultimately shared in the rates by all customers.

Devices are available, for the customer to purchase on their own, that will assist the customer in monitoring water usage.

Revised February 14, 2023

MINUTES OF THE MEETING OF THE BOARD OF COMMISSIONERS OF THE
NOLENSVILLE/COLLEGE GROVE UTILITY DISTRICT OF WILLIAMSON COUNTY, April 14, 2026

The Board of Commissioners of the Nolensville/College Grove Utility District held its regular monthly meeting at the Nolensville/College Grove Utility District office on April 14, 2026. Present were President, Dean Jeffries; Vice President, Bo Childress; Secretary-Treasurer, Scott Walter; General Manager, Mike Polston; Engineers, Bruce Spaulding, and Alton Hethcoat; Director of Operations, Kandie Jennings; Office Manager, Tonia Smith; Accountant, Keely Hogan; Attorney, Mike Wall; Customers, Mr. and Mrs. Ambarishan.

The first order of business is the leak adjustment presented by Mr. and Mrs. Ambarishan at 9798 Glenmore Lane. They had experienced a break in their irrigation system due to the freeze. There was an offer of a 24-month payment plan from the board. In response, the Ambarishan's said they would appeal the matter to the TBOUR.

The next order of business approval of the minutes of the Board meeting on March 10, 2026. A motion was made, seconded, and passed unanimously to accept the minutes as presented.

The next order of business was the presentation of three names to be considered for the Board appointee as President which will be expiring in June. A motion was made to add the following three names to the letter that will be sent to the County Mayor; Dean Jeffries, Mark P. Goulet, and Charles Strasser seconded, and passed unanimously.

The next order of business Mike Polston presented an easement abandonment for the Town Center.

The next order of business the board discussed creating a Public Participation Policy. This policy will govern how many people can present a topic. It will also set limits on who can address the board and for how long. This policy will be presented at the next meeting.

The next order of business Mike Polston presented an updated Cyber Security Policy. A motion was made to approve and sign the Cyber Security Policy, seconded, and passed unanimously.

The next order of business Mike Polston discussed a leak adjustment requested at the location of 9121 Holstein Drive. Water was leaking from a t-shaped fitting connecting their irrigation system to the main water line. A motion was made to deny the leak adjustment, seconded, and passed unanimously.

The next order of business Mike Wall gave an update on the AT&T and Verizon lease agreements.

The next order of business Keely Hogan presented a financial update.

There was no leak adjustment to approve this month.

There being no further business to come before this Board, a motion was made, seconded, and passed unanimously to adjourn the meeting.

_____ Dean Jeffries- President

_____ Bo Childress – Vice-President

_____ Scott Walter– Secretary

August 22, 2026

Ben Johnson

Senior Financial Analyst

Tennessee Comptroller of the Treasury

425 Rep. John Lewis Parkway N.

Nashville, TN 37243

Re: Response to Nolensville College Grove Utility District Submission

Dear Mr. Johnson,

Thank you for the opportunity to respond to the Nolensville College Grove Utility District's July 30, 2026, submission regarding our complaint.

We respectfully disagree with several factual and policy conclusions presented by the district and request that the Tennessee Board of Utility Regulation consider the following additional information.

1. This Loss Resulted from an Extraordinary Weather Event Rather Than Negligence

The District's conclusion that the leak resulted from improper winterization is unsupported by evidence. Although the District distributed general winterization guidance to customers, it does not inspect, verify, or certify winterization measures for individual residential irrigation systems and therefore has no direct knowledge of the specific precautions taken at our property before the January 2026 storm. Furthermore, the District has produced no inspection report, engineering assessment, expert opinion, or other evidence demonstrating that the irrigation system was improperly winterized, inadequately maintained, or that the loss resulted from negligence on our part.

Prior to the onset of winter, we took steps to prepare and protect the irrigation system for freezing weather, consistent with our understanding of standard winterization practices. The District characterizes the freeze damage as a routine and preventable event. However, the State of Tennessee characterized the January 2026 weather event as a "major winter storm" and declared a State of Emergency in all 95 counties. FEMA subsequently issued a Presidential Emergency Declaration due to the severity and magnitude of the storm. These governmental actions demonstrate that the weather conditions were extraordinary rather than ordinary seasonal freezing conditions.

Furthermore, Nashville officials described the event as an 'extraordinary winter weather event' with impacts not seen since the 1990s. These facts call into question the District's characterization of the event as a routine and foreseeable freeze that should automatically disqualify relief.

2. The District Has Not Demonstrated Improper Maintenance

The District's response repeatedly assumes the leak resulted from inadequate preparation. However, no evidence has been presented showing:

- That the irrigation system was not properly winterized;
- That the backflow assembly was improperly maintained;
- That the system failed due to customer negligence; or
- That the damage would have been avoided had different actions been taken.

Absent such evidence, the assertion that the loss was entirely preventable remains speculative. Even if questions remain regarding the extent of winterization measures taken, the central issue is whether strict application of the District's policy produces an equitable outcome. The leak occurred during a state-declared emergency winter storm, resulted in unintended water loss, was repaired promptly upon notification, and caused substantial financial hardship. These factors warrant consideration independent of any dispute regarding winterization.

3. We Acted Responsibly Upon Notification

The District acknowledges that we acted promptly once notified of the leak. Immediately upon learning of the problem, we coordinated repairs and took all necessary steps to stop the water loss.

There is no dispute that we acted in good faith and exercised reasonable diligence once the issue became known.

4. Utility Exercised Discretion in Other Areas and Could Have Provided Equitable Relief

While the District emphasizes uniform application of its Leak Adjustment Policy, the Board nevertheless retained discretion to consider exceptional circumstances and equitable factors unique to this case.

Our request was not for preferential treatment but for reasonable relief in light of:

- An extraordinary weather-related failure;
- Prompt corrective action;
- No evidence demonstrating negligence;
- An unusually large financial impact; and
- The fact that the utility incurred only a fraction of the retail charges assessed.

Granting a partial adjustment under these unique circumstances would not necessarily undermine consistent policy application but would recognize the equitable considerations present in this case.

5. The Utility's Actions Demonstrate Recognition That the Consumption Was Abnormal

The District itself recognized the consumption as highly abnormal and significant enough to warrant intervention. While the District was under no obligation to monitor customer usage in real time, the magnitude of the loss illustrates the challenges customers face in identifying concealed leaks before they appear during the monthly billing cycle.

The magnitude of the loss, approximately 538,500 gallons, underscores that this was not an ordinary residential irrigation leak but an extraordinary and unintended equipment failure that remained undetected despite reasonable efforts by the property owner.

6. Request for Reasonable Relief

The fact that water passed through the meter is not in dispute. The issue before the Board is whether full retail charges should be imposed for an extraordinary and unintended loss resulting from a weather-related equipment failure during a declared emergency event.

The District does not contend that it incurred costs equivalent to the retail charges assessed. Instead, it seeks recovery of the full retail rate for water that was unintentionally lost and never used for any beneficial purpose. While we recognize the District's right to recover its legitimate costs, we respectfully submit that requiring payment of the full retail charge imposes an extraordinary financial burden that is disproportionate to the circumstances of this loss.

An equitable adjustment would fairly balance the interests of both parties by allowing the District to recover its actual costs while recognizing the exceptional nature of this event, the prompt actions taken once the leak was discovered, and the absence of evidence demonstrating negligence or improper maintenance on the part of the customer.

Alternatively, the Board may wish to consider a partial adjustment based on the District's cost of water production or another equitable remedy that would provide reasonable relief without creating an undue burden on either party.

Conclusion

We are not asking the Board to disregard the District's policies. Rather, we respectfully request that the Board consider whether strict application of the policy produces an equitable result under these extraordinary circumstances.

This case involves a weather-related equipment failure occurring during a state-declared emergency and federally recognized disaster event, substantial unintended water loss resulting in an exceptional financial hardship, prompt corrective action by the customer, and the absence of evidence demonstrating improper winterization, inadequate maintenance, or negligence on our part.

We respectfully submit that strict application of the Leak Adjustment Policy under these extraordinary circumstances produces an inequitable result. Accordingly, we respectfully request that the Tennessee Board of Utility Regulation reverse the District's decision or direct the District to provide a reasonable adjustment that reflects the extraordinary circumstances of this event, the absence of evidence demonstrating improper winterization or negligence, and the principles of fairness and equity that underlie utility regulation.

Thank you for your time and consideration.

Respectfully submitted,

Mohan Narasimhamurthy and Menaka Ambarishan



N **Nolensville/College Grove Utility District**
C P.O. Box 127, 2002 Johnson Industrial Blvd., Nolensville, TN 37135
G Phone No. 615-776-2511 - Fax No. 615-776-2591

June 22, 2026 Consumer

Barbara Boswell Consumer Specialist II
State of Tennessee
Division of Consumer Affairs
P.O. Box 20207
Nashville, TN 37202-0207

RE: Response to Consumer Complaint
File Number: 26006750

Dear Barbara Boswell,

Thank you for the opportunity to respond to the customer's additional comments regarding this matter.

The Nolensville College Grove Utility District understands the financial impact that a large water loss can create and appreciates the customer's cooperation in repairing the leak once it was discovered. However, after reviewing the additional information provided, the District's position remains unchanged.

1. Scale of Water Loss and Detection

The District does not dispute that the volume of water lost was substantial. However, the amount of water consumed does not alter the cause of the leak or the customer's responsibility for maintaining privately owned plumbing and irrigation systems.

The District reads customer meters once per month as part of its standard billing process. The District does not monitor or receive real-time consumption information for individual customers throughout the billing cycle and therefore has no way of knowing how much water a customer is using on any given day. As stated previously, the leak was identified during the District's normal monthly billing review process.

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The water that passed through the meter was accurately measured and delivered to the customer's service line. Once water passes through the meter, it becomes the customer's responsibility, including any losses resulting from leaks on private property.

2. Cause of the Leak

The District respectfully disagrees with the customer's assertion that this failure was unforeseeable. Freeze damage to irrigation systems and backflow prevention devices is a known and preventable risk. Prior to the winter season, the District recommended that customers properly winterize irrigation systems and backflow assemblies to protect against freezing temperatures.

Had the irrigation system and backflow device been properly winterized, this leak would not have occurred. The failure was the direct result of freeze damage to customer-owned equipment, and responsibility for maintaining and protecting that equipment rests with the property owner. While the weather event may have contributed to the failure, the District does not consider the resulting damage to be beyond the customer's control, as reasonable preventative measures were available and recommended.

3. Customer Actions Following Discovery

The District appreciates that the customer acted promptly once notified and completed the necessary repairs. However, prompt repair after discovery does not change the applicability of the District's Leak Adjustment Policy.

4. Leak Adjustment Policy

The District's Leak Adjustment Policy was adopted by the Board of Commissioners and is applied uniformly to all customers. The policy specifically excludes irrigation-related leaks from eligibility for adjustment.

This provision exists because irrigation systems are optional customer-owned systems that require regular maintenance and winterization. Making exceptions based on the size of the leak, financial impact, or individual circumstances would result in inconsistent application of the policy and unequal treatment of customers.

The District has consistently applied this policy to all customers experiencing irrigation-related leaks and cannot selectively waive the policy in this instance.

5. Financial Hardship

The District understands the customer's concerns regarding the financial impact of the bill. However, the charges reflect actual water usage that was accurately measured by the meter and delivered through the District's system.

The customer's payment was processed in accordance with the payment method previously authorized on the account. The District does not have authority to disregard actual water consumption or issue credits that are not permitted under its Board-approved policies.

6. Conclusion

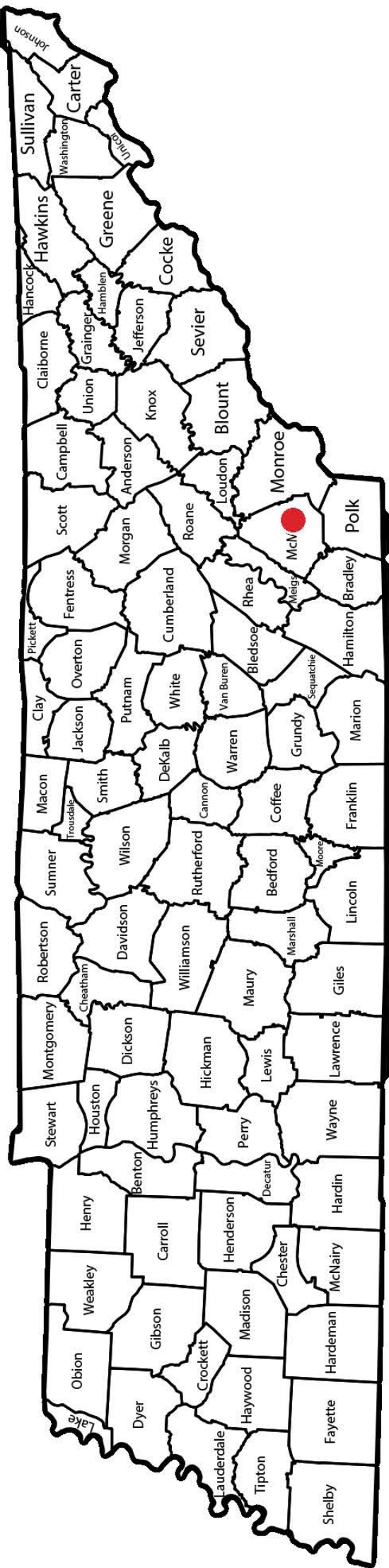
The District remains sympathetic to the customer's situation. However, the facts remain that:

- The leak occurred on customer-owned irrigation equipment.
- The irrigation system was the responsibility of the property owner to maintain and winterize.
- The District had previously recommended winterization measures to customers.
- The water was accurately measured and delivered through the meter.
- The District reads meters monthly and does not monitor customer usage in real time.
- The District's Board-approved Leak Adjustment Policy specifically excludes irrigation-related leaks from adjustment consideration.

For these reasons, the District respectfully maintains that the charges were properly assessed and that no adjustment is available under the District's established policies.

Respectfully submitted,

Kandie Jennings
Director of Operations
Nolensville College Grove Utility District
(615)776-2511
KJennings@NCGUD.com



Englewood



Jason E. Mumpower
Comptroller

Entity Referred: **Town of Englewood**
Referral Reason: **Customer Complaint**
Utility Type Referred: **Water And Sewer**
County: **McMinn**

Staff Summary:

The Town of Englewood ("the Utility") has been referred to the Tennessee Board of Utility Regulation ("the Board") for a customer complaint pursuant to Tenn. Code Ann. 7-82-702. At the March 2026 meeting the board heard the complaint between the Utility and Ms. Lisa Snell, regarding charges that were related to an alleged leak at the her property. The board determined that there was not enough evidence to make a decision on the matter. The matter was brought before the board again at the June 2026 meeting and the board determined that additional information was needed, including the billings for the final six months of 2024, the date and timing of meter repair, and water volume loss reports.

Ms. Snell provided documentation showing where a plumber made repairs to the waterline between her residence and the meter. The invoice shows that work was carried out on 11/25/2024. The utility provided documentation showing the billings for the final 6 months of 2024. The billings show the period of the meter reads as well as the volume of water used during those periods.

According to Ms. Snell, she reported a water leak at her residence on November 25, 2024 and maintains that the leak was repaired that same day by a contractor. Ms. Snell argues that because the leak was fixed on November 25, her subsequent December bill should not have reflected unusually high water usage. According to Ms. Snell, the leak appeared during two billing periods:

- October 21, 2024 - November 25, 2024 (November bill)
- November 25, 2024-December 18, 2024 (December bill)

The utility acknowledged that a leak occurred and stated that the leak was reflected on two separate bills because of the timing of the meter-reading cycle. The utility explained that meter readings were taken on November 25 and again on December 18, causing the leak-related consumption to be captured across both billing periods. The Utility's position is that the leak therefore appeared on both the November and December bills.

The utility acknowledged that a leak occurred and stated that the leak was reflected on two separate bills because of the timing of the meter-reading cycle. The utility explained that meter readings were taken on November 25 and again on December 18, causing the leak-related consumption to be captured across both billing periods. The Utility's position is that the leak therefore appeared on both the November and December bills.

The utility states that it followed the leak-adjustment policy that was in effect at the time of the leak. Under that policy:

1. The customer's six-month average bill was calculated.
2. The average amount was subtracted from the leak bill.
3. The remaining amount was divided by two.
4. That amount was credited to the customer.

The utility provided Ms. Snell a \$581.46 leak adjustment. The Utility further stated that its ordinance allowed a leak adjustment only once every three years and that the board determined the policy had been properly applied, so no further adjustment was granted.

Staff Recommendation:

Informal hearing between the customer and utility.

Englewood - Category: Water And Sewer - County: McMinn

Fiscal Line Item	2022	2023	2024	2025
Net Assets	\$6,219,965.00	\$6,612,575.00	\$6,657,498.00	\$7,378,432.00
Deferred Outflow Resources	\$0.00	\$0.00	\$0.00	\$0.00
Net Liabilities	\$1,330,168.00	\$1,153,500.00	\$1,233,403.00	\$610,964.00
Deferred Inflow Resources	\$227,579.00	\$444,780.00	\$316,112.00	\$0.00
Total Net Position	\$4,662,218.00	\$5,014,295.00	\$5,107,983.00	\$6,767,468.00
Operating Revenues	\$1,142,036.00	\$1,308,438.00	\$1,239,736.00	\$1,113,427.00
Net Sales	\$1,085,144.00	\$1,107,818.00	\$1,135,222.00	\$1,030,075.00
Operating Expenses	\$998,394.00	\$1,089,678.00	\$1,209,646.00	\$1,194,660.00
Depreciation Expenses	\$213,842.00	\$215,878.00	\$205,898.00	\$205,294.00
Non Operating Revenues	-\$15,062.00	\$5,471.00	\$41,688.00	\$49,136.00
Capital Contributions	\$0.00	\$127,846.00	\$174,908.00	\$1,695,837.00
Transfers In	\$0.00	\$0.00	\$0.00	\$0.00
Transfers Out	\$0.00	\$0.00	\$0.00	\$0.00
GAAP Change In Net Position	\$128,580.00	\$199,079.00	\$242,431.00	\$1,663,740.00
Statutory Change In Net Position	\$128,580.00	\$71,233.00	\$67,523.00	-\$32,097.00

Tennessee Board of Utility Regulation (TBOUR) Customer Complaint Form

Complainant: Lisa Snell

Utility System: Town of Englewood, Water Department

Date Brought before Local Utility Board: November 10, 2025 (2nd time)

Date Submitted to TBOUR staff: December 4, 2025

Summary of Complaint: Please see the attachment for lengthy explanation of complaint

Summary of Local Utility Board's Decision: They cannot give me an answer as to "why" they believe it is accurate

Remedy Being Sought: I do not feel that we should have had to pay the December invoice due to us having the leak fixed on that date of November 25, 2024. They stated "that is what we read so its correct. Well it can't be correct because we got it FIXED on November 25th, 2024!!

October 21, 2024 to November 25, 2024 (duration of 35 days)

Previous reading was 4738 – meter was read on November 25th @ 5189 (451 gallons) =\$699.95

November 25, 2024 to December 18, 2024 (duration of 23 days)

Previous reading was 5189 and was read on December 18th @ 6012 (823 gallons) = \$1,275.60

They were never able to give me an answer to why the 2nd month was double the first one even though it was fixed the day they read it for the previous month. They also stated at the meeting that they do help people on a “one on one” basis even if they have given them a 1-time adjustment. Even though it is in their policies that they only allow a 1-time adjustment. I feel this department needs an audit performed to see why there are “no answers” for why this happened. I also know there are a lot of Englewood water customers who have been complaining on the “Englewood, TN What’s Up” page on Facebook. Please, investigate this department’s employees and Town Manager. I paid my \$1,500.00 but I also know I have a very good friend who went down there, told them her meter was broke she thought at which time the receptionist asked if “she” wanted to get a work order written up to check it and at that point she said I guess so. She was told that they must just not be using but the minimum amount of water each month so her bill has been \$33 +~ for the past 2 years or more and there are 4 people in her home of which 2 of them take 2 showers a day she said plus wash vehicles, etc. Englewood has lost who knows how much revenue just from them. I was told “our meters don’t break”. Really, well hers is broken!

They did offer and gave me a credit of \$500 (estimate) but between the two months it was over \$2k dollars of which I have paid it.

When I went to the commissioner’s meeting on November 10, 2025 to ask if they were able to figure it out and explain to me how that my issues could have been accurate, I was asked why was I asking this again and that he, Joe Cline stated he had sent me a letter sometime earlier this year telling me that they would not be adjusting anything. I then stated to him that we had not received anything from him or the Town of Englewood and asked if he would supply me with a copy of this letter. He then stated he didn’t know if he still had a copy and that since it was earlier in the year, he probably didn’t have it anymore. I have multiple items that I can supply, like my invoice from where we had the work performed on November 25, 2024, and it was fixed that same day, even though Joe Cline stated at the meeting that he didn’t believe me when I stated we had it fixed that day. I stated to him that we most definitely did have it fixed and why was he questioning that. He stated that because the invoice from the contractor stated 12-10-24 on the invoice I supplied to show it was paid and the work was completed. I explained that the owner was out of town for the holiday and that the office staff are not allowed to invoice anyone until he reviews the work order, supplies purchased to complete the work and that is why it stated 12-10-24. I have a letter from the owner of the company now stating it was called in on the morning of 11-25-24 and the work was completed that day and our water was back on by 4:00 to 4:30 that day!

The minutes from February 10th, 2025, meeting I have a copy of and can supply if needed. It stated in it that after discussion, no further action was taken. As I am sure the meeting on November 10th, 2025, the

same thing will be written. I can't get a copy of that set of minutes until the December 2025 meeting is held.

I am requesting that an investigation/audit be completed on Mr. Joe Cline and his department and billing practices.

I will be happy to supply multiple citizens' names with complaints if necessary.

I will also tell you that I spoke with a local attorney after seeing a post she made on her own page asking if anyone has had an issue that she will provide her services to them to help them get help. She also lives in Englewood and will be submitting her own complaint along with multiple citizens once she speaks with them individually.

I was also told that Mr. Cline, they believed had been fired previously from a former employer due to embezzlement of department funds. No idea if this is correct but I thought it might need to be investigated also.

I appreciate your time and any effort that can be given to help with this matter.

Sincerely,

Lisa Snell

142 County Rd 574

Englewood, TN 37329

Formal Response to Complaint

Complainant: Lisa Snell

Utility System: Englewood

Date Brought Before the Local Utility Board: 10-Nov-25

Summary of Complaint: First contact from Ms. Lisa Snell was by phone call on November 25, 2024 at 10:24 AM. She had left a voicemail to let us know about a leak at 142 County Road 574. Second contact from Ms. Lisa Snell was by phone call on December 10, 2024 at 2:25 PM. She had said that she was coming to pay or talk to us about their really high bill. She had said that she had gotten it fixed the week of Thanksgiving. I was given an invoice dated December 10, 2024 where JBC had repaired her leak as proof to give her a leak adjustment. Third contact by Ms. Lisa Snell was in person on February 10, 2025 at the city board meeting. Fourth contact by Ms. Lisa Snell was in person on November 10, 2025 at the city board meeting. Lisa Snell addressed the board regarding a leak at her residence that occurred in November of 2024.

Summary and Justification of Decision Rendered by the Local Utility Board: Ms. Lisa Snell was given an adjustment of \$581.46 on her water bill. ||Her leak spanned over two separate water bills. The leak was shown on her November 2024 and December 2024 bills because of when the meters are read. ||Her November 2024 bill was for the dates of October 21, 2024 and November 25, 2024 and her December 2024 bill was for the dates of November 25, 2024 and December 18, 2024. Per our leak policy (ORDINANCE NO. 04-14-14-81), we are only allowed to give a leak adjustment once per customer every three years. This policy is no longer in affect as of today (February 18, 2025), but was in affect when this event took place. No action was taken by the board at either board meeting (February 10, 2025 and November 10, 2025) due to her having an adjustment given to her for this leak. The board felt that the leak policy had been followed.

Response Provided by: Joe Cline

Oct 21, 2024, to Nov 25, 2024 (35 days)

Previous reading was 4738 (Sept to Oct)

Read on November 25th around 9-9:30 (approximately) 5189 = 451 gallons = \$699.95

Nov 25, 2024, to Dec 18, 2024 (23 days)

Previous reading was 5189 - read on Nov 25, 2024 @ 6012 = 823 gallons = \$1,275.60

We were told immediately after the employee for the Town of Englewood read the meter that he thought we might have a water leak. My husband was in our driveway when he motioned for him to come over to him. We immediately turned off the water inside our house (emergency cutoff) and realized that it didn't stop the meter from running so we turned it off at the meter and it stopped. Therefore, we knew it was from our house to the meter that was the issue. We then contacted Jim Bob Contracting and they had someone at our house within about an hour, maybe 1.5 hours and confirmed that it was on our side and that they would get the equipment and supplies needed and would proceed to get it replaced. We turned the water back on around 4-4:30pm that day.

When I attended my 2nd time at the meeting on November 10th, 2025, I was asked by Joe Cline, Town Manager why I was back asking about this issue again at which time I asked if they were able to figure out why the 2nd month was so much higher even though we had it fixed the day it was told to us that we had a water leak issue. He then stated that his office had mailed us a letter stating that no further action was going to be taken. I told him that we never received a letter and requested a copy of it. At that time, he stated that he did not know if he had a copy of it and he stated he didn't think he still had a copy. I was told that they did not have an answer and that no further action would be taken. Before I walked away from the podium, one of the commissioners said, Mrs. Snell, can I say something before you leave and I stated yes. He said that he wanted me to know that he agreed with me and that he doesn't understand why I can't get an answer to my issue.

I am requesting that we be given a refund of the difference of what our average monthly bill was for 6 months - subtracting it from the \$1,275.60 invoice for the December bill.

Example: \$100.00 average subtracting from \$1,275.60 = \$ 1,175.60.

I am not sure how this statement below needs to be sent to be addressed but I am sending it with my own personal issue with the City of Englewood, Water Dept.

There are issues within this department and the State of Tn governing this utility needs to investigate the issues of multiple homes just within my neighborhood having “meter” issues but only being told “they must not be meeting the minimum requirement of usage. The meter reader told a homeowner in my neighborhood that HE reported about 20 homes that he believed had meter issues. That is a lot of revenue lost to both the Town of Englewood and the State of Tn. My business partner also told the office staff that she had a possible meter issue, but no one has ever come to replace it. She stated she KNOWS they used more than the minimum. She has since sold this house recently and the new owners wanted the issue resolved before they closed on the home. But that did not get done and they went ahead and purchased the house. Ironically, the new owners were renting a home in Englewood, and they also had a meter issue that they reported, and it never got fixed either.

JBC
11 LONG ST.
ATHENS, TN. 37303
423-745-9570
423-745-7400 FAX
jbcjimbo1@yahoo.com

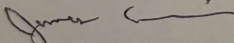
11/17/25

RE- CLINT AND LISA SNELL
142 COUNTY RD. 574
ENGLEWOOD, TN. 37329
INVOICE # 4219

TO WHOM IT MAT CONCERN,

ON 11/25/24 WE WERE CALLED OUT TO THE HOME OF CLINT
AND LISA SNELL, 142 COUNTY RD. 574, ENGLEWOOD, TN. 37329,
FOR A PLUMBING LEAK. THE CUSTOMER WAS ADVISED OF THE WATER METER
SPINNING BY THE WATER COMPANY. UPON BEING CALLED WE SENT OUT
2 OF OUR PLUMBERS ON 11/25/24 AT APPROX 11:00 AM. WE REPLACED
THE WATERLINE FROM METER BOX TO THE HOUSE. I HAVE ATTACHED
INVOICE #4219 IN THE AMOUNT OF \$905.85 THAT WAS PAID IN FULL.
IF YOU HAVE ANY FURTHER QUESTIONS FEEL FREE TO CALL ME
@ 423-887-3526.

SINCERELY,



JAMES CUCCIARRE

09/18/25
At: 89.22
Previous Balance 142 Co. Rd. 574
LA 6711
Tax 6655

SERVICE 11.7
10/18/25
30
013-001940-03
97.35
11/10/25

ACCORD TO JBC
DATE WORK
DATE AFTER

Invoice

JBC
11 LONG ST.
ATHENS, TN 37303
423-745-9570

Date	Invoice #
12/10/2024	4219

PAID
01/03/2025

Bill To
CLINT AND LISA SNELL
142 COUNTY RD. 574
ENGLEWOOD, TN. 37329

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
	PLUMBING SERVICE CALL- WATER METER SPINNING, EXCESS WATER USE PER UTILITY COMPANY- TROUBLESHOOT/ LOCATE ISSUE, DUG UP WATERLINE, REMOVED AND REPLACED WATERLINE FROM METER BOX TO HOUSE- LABOR AND MATERIALS	905.85	905.85
PLEASE MAKE YOUR CHECK PAYABLE TO JBC PAYING BY CHARGE CARD AN ADDTL 3% SERVICE FEE WILL BE CHARGED.		Total	\$905.85



August 20, 2026

Tennessee Comptroller of the Treasury
c/o Ben Johnson
425 Re. John Lewis Pkwy N.
Nashville, TN 37243
Benjamin.s.johnson@cot.tn.gov

Via email only

Re: Town of Englewood

Dear Mr. Johnson:

I am in receipt of the Order entered by the Board on June 30, 2026. Said order requests billing periods for the last six months of 2025, the date and timing of the meter reading, the date and timing of meter repair and water and volume loss reports.

Per your conversation with Kayla, I believe the information needed was from 2024 as that was the time of Ms. Snell's leak. The same has been attached per the order's request.

As to the date and timing of the meter reading, there was no specific time noted on the reading; however, the date of reading was November 25, 2024.

The meter was not repaired as the leak was on the Ms. Snell's side. Therefore, we do not have information pertaining to the repair of the leak.

Finally, in the attached billing statements you will note the consumption report above each bill.

Please let me know if you have questions regarding any of the above information.

Thank you,

A handwritten signature in blue ink, appearing to read 'LS', is placed above the typed name of Leah B. Sauceman.

Leah B. Sauceman, Esq.
Counsel for the Town of Englewood

cc: Joe Cline, Town Manager.

December 2024

Consumption billed: 823 – 82,300 gallons

	11/25/24	12/18/24	23	013-001940-03
	1575.27	116.23	1691.50	01/10/25
New online portal:	At:	142 Co. Rd. 574		
https://citisenportal.com/Account/Login	Previous Balance			299.67
Pay by phone: 833-591-9350	WA	6012	5189	823
	Tax			113.32
142 Co. Rd. 574				
Snell, Lisa				

013-001940-03	1575.27	Snell, Lisa
12/27/24	116.23	142 Co. Rd. 574
01/10/25	1691.50	Englewood, TN 37329

November 2024

Consumption billed: 451 – 45,100 gallons

	10/21/24	11/25/24	35	013-001940-03
	699.67	63.75	763.42	12/10/24
New online portal:	At:	142 Co. Rd. 574		
https://citisenportal.com/Account/Login	Previous Balance			-0.27
Pay by phone: 833-591-9350	WA	5189	4738	451
	Tax			62.18
142 Co. Rd. 574				
Snell, Lisa				

013-001940-03	699.67	Snell, Lisa
11/27/24	63.75	142 Co. Rd. 574
12/10/24	763.42	Englewood, TN 37329

October 2024

Consumption billed: 65 – 6,500 gallons

	09/17/24	10/21/24	34	013-001940-03
	100.73	9.16	109.89	11/10/24
New online portal:	At:	142 Co. Rd. 574		
https://citisenportal.com/Account/Login	Previous Balance			-1.89
Pay by phone: 833-591-9350	WA	4738	4673	65
	Tax			9.12
142 Co. Rd. 574				
Snell, Lisa				

013-001940-03	100.73	Snell, Lisa
10/31/24	9.16	142 Co. Rd. 574
11/10/24	109.89	Englewood, TN 37329

September 2024

Consumption billed: 56 – 5,600 gallons

	08/19/24	09/17/24	29	013-001940-03
	88.11	8.02	96.13	10/10/24
New online portal:	At: 142 Co. Rd. 574			
https://citisenportal.com/Account/Login	Previous Balance			-0.58
Pay by phone: 833-591-9350	WA 4673	4617	56	80.81
	Tax			7.88
142 Co. Rd. 574				
Snell, Lisa				

013-001940-03	88.11	Snell, Lisa
09/30/24	8.02	142 Co. Rd. 574
10/10/24	96.13	Englewood, TN 37329

August 2024

Consumption billed: 68 – 6,800 gallons

	07/17/24	08/19/24	33	013-001940-03
	106.42	9.69	116.11	09/10/24
New online portal:	At: 142 Co. Rd. 574			
https://citisenportal.com/Account/Login	Previous Balance			-0.84
Pay by phone: 833-591-9350	WA 4617	4549	68	97.73
	Tax			9.53
142 Co. Rd. 574				
Snell, Lisa				

013-001940-03	106.42	Snell, Lisa
08/29/24	9.69	142 Co. Rd. 574
09/10/24	116.11	Englewood, TN 37329

July 2024

Consumption billed: 60 – 6,000 gallons

	06/21/24	07/17/24	26	013-001940-03
	92.16	8.37	100.53	08/12/24
We have a New After-Hours	At: 142 Co. Rd. 574			
number for Water emergencies:	Previous Balance			-2.72
423-435-7097	WA 4549	4489	60	86.45
	Tax			8.43
142 Co. Rd. 574				
Snell, Lisa				

013-001940-03	92.16	Snell, Lisa
07/30/24	8.37	142 Co. Rd. 574
08/12/24	100.53	Englewood, TN 37329



May 6, 2026

Tennessee Comptroller of the Treasury
c/o Ben Johnson
425 Re. John Lewis Pkwy N.
Nashville, TN 37243
Benjamin.s.johnson@cot.tn.gov

Via email only

Re: Town of Englewood

Dear Mr. Johnson:

On March 12, 2026, the Tennessee Board of Utility Regulation conducted an informal hearing regarding a dispute between Lisa Snell and the Town of Englewood.

On March 31, 2026, an Order was entered by Greg Moody, Chair of the Tennessee Board of Utility Regulation requesting Board staff research the policies in questions and the dates involved in the dispute.

This correspondence is to address the outstanding information in the Order dated March 31, 2026, from the Tennessee Board of Utility Regulation.

First, the dates involved in the dispute were readings taken from October 21, 2024 through November 25, 2024. Then, a second reading taken from November 25, 2024 through December 18, 2024.

The adjustment policy at the time of the dispute was as follows:

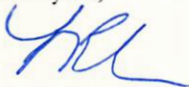
1. The customer's average of the prior six (6) months before the leak would be taken.
2. The customer's billing amount would then be determined less the 6-month average.
3. That number would then be divided by 2.
4. The number obtained after the division by 2 is the amount used to reduce the customer's bill.

For example, this customer's bill amount before an adjustment was \$1,275.60. The customer's six-month average was \$112.68. Therefore, $\$1,275.60 - \$112.68 = \$1,162.92$. Step 3 requires you to divide this number by 2. Therefore, $\$1,162.92 / 2 = \581.46 . The customer's bill was reduced by \$581.46.

The adjustment policy has now changed. Customer's pay each month for "insurance". Therefore, if a leak occurs, the customer is covered under their insurance up to \$1,500.

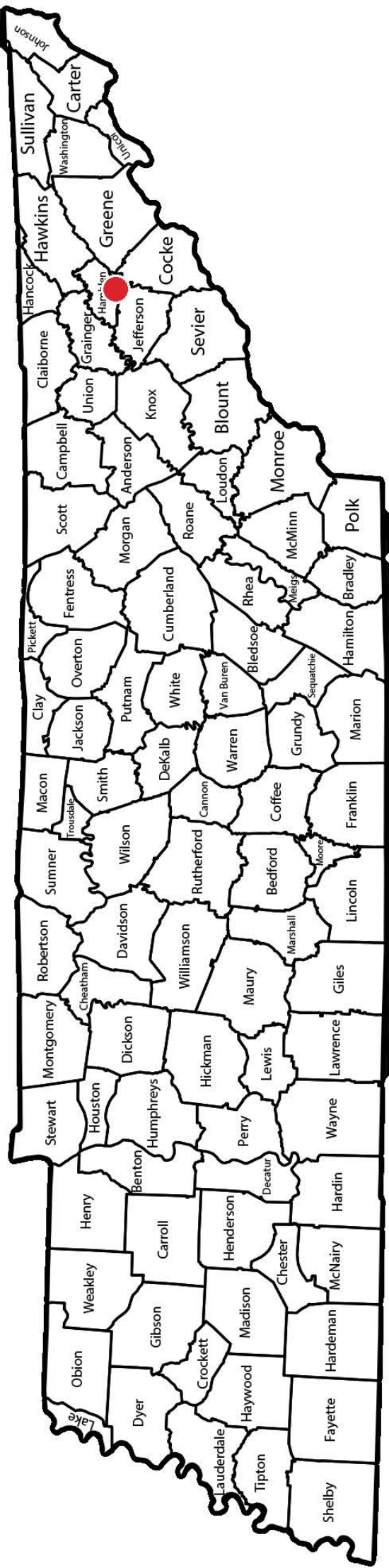
Please let me know if you have questions regarding any of the above information.

Thank you,

A handwritten signature in blue ink, appearing to read 'LS', is positioned above the typed name.

Leah B. Sauceman, Esq.
Counsel for the Town of Englewood

cc: Joe Cline, Town Manager.



Witt Utility District



Jason E. Mumpower
Comptroller

Entity Referred: **Witt Utility District**
Referral Reason: **Customer Complaint**
Utility Type Referred: **Water**
County: **Hamblen**

Staff Summary:

The Witt Utility District ("Utility") has been referred to the Tennessee Board of Utility Regulation ("Board") for a customer complaint pursuant to Tenn. Code Ann. § 7-82-702.

Board staff received notification from Ms. Donna Cross ("Customer") regarding two unusually high water bills she received following the installation of a new water meter at her residence. According to the Customer, the Utility advised her that the meter had been tested and that no issues were identified.

Board staff has communicated with Utility management regarding the complaint but has not yet received a formal response explaining how the Utility investigated or addressed the Customer's concerns. Until the Utility provides its response and Board staff has an opportunity to review the matter, staff believes the Utility should refrain from taking action against the Customer related to the disputed charges.

Staff Recommendation:

Board staff recommends that the Board order:

1. The Utility shall take no action against the Customer related to the disputed charges until the Board conducts an informal hearing and issues a final order regarding this matter.
2. The Utility shall provide Board staff a formal response to the customer complaint by October 23, 2026.
3. Nothing in this order prohibits the Utility and the Customer from mutually agreeing to resolve this matter prior to an informal hearing conducted by the Board.

Witt Utility District - Category: Water - County: Hamblen

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Fiscal Line Item	2021	2022	2023	2024
Net Assets	\$7,782,738.00	\$9,213,903.00	\$9,139,317.00	\$9,394,428.00
Deferred Outflow Resources	\$0.00	\$937.00	\$798.00	\$1,526.00
Net Liabilities	\$3,862,549.00	\$5,167,293.00	\$5,070,341.00	\$5,162,471.00
Deferred Inflow Resources	\$0.00	\$2,870.00	\$3,942.00	\$6,310.00
Total Net Position	\$3,920,189.00	\$4,044,677.00	\$4,065,832.00	\$4,227,173.00
Operating Revenues	\$2,225,844.00	\$2,084,776.00	\$2,029,380.00	\$1,771,627.00
Net Sales	\$1,242,092.00	\$1,339,660.00	\$1,534,337.00	\$1,419,919.00
Operating Expenses	\$1,865,172.00	\$1,839,575.00	\$2,167,859.00	\$1,526,761.00
Depreciation Expenses	\$252,398.00	\$255,349.00	\$283,516.00	\$321,307.00
Non Operating Revenues	-\$126,116.00	-\$120,713.00	\$60,891.00	-\$99,829.00
Capital Contributions	\$0.00	\$0.00	\$0.00	\$16,304.00
Transfers In	\$0.00	\$0.00	\$0.00	\$0.00
Transfers Out	\$0.00	\$0.00	\$0.00	\$0.00
GAAP Change In Net Position	\$234,556.00	\$223,231.00	-\$77,588.00	\$161,341.00
Statutory Change In Net Position	\$234,556.00	\$223,231.00	-\$77,588.00	\$145,037.00

2:44    •  43% 

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Read Only - Save a co...



Tennessee Board of Utility Regulation (TBOUR) Customer Complaint Form

Complainant: Received 2 very high water bills. 285.00. And 333.00. Witt water had put in new meters. I had a plumber to come in 2 times for leaks. There was none. I asked for a new meter put in meter. Attending their board meeting in March about this. Was told they sent the meter back to check it. Now it's June 4 and still now answer. Morristown Utilities checked my yrs worth of water bills and saw the problem and gave me back 232.00 on my sewrt bill. I've called Witt Mgr many times always told they haven't heard back about the meter

Utility System: witt Utilities in Morristown Tenn

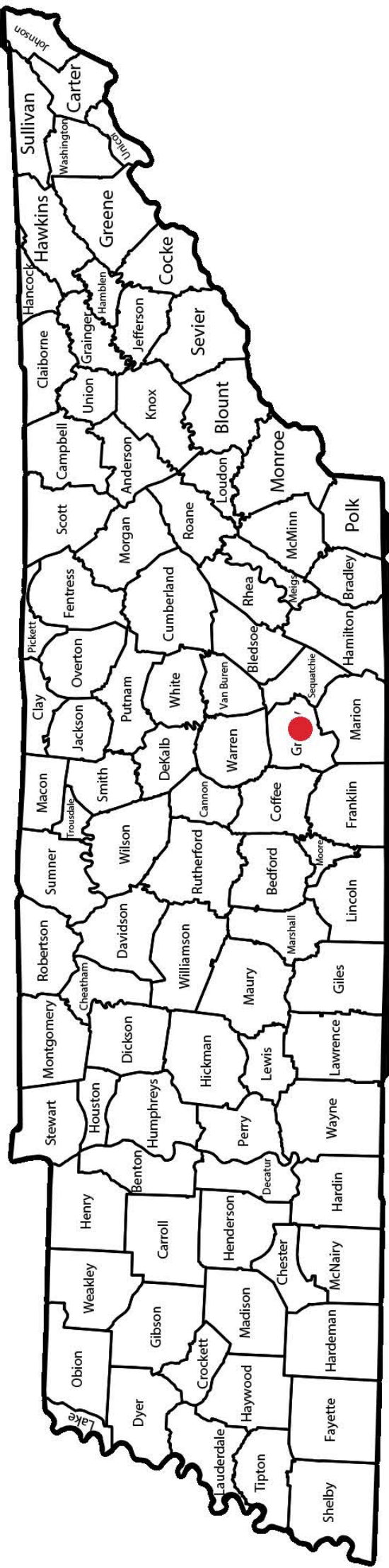
Date Brought before Local Utility Board: March monthly board meeting

Date Submitted to TBOUR staff: June 4

Summary of Complaint: a meter not working right

Summary of Local Utility Board's Decision: Since March they give no answer

Remedy Being Sought:



Grundy County



JASON E. MUMPOWER
Comptroller

Grundy County

At its July meeting, TBOUR conditionally approved Grundy County's requested period of financial distress/depreciation deferral for the sewer system, subject to completion of the financial analysis, refinement and adoption of the Growth Plan, documentation of the proposed Caverns funding arrangement, clarification of utility ownership and governance, and continued reporting to Board staff.

Grundy County has since submitted an executed Multi-Year Accelerated Growth Plan and an executed County Commission resolution authorizing the County Mayor to enter into agreements with Loblolly Ventures, LLC, doing business as The Caverns. However, several matters remain unresolved, most significantly the ownership and operation of the contemplated water system and whether Hillsville Utility District will assume responsibility for that system.

Staff recommends that the Board defer final action on the Growth Plan until the water-system ownership question is resolved and the effect of that decision on utility governance, operations, metering, billing, and the financial projections is determined.

Sewer Growth Plan

The County submitted an executed Growth Plan containing a financial objective, sewer asset management plan, capital-project scope, engineer's letter, projected balance sheets, income statements and cash flows, customer and rate projections, and a governing-body resolution adopting the plan.

The adopted financial scenario assumes:

- Customer revenue increasing from approximately \$192,227 in FY2026 to \$399,103 in FY2032.
- Approximately 3% annual rate adjustments.
- A \$90,000 annual Wastewater Maintenance Fee beginning in FY2029.
- An additional \$50,000 annual operations and maintenance allowance beginning in FY2027.
- Operating losses in FY2026 through FY2028, followed by positive operating income beginning in FY2029.



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- Positive operating cash flow throughout the projection period.

The detailed projections show an operating loss of approximately \$89,888 in FY2026, \$43,805 in FY2027, and \$38,768 in FY2028. The system is projected to report positive operating income of approximately \$99,775 in FY2029, increasing to approximately \$158,816 by FY2032.

The County also adopted projected rate assumptions for industrial, commercial, and residential customers. The projections include annual rate escalation and compare anticipated customer revenues to a rate requirement identified as including a CPI increase.

The asset management portion of the plan identifies continuing concerns involving wastewater treatment capacity and permit compliance. It also identifies approximately \$115,000 in potential priority repair or replacement needs, primarily involving the Pelham sand filtration system and the Coalmont wastewater treatment plant.

Rate Analysis

Staff understands that Jackson Thornton did not complete a full cost-of-service and rate-design study and did not recommend a particular rate structure. Instead, Jackson Thornton provided alternative financial scenarios based on facts, assumptions, customer projections, usage estimates, and other information supplied to it.

Accordingly, the rates and projections contained in the adopted Growth Plan should be characterized as the County's selected financial scenario, informed by Jackson Thornton's modeling, rather than rates independently recommended by Jackson Thornton.

Caverns Funding Resolution

The County Commission adopted Resolution No. 26-8-26A, authorizing the County Mayor to execute a Sewer Service Agreement and Memorandum of Understanding with The Caverns. The resolution establishes essential proposed terms, including a \$7,500 monthly Sewer Maintenance Fee, equivalent to the \$90,000 annual amount included in the Growth Plan.

The resolution also contemplates:

- Ordinary sewer usage charges in addition to the maintenance fee.
- Usage measured through potable-water metering.
- Reservation of up to 75% of current sewer capacity for The Caverns' expansion.



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- Allocation of certain new occupancy-tax revenues to support a grant to The Caverns for payment of the fee.
- Connection by The Caverns within three months after the sewer project becomes operational.
- Assumption of the County's obligations by any future successor owner of the sewer system.

The submitted document is, however, an executed County resolution authorizing future agreements, not an executed bilateral agreement with The Caverns. The resolution expressly states that the County and The Caverns are still negotiating the Sewer Service Agreement and MOU.

Therefore, the July condition requiring a signed and enforceable agreement has not yet been fully satisfied unless the County separately provides agreements executed by both the County and The Caverns.

Outstanding Ownership and Governance Issues

The executed Growth Plan is limited to the sewer system and states that Grundy County does not own the existing water distribution system. It identifies Big Creek Utility District, Hillsville, and Tracy City as water providers within the County.

Nevertheless, ownership of the contemplated water system or water-related assets remains unresolved. Staff understands that discussions are continuing regarding whether Hillsville Utility District will assume ownership or operation of that system. The record does not currently contain formal action by Hillsville accepting the system, an executed transfer or operating agreement, or documentation identifying another permanent owner and operator.

This issue is relevant even though the submitted Growth Plan is sewer-only. The proposed Caverns arrangement bases sewer usage charges on potable-water meter readings. The identity of the water-system owner may therefore affect meter ownership, access to usage data, sewer billing and collection, customer service, operating responsibilities, and the assumptions underlying the sewer revenue projections. Furthermore, Staff is unaware if the County will operate a combined water and sewer fund or separate them should they retain ownership. If the funds are combined, this could affect the performance of its enterprise fund(s).

Sewer ownership also remains subject to a future change. The adopted Growth Plan identifies the County as the current sewer owner, operator, and rate-setting body, while the Caverns resolution



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states that the County intends to convey the wastewater system to the Southern Cumberland Plateau Regional Water & Wastewater Authority. The materials do not include final conveyance documents or an executed assumption of the County's Growth Plan and Caverns-related obligations by the Authority.

Staff Assessment

The County's submission substantially addresses several portions of TBOUR's July action. The County has adopted a sewer Growth Plan, supplied an asset management plan and financial projections, adopted a financial scenario, and authorized the County Mayor to negotiate and execute the proposed Caverns agreements.

The following matters remain incomplete or unresolved:

1. The County has authorized the Caverns agreements, but the materials reviewed do not include a Sewer Service Agreement and MOU executed by both parties.
2. The owner and operator of the contemplated water system has not been determined, including whether Hillsville Utility District will accept the system.
3. The County should continue reporting actual construction status, customer connections, usage, revenues, expenses, maintenance-fee collections, cash flow, and change in net position against the adopted projections.

The ownership issue is material because the entity that ultimately owns and operates the water and sewer assets must have the legal and operational ability to implement rates, obtain meter data, collect revenues, maintain the systems, comply with regulatory requirements, and carry out the reporting and corrective-action obligations imposed by TBOUR.

Staff Recommendation

Staff recommends that TBOUR defer final action on Grundy County's adopted Accelerated Growth Plan until the ownership and operation of the contemplated water system are resolved. Before the matter is returned for final Board action, the County should provide:

- Formal documentation showing whether Hillsville Utility District will accept ownership or operational responsibility for the water system, or documentation identifying the alternative owner and operator.



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- An executed transfer, service, or operating agreement identifying responsibility for water assets, metering, billing, collections, operation and maintenance, regulatory compliance, and future capital costs.
- Clarification of the effect of the water ownership decision on the sewer financial projections and revised projections if the underlying assumptions change.
- Final documentation concerning the proposed conveyance of the sewer system to any other entity.
- The Sewer Service Agreement and MOU executed by both Grundy County and The Caverns.

Deferral would not constitute rejection of the County's proposal or reversal of the Board's prior conditional action. It would allow the County to resolve the remaining ownership and governance questions before TBOUR determines that the conditions of its July action have been satisfied. Any eventual Board approval should remain expressly limited to the sewer system and should not be construed as approval, ratification, or authorization of a County water system.

RESOLUTION NO. 26-8-26A**A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF GRUNDY COUNTY, TENNESSEE - AUTHORIZING THE COUNTY MAYOR TO EXECUTE AGREEMENTS PROVIDING FOR THE ALLOCATION OF ELIGIBLE NEW OCCUPANCY TAX REVENUES FOR TOURISM DEVELOPMENT AND RESERVING CAPACITY IN THE WASTEWATER SYSTEM TO ACCOMMODATE AN EXPANSION OF A NEW TOURISM DEVELOPMENT BY LOBLOLLY VENTURES, LLC**

WHEREAS, Grundy County, Tennessee (the “COUNTY”) is undertaking wastewater infrastructure improvements and expansion within the Pelham area for the purpose of providing reliable wastewater service, supporting existing customers, accommodating future growth, and facilitating economic and tourism development within Grundy County (**hereinafter the “Project”**); and

WHEREAS, Loblolly Ventures, LLC, doing business as The Caverns (“THE CAVERNS”), operates a significant tourism destination within Grundy County and has proposed additional tourism-related development that is anticipated to increase tourism activity, overnight visitation, and occupancy tax revenues within Grundy County; and

WHEREAS, the COUNTY and THE CAVERNS are in the process of negotiating the terms of a Sewer Service Agreement that will establish the terms and conditions under which wastewater service will be provided to THE CAVERNS, including applicable rates, fees, maintenance obligations, infrastructure requirements, capacity reservations and other responsibilities of the parties; and

WHEREAS, the COUNTY and THE CAVERNS have also in the process of negotiating the terms of a Memorandum of Understanding (“MOU”) establishing certain triggering events and conditions related to tourism development and the allocation of qualifying occupancy tax revenues attributable to future tourism growth; and

WHEREAS, pursuant to Tenn. Code Ann. §§ 67-4-1401 et seq., revenues derived from the local privilege tax upon the privilege of occupancy are subject to the uses and restrictions established by Tennessee law and, where applicable, the private act, resolution, ordinance, or other local authority under which such tax was imposed; and

WHEREAS, the Grundy County Commission recognizes the importance of continued tourism development to the economic well-being of Grundy County and finds that supporting qualifying tourism development and tourism-related infrastructure serves a public purpose by promoting visitation, overnight stays, economic activity, and tourism-related revenues within the County; and

WHEREAS, the Grundy County Commission desires to authorize the County Mayor to execute the Agreements on behalf of the COUNTY, and approve the allocation of eligible New Occupancy Tax Revenues; and,

WHEREAS, Occupancy Tax Revenues are to be used for tourism promotion and tourism development — broadly defined to include advertising, publicity, and physical infrastructure that attracts out-of-area visitors — as well as related debt service and contractual obligations for the tourism development purposes established therein, subject to applicable Tennessee law and lawful County appropriation requirements.

WHEREAS, the Grundy County Commission finds that the Agreements and the allocation of New Occupancy Tax Revenues authorized herein are intended to promote tourism and tourism development, support tourism-related infrastructure, encourage additional overnight visitation, increase economic activity, and generate additional tourism-related revenues within Grundy County.

WHEREAS, the Grundy County Commission further finds that the anticipated tourism development associated with THE CAVERNS is expected to increase tourism activity and occupancy tax revenues within Grundy County.

WHEREAS, the Grundy County Commission finds that the actions authorized by this Resolution are intended to promote tourism, serve a public purpose and benefit Grundy County and its residents.

NOW, THEREFORE, BE IT RESOLVED, the Grundy County Commission hereby authorizes the Grundy County Mayor to execute Agreements with Loblolly Ventures, LLC, that contain the following essential terms:

- A. **SEWER MAINTENANCE FEE.** The CAVERNS agrees to pay a Sewer Maintenance Fee (hereinafter the "FEE") to the COUNTY to supplement operation and maintenance costs associated with the wastewater system and the PROJECT. The FEE shall be Seven Thousand Five Hundred Dollars (\$7,500.00) per month and shall be invoiced to the CAVERNS as a minimum monthly charge for wastewater service in addition to the monthly usage charge. Except for the additional rights and obligations expressly established in the Agreements, the CAVERNS shall have the same obligations and be afforded the same benefits as similarly situated commercial wastewater customers. The FEE shall be paid by the due date each month along with the sewer COUNTY billing for consumption. The FEE means the fee imposed by the COUNTY upon the CAVERNS for the purpose of offsetting depreciation expense associated with the wastewater system and PROJECT, as such depreciation expense is recognized, calculated, or required pursuant to applicable State of Tennessee requirements.

- B. The FEE is intended to address the depreciation-related financial obligation of the wastewater system and shall not be construed as a charge for ordinary wastewater usage or volumetric sewer service.
- C. **RATE. Notwithstanding the foregoing, Rates for wastewater service, as metered through potable water metering equipment, shall be the same as current customer rates for the COUNTY.**
1. If it is determined by the State of Tennessee, or a Court of Law that the agreed FEE presented in this Agreement must be adjusted to ensure fairness and equity among rate payers, to comply with the terms and conditions of any bond resolutions and security instruments, or to comply with applicable state and federal law, the COUNTY shall notify the CAVERNS immediately, no less than thirty (30) days prior to the implementation of the required rate(s). It is understood that the COUNTY is subject to state and federal law in setting sewer rates.
 2. During the term of this Agreement, the CAVERNS, whether in operation or not in operation, shall pay each month the total wastewater charges including the FEE and usage based on potable water metered to the CAVERNS located at 555 Charlie Roberts Road, Pelham, Tennessee 37366, along with all applicable taxes, as computed in accordance with the rates and charges in effect pursuant to this Agreement.
- D. **RATE STUDY PROCEDURE.** No later than one hundred eighty (180) days before expiration of each applicable ten (10)-year term established by Section 3, the COUNTY and CAVERNS shall initiate the independent rate study required by Section 3.
1. The rate study shall be conducted by the County Technical Advisory Service (CTAS) or another qualified and independent COUNTY-rate consultant mutually acceptable to the COUNTY and CAVERNS.
 2. The CAVERNS shall have a reasonable opportunity to review and provide written comments regarding the assumptions, methodology, and preliminary conclusions of the rate study prior to its finalization.
 3. The final determination concerning continuation of the FEE shall be governed exclusively by the standards established in Section 3. Ultimately, said user fees shall be the sole responsibility of the COUNTY to enforce and maintain but in no event shall the FEE charged to The CAVERNS exceed \$7,500 per month. .
- E. **RESERVED CAPACITY.** In exchange for the CAVERNS's commitment to pay the minimum monthly sum sewer charges provided in this Agreement, the COUNTY, to the

extent permitted by applicable law, agrees to reserve sufficient capacity (up to but not more than 75% of current sewer capacity) to accommodate the CAVERNS's expansion plans.

F. **CONVEYANCE OF SYSTEM.** The COUNTY intends to convey the wastewater system to the Southern Cumberland Plateau Regional Water & Wastewater Authority (hereinafter the "UTILITY").

1. As a condition of any conveyance, transfer, assignment, or other succession of ownership, operation, management, or control of the wastewater system, the COUNTY shall require the successor owner or operator to execute a written assumption of the COUNTY's applicable duties and obligations under the Agreements entered into by the COUNTY and the CAVERNS. The COUNTY will provide the CAVERNS with a copy of the executed assumption.
2. Following conveyance, the UTILITY will conduct a rate study for purposes of financial planning and establishing generally applicable wastewater rates. Any such rate study shall not, by itself, modify the FEE, the term of the FEE obligation, or the ten (10)-year re-evaluation and extension provisions established by Section 3.
3. Any modification of the Agreements resulting from such rate study shall occur only by mutual written agreement of the Parties or their respective successors, or pursuant to an applicable Triggering Event expressly established by the incorporated in the Agreements but in no event shall the FEE charged to The CAVERNS exceed \$7,500 per month..

G. **ALLOCATION OF NEW OCCUPANCY TAX REVENUES**

1. **"New Occupancy Tax" means Occupancy Tax revenues received by the COUNTY that:**

- a. Is revenue received from a privilege tax upon the privilege of occupancy in any structure or space, or any portion thereof, that is occupied or intended or designed for occupancy by transients for dwelling, lodging, or sleeping purposes, and includes privately, publicly, or government-owned hotels, inns, tourist camps, tourist courts, tourist cabins, motels, short-term rental units, primitive and recreational vehicle campsites and campgrounds, or any place in which rooms, lodgings, or accommodations are furnished to transients for consideration.
- b. Limited to lodging establishments located within ZIP Code 37366; and
- c. Exceed the 2028 Threshold or \$501,565.00, whichever is greater.
- d. Occupancy Tax revenues generated outside ZIP Code 37366 shall not constitute New Occupancy Tax for shall not be subject to the e Agreements.

- e. At the beginning of the COUNTY's 2029 Fiscal Year ("Allocation Commencement Date"), the COUNTY will, to the extent permitted by applicable law, set aside one hundred percent (100%) of all New Occupancy Tax revenues received by the COUNTY within zip code 37366. All New Occupancy Taxes paid by The CAVERNS in excess of the CAVERNS' 2026 Occupancy Taxes will, to the extent permitted by applicable law, be set aside.
- f. To the extent permitted by applicable law, such funds shall be dedicated to tourism infrastructure and tourism development associated with the CAVERNS and shall be used to fund a grant to the CAVERNS for the purpose of paying the FEE.
- g. To the extent permitted by applicable law, the COUNTY shall not allocate, appropriate, transfer, pledge, expend, or otherwise use New Occupancy Tax revenues for another purpose unless and until the satisfaction of the FEE have first been fully satisfied.
- h. The Allocation Commencement Date Commencement Date is intended to occur two (2) years prior to the termination of the five (5)-year TBOUR Deferment Period, thereby allowing New Occupancy Tax revenues to accumulate before the FRR becomes due and payable.
- i. If the actual commencement date of the TBOUR Deferment Period is modified by TBOUR, the timing of the commencement shall be adjusted as necessary so that the accumulation of New Occupancy Tax revenues begins two (2) years prior to the termination of the TBOUR Deferment Period, unless otherwise agreed in writing by the Parties.
- j. The allocation shall apply only to qualifying occupancy tax revenues exceeding the applicable FY 2028 Occupancy Tax Revenue Threshold established in the MOU and shall not include occupancy tax revenues at or below that threshold.
- k. The allocation authorized by this Resolution is an allocation of County revenues for the purpose of the extension of wastewater infrastructure in the Pelham Valley area of Grundy County to support the continued expansion of tourism development within Grundy County, including development by the CAVERNS that is expected to generate additional occupancy tax revenue and shall not be construed as a general grant, donation, or extension of the credit of Grundy County to THE CAVERNS.

1. No allocation under this Resolution shall authorize the expenditure of occupancy tax revenues for a purpose prohibited by applicable Tennessee law, the County's occupancy tax authorization, or other applicable law.
- m. The allocation of New Occupancy Tax Revenues shall be limited to:
 - i. New Occupancy Tax Revenues actually received by Grundy County and legally available for the foregoing purpose

The amount authorized pursuant to the MOU;

2. **No Expenditure of General Funds.** Nothing in this Resolution shall require Grundy County to use its General Fund or any other County revenue source to satisfy the above allocation if sufficient legally available New Occupancy Tax Revenues are not received.

BE IT FURTHER RESOLVED that any Agreements my include the terms and conditions set forth in in Exhibit A or substantially terms and conditions, which is attached hereto and incorporated herein by reference as fully as if recited verbatim.

BE IT FURTHER RESOLVED that the Agreements may contain such other terms and conditions approved by the Mayor necessary to implement the general purpose of this Resolution provided that (i) they do not require an expenditure of county funds or additional allocation of occupancy tax revenues, and (ii) the legality of which are approved by the County Attorney.

BE IT FURTHER RESOLVED, The Grundy County Commission hereby approves the allocation of qualifying New Occupancy Tax Revenues for the purposes stated herein.

All expenditures and allocations shall be budgeted, appropriated, accounted for, and disbursed in accordance with applicable Tennessee law and the financial management requirements applicable to Grundy County.

No expenditure shall be made in excess of amounts lawfully appropriated and legally available for the applicable fiscal year.

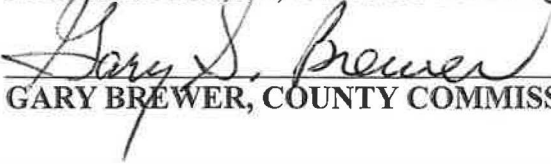
If any section or part of this Resolution is declared invalid or unconstitutional by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining sections or parts.

This Resolution shall take effect immediately upon its passage by a two-thirds vote of the Commission, the public welfare requiring it.

Duly adopted by the Board of County Commissioners of Grundy County, Tennessee by a majority vote this 26th day of August 2026 with 9 members voting in favor of the adoption of the Resolution and 0 members voting in opposition of the adoption of the Resolution.

APPROVED this 26th day of August 2026.


MICHAEL BRADY, COUNTY MAYOR


GARY BREWER, COUNTY COMMISSION CHAIRMAN

ATTEST


TAMMY SHOLEY, COUNTY CLERK

EXHIBIT A TO RESOLUTION NO. 26-8-26A

TERMS AND CONDITIONS THAT ARE TO BE INCLUDED IN AGREEMENTS BETWEEN THE COUNTY AND LOBLOLLY, LLC REGARDING SEWER SERVICE

To the extent permitted by applicable law, the Agreements may terms and conditions he following contain terms and conditions or terms and conditions substantially similar thereto.

1. TERM

- a. Initial Term. The Agreements shall become effective as of the _____ day of _____, 2026, and shall remain in full force and effect for an initial term of ten (10) years commencing on the _____ day of _____, 2026.
- b. Ten-Year Re-Evaluation. At the conclusion of the initial ten (10)-year term, the COUNTY and CAVERNS shall re-evaluate the occupancy tax terms and continued necessity of the financial obligations established under the Agreements based upon an independent rate study:
 - i. The rate study shall evaluate whether revenues generated from customers of the wastewater system are sufficient to fully fund the reasonable costs of operation and maintenance of the wastewater system, taking into consideration reasonable and customary adjustments to customer rates.
 - ii. For purposes of this determination, ordinary customer revenue shall include the CAVERNS' generally applicable wastewater usage charges but shall exclude the special FEE paid by the CAVERNS pursuant to the Agreements.
 - iii. In determining whether a revenue deficiency can reasonably be recovered through adjustments to generally applicable customer rates, the rate study shall consider customary COUNTY rate-setting principles, customer affordability, comparable wastewater rates charged by similarly situated utilities, the magnitude and timing of any proposed increase, rate shock, regulatory requirements, customer classifications, system revenue requirements, and the feasibility of implementing rate increases over a reasonable period.

- c. Automatic Extension. If the rate study determines that customer revenues are insufficient to fully fund the reasonable costs of operation and maintenance of the wastewater system and that such costs cannot reasonably be recovered through a reasonable increase in customer rates, the Agreements shall automatically extend for an additional ten (10)-year term.
- d. Subsequent Re-Evaluations. At the conclusion of each additional ten (10)-year term, the COUNTY and CAVERNS shall conduct the same re-evaluation, including an updated independent rate study. If the rate study again determines that customer revenues are insufficient to fully fund the reasonable costs of operation and maintenance of the wastewater system and that such deficiency cannot reasonably be addressed through a reasonable increase in customer rates, the Agreements shall automatically extend for an additional ten (10)-year term.
- e. Termination of FEE When Financial Test Is Satisfied. If the rate study determines that ordinary wastewater customer revenues are sufficient to fully fund the reasonable operation and maintenance costs of the wastewater system, or that any revenue deficiency can reasonably be recovered through reasonable and customary adjustments to generally applicable customer rates, the CAVERNS' obligation to pay the FEE shall terminate upon expiration of the then-current ten (10)-year term.
 - i. Termination of the FEE shall not terminate wastewater service to the CAVERNS. The CAVERNS shall thereafter continue to receive wastewater service subject to generally applicable commercial wastewater rates and charges and the applicable provisions of the Agreements.
- f. Fifty-Year Limitation. Notwithstanding any other provision of the Agreements, the rate-study re-evaluation and automatic-extension provisions established by this Section shall terminate fifty (50) years following commencement of the initial term. No additional automatic extension shall arise pursuant to this Section after expiration of such fifty (50)-year period.
 - i. Successors. Any transfer or succession involving either party during the initial term or an extension term shall not alter the timing or application of the re-evaluation requirements established herein. Any successor to the COUNTY or CAVERNS shall be subject to the same rate-study, re-evaluation, and extension provisions as the original party.

2. DISCHARGE

- a. It is expressly understood and agreed by PARTIES that the minimum charges set out above shall be assessed by the COUNTY separate from any and all other minimum charges or any other charges for service or services, fines, or penalties which may be provided or levied by the COUNTY to the CAVERNS. It also is understood and agreed that should CAVERNS use the COUNTY's sewer system for discharging CAVERNS's commercial waste in accordance with the COUNTY's Wastewater Ordinance. The Agreements shall not be construed as to limit any potential enforcement action at the COUNTY's disposal to ensure current and future pretreatment limits are adhered to.

3. WASTEWATER SERVICES GENERAL CONDITIONS

- a. Wastewater service under the Agreements is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either or both the COUNTY or CAVERN's, including, but not limited to, the State of Tennessee or any department or agency thereof, the federal government of the United States of America, or any department or agency thereof.
- b. Except as otherwise provided in the Agreements, the general rules and regulations of the COUNTY heretofore or hereinafter adopted by the COUNTY which are applicable to other customers of the COUNTY residential and/or commercial, shall be binding on and shall be complied with by the CAVERNS.

4. GENERAL PROVISIONS

- a. No Waiver. Failure of either the COUNTY or CAVERNS to exercise any right under the Agreements shall not be deemed a waiver of such right and shall not affect the right of either party to exercise such right at any future time or to exercise any other right available under the Agreements.
- b. Changes Affecting Wastewater Service. The COUNTY shall notify CAVERNS in writing at least fourteen (14) calendar days in advance of any meeting at which any proposed amendment, modification, or change to the COUNTY's wastewater service policies, service availability, rules, regulations, or other requirements that may materially affect the terms and conditions of the Agreements will be discussed or acted upon. The COUNTY shall afford CAVERNS a reasonable opportunity to comment upon any such proposed amendment, modification, or change prior to its

adoption. Any comments submitted by CAVERNS shall be reviewed and addressed in writing by the COUNTY.

- i. No amendment, modification, policy change, rule, regulation, or other action by the COUNTY shall be construed as altering or amending the terms of the Agreements except by written agreement of the Parties as otherwise provided herein. Rate, user fee, penalty, and other fee-setting activities shall be exempt from this subsection unless expressly provided otherwise in the Agreements.
- c. Force Majeure. The COUNTY shall exercise reasonable diligence in the operation and maintenance of the wastewater system, equipment, and facilities under its ownership or control so as to provide wastewater service to CAVERNS consistent with the terms of the Agreements. CAVERNS shall exercise reasonable diligence in its use of the wastewater system and shall not unreasonably interfere with the operation of the system or service provided to other customers.
 - i. Except for payment obligations otherwise provided under the Agreements, neither party shall be liable for damages, breach of contract, or other claims arising from a failure, suspension, interruption, diminution, or other variance in wastewater service resulting from injunction, fire, strike, riot, explosion, flood, drought, unforeseeable or unavoidable accident, failure or interruption of utilities, unavoidable or unforeseeable failure or breakdown of equipment or facilities, acts of God, governmental action, or other acts or conditions beyond the reasonable control of the COUNTY or CAVERNS, respectively.
 - ii. Neither party shall be liable for damages resulting from temporary interruption of service when such interruption is reasonably necessary to perform ordinary or emergency repairs, maintenance, changes, improvements, or adjustments to equipment or facilities. Any interruption in service shall be remedied with reasonable diligence under the circumstances.
- d. Right of Ingress and Egress. CAVERNS hereby grants to the COUNTY and its designated representatives, employees, contractors, engineers, and authorized agents reasonable rights of ingress and egress upon property owned or controlled by CAVERNS for purposes reasonably necessary to inspect, test, calibrate, maintain, repair, or otherwise perform work associated with wastewater facilities serving

CAVERNS or wastewater facilities owned or operated by the COUNTY and located upon CAVERNS property.

- i. Except in the event of an emergency or as otherwise authorized by applicable law, such access shall occur during reasonable business hours and upon reasonable notice. The COUNTY shall comply with reasonable security, safety, and access requirements established by CAVERNS while upon CAVERNS property, provided such requirements do not materially interfere with the COUNTY's ability to operate, inspect, maintain, or protect the wastewater system.
 - ii. Nothing in the Agreements shall be construed to expand or limit any inspection, access, or enforcement authority otherwise provided to the COUNTY under applicable ordinances, regulations, or state or federal law.
- e. Service Requirements and Notice of Deficiency. If wastewater services or facilities provided pursuant to the Agreements materially fail to satisfy the requirements expressly established by the Agreements, CAVERNS shall provide written notice to the COUNTY identifying the alleged deficiency. The COUNTY shall have one hundred twenty (120) days following receipt of such notice to correct the deficiency or, if the deficiency cannot reasonably be corrected within such period, to commence corrective action and diligently proceed toward completion. Failure to do so shall constitute a default subject to the applicable default and remedy provisions of the Agreements.
- f. COUNTY Representations. The COUNTY will represent, by execution of the Agreements, that it has complied with all applicable requirements of Tennessee law and its governing authorities in the making and execution of the Agreements and that the individual or individuals executing the Agreements on behalf of the COUNTY have been duly authorized and empowered to do so.

- g. COUNTY Authority and Conflicts. The COUNTY further represents, to the best of its knowledge, that the execution, delivery, and performance of its obligations under the Agreements will not conflict with or constitute a violation, breach, or default under any agreement, instrument, judgment, decree, law, statute, order, rule, or regulation applicable to the COUNTY or the wastewater system.
- h. CAVERNS Representations. CAVERNS represents, by execution of the Agreements, that it has complied with its organizational requirements and all applicable state and federal laws relating to the making and execution of the Agreements and that the individual or individuals executing the Agreements on behalf of CAVERNS have been duly authorized and empowered to do so.
- i. CAVERNS Authority and Conflicts. CAVERNS further represents, to the best of its knowledge, that the execution, delivery, and performance of its obligations under the Agreements will not conflict with or constitute a violation, breach, or default under any agreement, instrument, judgment, decree, law, statute, order, rule, or regulation applicable to CAVERNS or its property or facilities.
- j. Successors and Assigns; Continuing Effect of Agreement. The Agreements and all rights, duties, obligations, benefits, terms, conditions, financial commitments, rate-study requirements, extension provisions, and other covenants contained herein shall be binding upon and inure to the benefit of the COUNTY and CAVERNS and their respective successors and permitted assigns.
 - i. Any transfer, conveyance, merger, consolidation, reorganization, acquisition, assignment, or other succession involving the ownership, operation, management, or control of the wastewater system by the COUNTY shall not terminate, impair, modify, or otherwise affect the Agreements. Any governmental entity, COUNTY authority, COUNTY district, municipality, public COUNTY, or other successor entity that acquires or assumes ownership, operation, management, or control of the wastewater system or the COUNTY's interest therein shall succeed to the COUNTY's rights and shall assume the COUNTY's obligations under the Agreements for the remainder of the then-current term and any extension thereof.

- ii. Likewise, any successor or permitted assign of CAVERNS that acquires or assumes ownership or operation of the property, facilities, or operations receiving wastewater service pursuant to the Agreements shall succeed to the applicable rights and assume the applicable obligations of CAVERNS under the Agreements.
 - iii. The Parties expressly acknowledge and agree that a change in ownership, governance, operation, management, or control of the wastewater system or the property served by the wastewater system shall not, by itself, constitute grounds for termination of the Agreements.
 - iv. Written Assumption Upon Conveyance. As a condition of any voluntary conveyance or transfer of ownership, operation, management, or control of the wastewater system, the COUNTY shall obtain from the successor entity a written assumption of the COUNTY's applicable obligations under the Agreements and shall provide a copy of the executed assumption to the CAVERNS. Following such conveyance or transfer, references in the Agreements to the "COUNTY" concerning ownership, operation, maintenance, wastewater rates, system capacity, customer service, rate studies, or other functions transferred to the successor shall be deemed to refer to the then-current owner or operator of the wastewater system, as applicable.
- k. Assignment By CAVERNS. CAVERNS may not assign or transfer, (i) the Agreements in whole or in part without obtaining the COUNTY'S written consent, which consent shall not be unreasonably withheld. No transfer or assignment of the Agreements shall relieve CAVERNS of any obligation expressly imposed upon CAVERNS under the Agreements.
- l. Entire Agreement; Representations. No statement, representation, promise, or assurance made by any officer, employee, agent, representative, or other person purporting to act on behalf of the COUNTY or CAVERNS that is not incorporated into the Agreements shall constitute a part of the Agreements or be deemed an inducement to its execution.

- m. Cumulative Remedies. Except as expressly provided otherwise herein, no remedy provided under the Agreements must be exhausted or exercised as a prerequisite to pursuing any other remedy or relief to which a party may be entitled, particularly in the event of an emergency or imminent threat to public health, safety, property, or the wastewater system.

5. Adjustments and Amendments

- a. Amendments. Adjustments, modifications, or amendments to the Agreements and its associated terms and conditions shall be made by mutual written agreement of the COUNTY and CAVERNS. Such modifications may be accomplished by a formal amendment to the Agreements or by a written letter of understanding executed by duly authorized representatives of both Parties.
 - i. Except as otherwise expressly provided in the Agreements, no oral agreement, unilateral action, policy change, or course of conduct shall amend or modify the Agreements.
 - ii. To the extent practicable, the COUNTY shall provide CAVERNS with as much advance notice as reasonably possible of any proposed rate change materially affecting CAVERNS and shall make a good-faith effort to provide at least ninety (90) days' prior written notice of any such rate change.
- b. Authority; Governing Law and Venue. The authorized representative for execution of an amendment on behalf of the COUNTY shall be the Grundy County Mayor or such other official duly authorized by the Grundy County Commission. The authorized representative for CAVERNS shall be an officer, manager, or other representative duly authorized to bind CAVERNS.
- c.
 - i. The Agreements shall be deemed to have been executed in Grundy County, Tennessee, and shall be governed by and interpreted in accordance with the laws of the State of Tennessee without regard to its conflict of laws and all disputes arising under or relating to the Agreements or any document executed in connection with the Agreements shall be brought and resolved solely and exclusively in a

state court of competent jurisdiction in Grundy County, Tennessee. The Parties agree they will not contest the **choice of law and venue** provisions in this Paragraph.

6. DEFAULT AND REMEDIES

- a. Default by COUNTY. The COUNTY shall be in default under the Agreements upon failure to provide the facilities, infrastructure, or services required of the COUNTY under the Agreements; failure to perform any other material obligation imposed upon the COUNTY by the Agreements; or if any material representation made by the COUNTY herein becomes materially untrue or incorrect.
 - i. Except where immediate action is necessary to protect public health, safety, property, or the wastewater system, CAVERNS shall provide the COUNTY written notice identifying the alleged default. The COUNTY shall have ninety (90) days following receipt of such notice to cure the default.
 - ii. If the default cannot reasonably be cured within ninety (90) days, the COUNTY shall not be considered in default provided that it commences corrective action in good faith within such ninety (90)-day period and thereafter diligently and continuously proceeds toward correction of the default.
- b. Failure to Diligently Cure. If the COUNTY commences corrective action but thereafter fails to make a continuing, good-faith effort to cure the condition identified in the notice of default, CAVERNS may provide additional written notice to the COUNTY by certified mail. If such failure continues for sixty (60) days following receipt of the additional notice, CAVERNS may treat the condition as a default under the Agreements and exercise any remedies available under the Agreements or applicable law.
- c.

- i. All remedies provided to CAVERNS under the Agreements shall be cumulative, and pursuit of one remedy shall not preclude pursuit of any other available remedy.
- d. Material Wastewater Infrastructure Obligations. The Parties acknowledge that the COUNTY's construction, completion, and provision of the wastewater infrastructure and wastewater service contemplated by the Agreements constitute material considerations for CAVERNS' execution and performance of the Agreements.
 - i. Failure by the COUNTY to construct, complete, provide, or make available the wastewater infrastructure or wastewater service expressly required under the Agreements, subject to any applicable cure period or Force Majeure provision, shall constitute a material default by the COUNTY.
- e. Default by CAVERNS. CAVERNS shall be in default under the Agreements upon failure to pay amounts properly due under the Agreements; failure to connect to or utilize the wastewater system as expressly required by the Agreements; failure to perform any other material obligation imposed upon CAVERNS by the Agreements; or if any material representation made by CAVERNS herein becomes materially untrue or incorrect.
 - i. Except where immediate action is necessary to protect public health, safety, property, or the wastewater system, the COUNTY shall provide CAVERNS written notice identifying the alleged default and a reasonable opportunity to cure such default.
 - ii. Upon an uncured default by CAVERNS, provided the COUNTY is not then in material default hereunder, the COUNTY shall be entitled to exercise any remedies available under the Agreements, applicable wastewater ordinances, or applicable law, including injunctive or mandatory relief and monetary damages where appropriate. All remedies

available to the COUNTY shall be cumulative, and pursuit of one remedy shall not preclude pursuit of another.

7. Dispute Resolution

- a. **Non-Binding Mediation.** If a dispute arises out of or relates to the Agreements that the COUNTY and CAVERNS are unable to resolve between themselves within thirty (30) days, the Parties agree to submit the dispute to non-binding mediation conducted by a neutral third-party mediator mutually agreed upon by the Parties.
- b.
 - i. If the Parties are unable to agree upon a qualified mediator, either party may apply to the Clerk and Master of the Grundy County, Tennessee Chancery Court for appointment of a qualified mediator. The mediator shall establish the procedures governing mediation.
 - ii. Unless otherwise mutually agreed by the Parties, mediation shall be conducted within thirty (30) days following selection or appointment of the mediator. The COUNTY and CAVERNS shall each bear one-half (1/2) of the mediator's fees and expenses associated with conducting the mediation.

7. DEFINITIONS

A. 2028 Threshold

“2028 Threshold” means the amount of Occupancy Taxes received by the COUNTY during 2028 Fiscal Year attributable to lodging establishments located within ZIP Code 37366.

The Parties acknowledge and agree that the 2028 Threshold will be defined by the FY 2028 audit or \$501,565.00, whichever is greater.

D. TBOUR Deferment Period

“TBOUR Deferment Period” means the five (5)-year period authorized by the Tennessee Board of COUNTY Regulation (hereinafter TBOUR) during which the COUNTY is permitted to operate at a net loss and/or defer the funding or recognition of certain expenses or financial requirements associated with depreciation.

GRANT TO THE CAVERNS

New Occupancy Tax revenues required to be applied toward the Maintenance Fee shall be remitted:

- 1. directly by the COUNTY to the CAVERNS in the form of a grant; or

2. by the COUNTY to the applicable County tourism entity or tourism board and thereafter remitted to the CAVERNS in the form of a grant.

The grant shall be made in support of tourism infrastructure and continued tourism development at the CAVERNS and shall be used by the CAVERNS to pay the Maintenance Fee imposed by the COUNTY.

In no event shall the amount of the grant paid to the CAVERNS for any applicable period exceed the Maintenance Fee charged to and payable by the CAVERNS.

This grant will be distributed at the end of the fiscal year as a reimbursement. The grant shall not be paid before it is confirmed that 12 monthly payments for FY have been received by the COUNTY.

The COUNTY's election to remit funds through a County tourism entity or tourism board shall not relieve, transfer, or diminish the COUNTY's obligations under this MOU, and the COUNTY shall remain responsible for ensuring timely payment of the grant to the CAVERNS.

8. PRIORITY OF MAINTENANCE FEE

Payment of the grant supporting the Maintenance Fee shall have first priority with respect to New Occupancy Tax revenues subject to this MOU.

No New Occupancy Tax revenue subject to this MOU shall be applied to another use by the COUNTY, the County tourism board, or any other County entity until the amount required for payment of the applicable Maintenance Fee has first been fully funded.

This priority shall continue for so long as depreciation expense giving rise to the Maintenance Fee remains an applicable financial obligation or line item of the COUNTY under State of Tennessee or TBOUR requirements.

9. TERMINATION OF EXCLUSIVE DEDICATION

The restriction requiring New Occupancy Tax revenues to be used exclusively for the Maintenance Fee shall terminate when the depreciation expense giving rise to the Maintenance Fee is no longer required or recognized as an applicable line item or financial obligation of the COUNTY, as determined under the AGREEMENT.

Only after such termination may the COUNTY or applicable tourism entity use New Occupancy Tax revenues for other lawful purposes.

10. POST-DEFERMENT ANNUAL ALLOCATION

Following expiration of the TBOUR Deferment Period, New Occupancy Tax revenues shall no longer be required to accumulate in escrow from year to year.

Instead, New Occupancy Tax revenues shall be calculated and allocated annually toward the Maintenance Fee.

For each applicable year:

A. New Occupancy Tax revenues shall first be applied toward the grant supporting payment of the CAVERNS' applicable Maintenance Fee;

B. any annual New Occupancy Tax revenues exceeding the amount necessary to satisfy the CAVERNS' Maintenance Fee for that year may be retained by the COUNTY or applicable tourism entity, subject to any continuing requirements of this MOU; and

C. In the occurrence annual New Occupancy Tax revenues are insufficient to satisfy the applicable Maintenance Fee, the remaining deficiency shall be the responsibility of the CAVERNS in accordance with the allocation methodology and percentages established in the AGREEMENT.

11. CAVERNS CONNECTION TO WASTEWATER SYSTEM

Notwithstanding the Financial Commencement Date of this MOU or the effective or commencement date of the Sewer Service Agreement, the CAVERNS agrees to connect to the wastewater system. The CAVERNS will connect to the wastewater system within three (3) months after the PROJECT becomes operational and wastewater service is available to the CAVERNS.

This connection obligation is independent of the commencement of the financial provisions of this MOU and independent of whether the financial obligations contained in the Sewer Service Agreement have commenced.

The Parties acknowledge that early connection of the CAVERNS to the wastewater system is intended to generate wastewater system revenue prior to commencement of the Maintenance Fee and thereby assist the COUNTY in reducing the amount of the Maintenance Fee ultimately required from commercial customers.

Ordinary wastewater usage charges shall commence only upon the CAVERNS' actual connection to the wastewater system and activation of wastewater service. The Sewer Maintenance Fee shall commence as separately provided herein and in the AGREEMENT.

12. TRIGGERING EVENTS

The Parties expressly agree that the following constitute Triggering Events for purposes of the AGREEMENTS:

A. Project Completion Trigger. Upon completion of the PROJECT and availability of wastewater service to the CAVERNS, the CAVERNS' obligation to connect to the wastewater system within three (3) months shall become effective.

B. Financial Commencement Trigger. At the beginning of the COUNTY's 2029 Fiscal Year, or such adjusted date necessary to maintain the intended two (2)-year period preceding the TBOUR Deferment Period, the COUNTY's obligation to segregate and reserve 100% of New Occupancy Tax revenues shall commence.

C. Maintenance Fee. Upon the Maintenance Fee becoming due and payable to the COUNTY, accumulated New Occupancy Tax revenues shall be released and remitted as an annual grant to the CAVERNS in accordance with this MOU for payment of the Maintenance Fee.

E. Depreciation Termination Trigger. Upon the depreciation expense giving rise to the Maintenance Fee no longer being required or recognized as an applicable financial obligation or line item of the COUNTY under applicable State of Tennessee and TBOUR requirements, the exclusive dedication of New Occupancy Tax revenues established herein shall terminate.

The occurrence of any Triggering Event shall automatically activate the corresponding obligations established herein without requiring execution of an amendment to the Sewer Service Agreement.

13. ACCOUNTING AND ANNUAL VERIFICATION

The COUNTY shall maintain records sufficient to identify:

1. total Occupancy Tax revenues attributable to ZIP Code 37366;
2. the amount constituting the 2028 Threshold;
3. annual New Occupancy Tax revenues;
4. amounts held or reserved pursuant to this MOU;
5. amounts granted to the CAVERNS for payment of the Maintenance Fee; and
6. any remaining balance or annual overage.

The COUNTY and CAVERNS shall be entitled to reasonably verify the amounts relevant to the calculation and application of New Occupancy Tax revenues under this MOU.

14. SUCCESSORS AND ASSIGNS

The Agreements shall be binding upon and inure to the benefit of the Parties and their respective lawful successors and permitted assigns.

15. NONASSIGNABLE BY CAVERNS WITHOUT CONSENT. Notwithstanding anything in Section 12 of the Memorandum of Understanding, CAVERNS may not assign or transfer the Agreements in whole or in part without obtaining the COUNTY'S written consent, which consent shall not be unreasonably withheld. As a condition of any transfer of this MOU or AGREEMENT, CAVERNS shall require its permitted assignee to acknowledge and assume in writing all obligations applicable to CAVERNS under the AGREEMENT and this MOU. No transfer or

assignment of this MOU or AGREEMENT shall relieve CAVERNS of any obligation expressly imposed upon CAVERNS under this MOU or AGREEMENT.

Any succession, transfer, conveyance, reorganization, consolidation, merger, or change in the entity owning or operating the wastewater system shall not, by itself, terminate the obligations established herein.

References to the COUNTY, CAVERNS, or COUNTY shall include their respective lawful successors to the extent such successor assumes or is legally responsible for the applicable rights or obligations established herein.

As a condition of any transfer or conveyance of the wastewater system by the COUNTY, the COUNTY shall require the successor COUNTY to acknowledge and assume in writing all obligations applicable to the COUNTY under the AGREEMENT and this MOU to the extent permitted by applicable law. No transfer or conveyance of the wastewater system shall relieve the COUNTY of any obligation expressly imposed upon the COUNTY under this MOU.

16. COMPLIANCE WITH APPLICABLE LAW

All payments, grants, appropriations, allocations, and expenditures contemplated by this the Agreements shall be administered in accordance with applicable Tennessee law and any applicable TBOUR requirements.

If a particular payment mechanism contemplated herein is determined to be prohibited by applicable law, the Parties agree to cooperate in good faith to implement a lawful alternative mechanism that most closely preserves the economic intent, priority, and allocation established by the Agreements.

14. ENTIRE UNDERSTANDING; AMENDMENT

The Agreements represent the understanding of the Parties concerning the matters addressed therein.

Except where the Agreements expressly provide for an automatic adjustment, the Agreements may be modified only by a written instrument executed by both Parties.

15. COUNTERPARTS

The Agreements may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

15. COMPLIANCE WITH APPLICABLE LAW. If any particular payment mechanism contemplated in the Agreements is determined to be prohibited by applicable law, the Parties agree to cooperate in good faith to implement a lawful alternative mechanism that most closely preserves the economic intent, priority, and allocation established by the Agreements. If after good faith efforts to do so, an alternative mechanism cannot be achieved to the mutual satisfaction of both parties, either party may terminate the Agreements with no penalty.

MULTI-YEAR ACCELERATED GROWTH PLAN

Prepared By:

Grundy County

For the:

Grundy County Sewer System

Assisted By: James C. Hailey & Company

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Growth Management and Financial Objective

Grundy County's objective is to manage growth of the wastewater system while maintaining positive cash flow and establishing sufficient recurring revenues to achieve a positive change in net position during the final years of the Growth Plan and thereafter. The detailed assumptions, annual revenues, expenses, cash balances, customer projections, and changes in net position supporting this objective are provided in the Financial Information and Projections and Customer and Rate Projections sections of this Growth Plan.

The financial strategy relies on a combination of customer growth, annual rate adjustments, a wastewater maintenance fee, conservative operating expense projections, and ongoing financial monitoring. This approach allows the system to increase recurring revenues as the customer base expands while recognizing the additional costs associated with operating and maintaining a larger wastewater system.

The financial projections anticipate customer revenue increasing from approximately \$192,227 in FY2026 to approximately \$399,103 by FY2032, supported by additional customer connections and approximately 3% annual rate adjustments. The FY2026 rate requirement established in the financial projections is \$329,149, compared with projected FY2026 customer revenue of \$192,227. As customer growth and annual rate adjustments increase recurring customer revenue, the gap between customer revenue and the rate requirement narrows substantially. Beginning in FY2029, the projections also include a \$90,000 annual Wastewater Maintenance Fee as an additional recurring revenue source.

The projections are intentionally conservative with respect to future expenses. Depreciation increases substantially following capitalization of the expanded wastewater infrastructure, and an additional \$50,000 annual Operations & Maintenance allowance is included beginning in FY2027, with approximately 3% annual inflationary adjustments thereafter, to account for future maintenance and system improvement needs.

Although the system initially experiences an accounting loss due largely to increased depreciation, it is projected to maintain positive operating cash flow throughout the entire Growth Plan period. Net cash provided by operating activities is projected at approximately \$90,402 in FY2026, increasing to approximately \$309,555 by FY2032. Cash and investments are likewise projected to increase from approximately \$401,398 at the end of FY2026 to approximately \$1.86 million by the end of FY2032, providing additional financial capacity and operating stability.

The financial plan demonstrates a clear transition to positive financial performance. Net operating results improve from a projected loss of approximately \$89,888 in FY2026 to losses of approximately \$43,805 in FY2027 and \$38,768 in FY2028, before reaching positive operating income of approximately \$99,775 in FY2029. Positive operating income is then maintained and strengthened, reaching approximately \$121,084 in FY2030, \$148,985 in FY2031, and \$158,816

in FY2032. Accordingly, the system achieves a positive change in net position beginning in FY2029 and maintains a positive change in net position through the remaining projection period.

The County will review actual financial performance against the Growth Plan projections at least annually. If customer growth or revenues fall materially below projections, or expenses exceed projections, the County will take corrective action through appropriate rate adjustments, expenditure controls, or other revenue measures necessary to maintain the financial trajectory established by the Plan.

Through this approach, Grundy County intends to maintain adequate liquidity during the growth period while progressively increasing recurring revenues to support the full cost of wastewater operations. The objective is not simply to achieve a positive change in net position for the required period, but to establish a sustainable financial structure capable of maintaining positive cash flow and a positive change in net position going forward. Detailed support for these conclusions is provided in the Financial Information and Projections and Customer and Rate Projections sections of this Growth Plan.

GRUNDY COUNTY SEWER ASSET MANAGEMENT PLAN

NOVEMBER 2025



1270 MARKET STREET
Chattanooga, TN 37402
TELEPHONE: 423-708-5858

GRUNDY COUNTY

SEWER ASSET MANAGEMENT PLAN

PREPARED FOR:

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I. Executive Summary

Grundy County Sewer Asset Management Plan is a comprehensive report on the quantity and quality of the sewer system assets owned and operated by Grundy County. A well-maintained sewer system is of the utmost importance for providing superior collections service. The Asset Management Plan describes Grundy County's goals and initiatives for maintaining and improving the sewer system's health and functionality through the most efficient management practices. This report discusses the condition of the sewer system, identifying critical infrastructure and stating tactics for the financial and technical investments that are necessary to fulfill the asset management practices. A long-term funding plan is included towards the end of the report to explain the methods by which Grundy County plans to finance future repairs and improvements to its sewer system and maintenance costs to sustain the upkeep of the assets to ensure they function properly and efficiently for the duration of their useful service lives.

Grundy County owns and operates approximately 78,000 linear feet of sanitary sewer lines, with over 75,000 linear feet being "main" collection lines. "Main" lines include all sanitary sewer pipe equal to or exceeding six (6) inches in diameter. Approximately 50 customers are served by the Grundy County Sewer System, the Grundy Wastewater Treatment Plant, and the Beersheba Springs Lift Station. According to the As-Builts and GIS information provided, all sanitary sewer lines are all within their useful service life. The Pelham Sand Filter Drainage System serves the town of Pelham, featuring a 30,000-gallon recirculation sand filter and five (5) recirculation pumps.

An accurate and current asset inventory reporting age and condition is vital in determining the health of a system and the need for replacements within the system. This information can be determined by utilizing As-Builts, employees of Grundy County, and GIS.

Included in this report are suggested level of service goals for Grundy County to supplement the sewer system's current best management practices. Best management practices describe the actions Grundy County takes to further extend the useful service life of assets in the sewer system while ensuring the assets perform as expected for the duration of their useful service lives.

Every asset in Grundy County's sewer system requires annual maintenance and eventually, repairs or replacements. Annual maintenance costs and anticipated repair and replacement costs combine to make up the minimum life cycle cost of each asset. Upkeeping performance standards and meeting Grundy County's level of service goals takes long-term financial investment.

Grundy County releases an annual financial report on June 30th of each year, this information is required by the Comptroller of Tennessee. The annual financial report allows Grundy County to reflect on yearly spending, identify revenue streams, and consider possible items resulting in excessive expenditures. The Audit Committee consists of Rusty Payne, Brenda Andy, and Danny Lusk.

The Grundy County Asset Management Team is responsible for ensuring and emphasizing the implementation of asset management best practices. This responsibility also includes updating and improving Grundy County Asset Management Plan according to its revision and renewal intervals. The Asset Management Team is a combination of Grundy County elected officials, plant operators and consultants from Croy Engineering, LLC. Each Grundy County team member provides vital information regarding the sewer system, finances, and goals that become synthesized through asset management practices to create asset inventories, anticipate potential asset failures, and plan for costly repairs and replacements.

II. Grundy County Asset Management Team

Grundy County's Asset Management Team, listed below in Table I, were key contacts and contributors to Croy Engineering's development of the Asset Management Plan.

Table I: Grundy County Asset Management Team

Name	Organization	Title
Michael Brady	Grundy County	Mayor
Nathan Sanders	Grundy County	Deputy Mayor
Billy Campbell	Grundy County	Sewer Operator
Dan Martin	Grundy County	Certified Operator
Varies by Term	Grundy County	County Commissioners
Staff	Croy Engineering, LLC.	Varies

The Asset Management Team members from Grundy County shall be responsible for the current and future upkeep of the asset management initiatives and procedures outlined in this Asset Management Plan. Each representative on the Asset Management Team holds extensive knowledge of the sewer system's assets and their conditions. This group consists of Grundy County employees and elected officials who have extensive knowledge about the sewer system functionalities, data collection and integration methods, finances, and the sufficiency of the sewer system to the customers. The Asset Management Team shall define the costs and benefits of changes to the system and identify any assets critical to the operation and performance of Grundy County's sewer system.

Grundy County Asset Management Team members discuss the financing strategies to pay for operations, maintenance, and improvement of the County's sewer system. They are accountable to determine and manage the level of service best management practices, adjust these practices as required, and ensure said practices comply with the County's level of service goals should they change in the future. It is the Asset Management Team's responsibility to review and revise the Asset Management Plan for future editions. The Asset Management Team shall revise the Asset Management Plan every three (3) years to ensure the information is current and accurately represents the condition of the system and the actions required to maintain it.

Any changes or additions to the Asset Management Team shall be included in future revisions.

Utility Information for the Asset Management Plan can be found in Appendix A.

III. Introduction and Context

Grundy County is in Middle Tennessee geographically and is home to South Cumberland State Park. The County was created from three separate counties in 1844. The development of the town of Beersheba Springs attracted many tourists for its health resort, and as such brought many new residents to the area. Grundy County does not own the water distribution system which provides water to its residents. Big Creek Utility District, Hillsville, and Tracy City provide water to Grundy County residents. The Big Creek Utility District (BCUD) provides water to over 9,000 residents of Grundy County. The primary source of water for BCUD is Ranger Creek Reservoir. The BCUD Consumer Confidence Report (CCR) for 2024 met all drinking water standards set by the Tennessee Department of Environmental and Conservation (TDEC) and the Environmental Protection Agency (EPA).

The collection system is owned and operated by Grundy County. The sewer system is made up of collection lines ranging from 2 inches to 10 inches in diameter. Grundy County recently updated its existing wastewater treatment plant (WWTP) in 2024, adding a new spray field and updating the existing three (3) spray fields. It is extremely beneficial to develop an Asset Management Plan (AMP) to properly manage and record all data through a database inventory.

The AMP for Grundy County includes asset inventory, required sustainable level-of-service, identification of critical assets, determination of the lowest life-cycle cost options for providing the highest level-of-service over time, and long-term financing strategies.

The objective of the AMP is to establish the long-term sustainability of Grundy County's sewer system. The AMP is a tool to make better decisions about when to repair, replace, or rehabilitate certain assets and to develop long-term funding strategies to obtain the highest quality of service. Other benefits of AMP include increased knowledge of Grundy County's sewer system, reduced stoppage time and a greater understanding of where and when breaks or overflows occur. Prioritizing rehabilitation and replacement and having access to greater financial assistance will be possible with the information gathered by this AMP. Preventative maintenance shall be implemented where necessary to avoid emergency rehabilitation and repairs.

It is anticipated that Grundy County leaders shall review the AMP every three (3) years to determine if any rules or regulations have changed. If methodology has altered for the components in any way, revisions shall be implemented in future editions of the AMP.

To begin the Asset Management Plan, the Grundy County Sewer System completed the Tennessee Infrastructure Scorecard, as shown in Appendix B. The scorecard indicates the health of the infrastructure within the county. When the Asset Management Plan is reviewed annually, the scorecard can be reviewed and updated as well. "Red" flags signify where requirements have not been met, and "Green" flags are for requirements that have been met for the utility system being scored.

Currently, the Infrastructure Scorecard notes that the Asset Management category has "Red" flags for items such as an Asset Management Plan, GIS Mapping, Condition Assessment, Meter Testing, and Work Order System. Grundy County also has a "Red" flag for more than 80% capacity reached for the wastewater treatment plan, and a "Red" flag for not meeting Wastewater Permit Requirements.

IV. Current State of Assets

Maintaining an asset inventory is necessary to ensure a sewer system is functioning properly and up to date in terms of health guidelines and environmental guidelines. The ability to access the locations of assets quickly and easily is imperative for sewer systems to function. The AMP categorizes the assets based on condition and factors such as health and environmental concerns. The asset inventory will serve as a database for Grundy County to utilize and provide crucial information about its assets. Grundy County shall commit to updating the asset inventory regularly to ensure its data is current and accurate so asset management practices can be fulfilled.

To begin the inventory and condition assessment, criteria for each asset were determined. These assets all met the same criteria: having a cost greater than approximately \$5,000, having a useful life of greater than (1) year, having measurable criteria for which work orders can be generated, and being critical to the delivery of utility service, employee safety, or regulatory compliance.

Once each asset was defined by the Asset Management Team, Grundy County needed to document all assets. The inventory of all assets is included in Appendix D. Assets include the sewer force main pipe, the Beersheba Springs Pump Station, the Pelham Sand Recirculation System, and assets that are specific to the wastewater treatment plant (WWTP). Each asset has been assigned a category, and key attributes such as size, material, manufacturer, model number, based on information provided by As-Builts and GIS.

The inventory table of all the assets was primarily populated by data from the existing Grundy County GIS mapping system and as-builts of the Beersheba Springs Sewer System Facilities, the Grundy Wastewater Treatment Plant Upgrades, and the Pelham Sand Filter Recirculation System. A map of the entire system is included in Appendix C. The inventory table can be used to improve the current GIS to record new data for future AMP updates in one place.

One area of improvement noted for Grundy County is to record updated installation dates when replacements of assets are completed and assign Asset IDs for all known assets. Another area of improvement is to ensure that all the assets in the system have updated size/diameter information. Adding the newly updated wastewater treatment plant and the existing Pelham Sand Recirculation System to Grundy County's GIS record would greatly improve the quality of the information for future AMPs.

Based on available GIS information and as-builts, all assets were assigned estimated installation dates. The date of installation was used to complete the Utility Asset Life-Cycle, included in Appendix E. Each asset type was assigned a useful life in years. For example, wastewater aerators were assigned a useful life of 25 years, where sanitary sewer pipe was assigned 50 years. Using the installation dates, the age of each asset was estimated and compared to its assigned useful life. Based on these findings, each asset was assigned a status of Excellent, Fair, Poor and Satisfactory in the Life-Cycle category. Based on years in service and predicted life expectancy, the remaining useful life of each asset is determined.

The remaining useful life rank determines the Condition Capacity; this category is used throughout this AMP to report on the condition of Grundy County's sewer assets. These conditions include, "Unserviceable/ End of Life", indicating remaining useful life of 0-20%, "Significant Deterioration", indicating 20-40%, "Moderate Deterioration", indicating 40-60%, "Minor Deterioration", indicating 60-80%, and "New/ Excellent", indicating 80-100% remaining useful service life.

The overall Condition Capacity Category included in the AMP includes three separate scores that correlate to the remaining useful life ranking, the current asset capacity level of service, and the current asset condition. The Condition Capacity Category can be found in Appendix F. These scores were then combined to form the Likelihood of Failure (LOF) Score.

The LOF Scores of the assets were then combined with the consequence of failure of the assets. Using categories such as redundancy, population served, and public health/environmental concerns, the consequence of failure was assigned for each asset. The Probability and Consequence of Failure Category is included in Appendix G. Found in Appendix H is the Capital Improvement Needs Category, which ranks the assets, as well as adding an estimated price for each asset. This Category is then ranked in order of replacement importance, generating Appendix I, Asset Management Plan Report.

This ranking establishes an order of replacements for Grundy County to keep its system functioning. All assets that were deemed “Unserviceable/ End of Life” have priority to be replaced first. Assets of note that are considered “Unserviceable” include the recirculation pumps for the Pelham Sand Filtration System, as these pumps have a lifespan of 25 years, and were installed in 2001. This puts the pumps among the assets that require an inspection within the next year and for consideration of possible replacement.

Other assets that are ranked as currently in the significant deterioration category should be prioritized for replacement after all assets in the unserviceable category have been replaced or repaired. Decisions regarding asset repair should be made based on inspection of the asset by an employee of Grundy County or on data collected on the asset that includes repair and break information.

V. Grundy County Sewer System Overview

Grundy County's sewer assets consist of over 75,000 linear feet of force main collection pipes, as well as several thousand linear feet of laterals that collectively serve around 50 customers. Several improvements have been made to Coalmont WWTP recently. Said improvements include the replacement of the original three spray fields at Coalmont, as well as the addition of a fourth new spray field.

Table II: Grundy County Assets Overview

Asset Group	Quantity	Unit
Sewer Collection Piping	76,996	Linear Feet
Sewer Collection Valves	23	Each
Beersheba Springs Pump	1	Each
Aeration Basins	2	Each
Aerators	2	Each
Storage Lagoons	1	Each
Spray Pump Wet Well	1	Each
Maintenance and Lab Building	1	Each
Effluent Pumps	2	Each
Spray Fields	4	Each
Recirculation Tank	1	Each
Sand Recirculation Pumps	5	Each
Pelham Sand Recirculation	1	Each
Effluent Septic Tank	1	Each
Ultraviolet Disinfection System	1	Each

For infrastructure installed in 1993 and 2005, asset locations were assumed based on parcel data provided in as-built drawings. The asset description for each valve includes a parcel identification number for easy location identification. As-built data was not provided for valves installed prior to 1993.

Sewer Collection Piping

Grundy County owns and operates sewer pipe ranging in sizes from 2 inches to 10 inches diameter. Below is Figure I, a map displaying the locations of the collection piping system operated by Grundy County. Table III indicates the quantity of sewer collection pipes in linear feet of each size. This information is from GIS and as-builts provided by Grundy County.

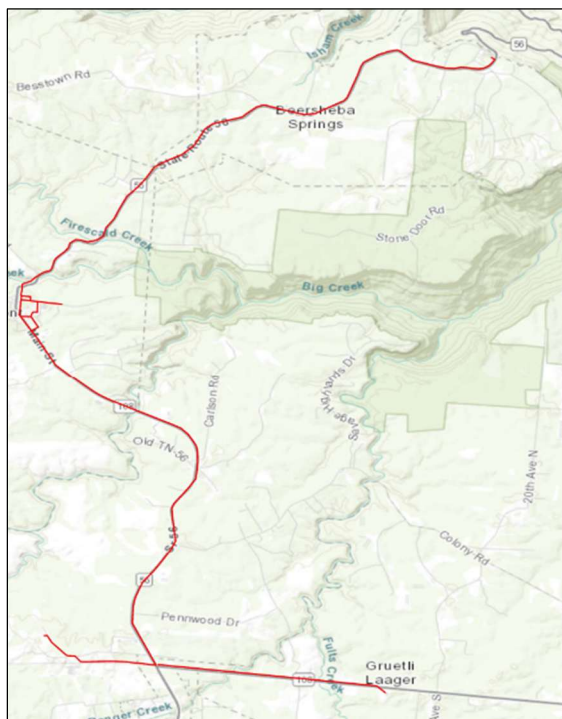


Figure I: Grundy County Sewer Piping Map

Table III: Grundy County Sewer Piping

Asset	Quantity (LF)
2 Inch Pipe	1,850
4 Inch Pipe	630
6 Inch Pipe	4,212
8 Inch Pipe	28,649
10 Inch Pipe	41,655

The sewer piping installation year was provided by the Grundy County Sewer System GIS, and as-built plans. The age of sewer piping for which the installation date was unknown was estimated from the age of known surrounding pipes, and from the provided As-Builts. Sewer collection piping has an expected useful service life of approximately 50 years. Based on this criterion, all of the sewer force main piping owned by Grundy County is in the “Minor Deterioration” category. Over 75,000 linear feet of the piping in

the system is “main” lines, which includes any lines equal to or larger than six (6) inches in diameter. GIS data for additions to the north portion of the system (Beersheba Springs) were derived from as-built drawings. The installation dates and material type were then recorded based on known pipes as described in as-built drawings and GIS database. The 2005 Beersheba Springs Sewer As-Built indicate “main” pipes in the system consist of PVC. The 1993 As-Built from the Coalmont WWTP construction include drawings of the pipe network leading to the plant, which is described as “10-Inch FM State Route 108” in the AMP. Pipes installed prior to 1993 and 2005 had unknown materials that cannot be determined without inspection of the pipes.

Sewer Valves

Information for the valves in Grundy County’s system was collected solely from As-Built drawings, any information on condition is based on the age of the surrounding pipes, as well as the known useful life and size of the valve. The as-builts show over 20 valves on the sanitary sewer additions. However, the existing force mains do not have valve data on the as-builts or GIS information. Valve types include Gate Valves, Blowoff Valves, and Air Release Valves. All valves are on the previously determined “main” lines, described as any pipe equal to or over six (6) inches in diameter. This determines the estimated replacement cost. The estimated useful life for valves was determined to be 50 years. Based on this criterion, all valves that were assigned age from 2005 as-built data were in “Minor Deterioration” Condition. Any valves not reported in the as-built drawings or GIS database could not be analyzed and were not included in the AMP.

Table IV: Grundy County Sewer System Valves

Asset	Quantity (LF)
Gate Valve	12
Air Release Valve	6
Blowoff Valve	5

Beersheba Springs Lift Station

Grundy County owns and operates one Lift Station for its sanitary sewer collection system. Grundy County provided as-built drawings of the Beersheba Springs Lift Station dated December 2005. This Lift Station connects to the Beersheba Springs 8-inch force main using a smaller 4-inch force main. Based on the 50 year useful life criterion, the Beersheba Springs Lift Station is considered to be in “Minor Deterioration” condition.

Coalmont Wastewater Treatment Plant

The Coalmont Wastewater Treatment Plant was constructed in 1997. The as-built drawings provided by Grundy County for upgrades to Coalmont as constructed in 2024 include three updated LAS spray fields, as well as the storage lagoon, two (2) aeration ponds, and updated flow meter vaults. Other Improvements made to the system include new pumps and motors from the Storage Lagoon to the spray fields, as well as replacement of the aerators, and the addition of a fourth spray field. This fourth spray field will add an approximately four (4) additional acres to the spray field area.

The estimated useful life for flow meter vaults and Influent flow measurements structures is 20 years. Based on this criterion, the condition of these assets is “New/ Excellent”. Aeration basins have an estimated useful life of 50 years and based on this criterion, both the north and south basins are considered to be in “Significant Deterioration” condition. The aerators within each of the aeration basins have an estimated life expectancy of 25 years; therefore, the aerators are in “Unserviceable/End of Life” condition. Storage lagoons have an estimated useful life of 50 years. The storage lagoon at Coalmont WWTP is considered to be in “Significant Deterioration” condition based on its age. The wet well structure has an estimated useful life of 50 years. Based on this criterion, the wet well is in “Significant Deterioration” condition. The estimated useful life expectancy of the effluent pumps going from the storage lagoon to the spray fields is 25 years, which puts the asset in “New/ Excellent” condition, as they were just replaced in the 2024 plant upgrade. The spray fields all have an estimated useful life of 50 years, putting all the spray fields in “New/ Excellent” Condition, as they were updated with new spray heads and PVC in 2024.

Table V: Grundy County Coalmont WWTP

Asset	Quantity (Each)
LAS- New Spray Field No.4	1
LAS- Spray Field No.1-3 Replacements	3
Aeration Basins	2
Aerators	2
Storage Lagoon	1
Maintenance and Lab Building	1
Flow Meter Vault and Flow Measurement device	1
Effluent Pumps	2
Spray Pump Station Wet Well	1

Pelham Sand Filter System

The Pelham Sand Filter System consists of a 30,000 GPD Recirculating Sand Filter, five (5) recirculation pumps, a 2,000-gallon septic pump tank, and an ultraviolet disinfection system. This information was collected using the as-builts provided by Grundy County. This sand filtration system serves the Town of Pelham, which has a population of around 500 people. The estimated useful life of recirculation tanks is 50 years. Based on this criterion, the recirculation tank is in “Minor Deterioration” condition. The estimated useful life of recirculating sand filters is also 50 years. Based on age, the sand filter is in “Minor Deterioration” condition. The pumps have an estimated useful life of 25 years; therefore, all five (5) of the pumps are in “Unserviceable/ End of Life” condition. The estimated useful life of the effluent septic tank is 50 years, which puts the tank in “Minor Deterioration” condition. The estimated useful life of the ultraviolet disinfection system is 25 years; therefore, the UV system is in “Unserviceable/ End of Life” condition.

Table VI: Pelham Sand Recirculation System

Asset	Quantity (Each)
Pelham Sand Filter Drainage System	1
Recirculation Tank (30,000 Gallon)	1
Recirculation Pumps	5
Effluent Septic Tank (2,000 Gallon)	1
Ultraviolet Disinfection System	1

VI. Level of Service

Level of service describes the safety, reliability, and functionality of the assets in the sewer system. Grundy County's level of service goals determine the maintenance practices required to upkeep the assets in the sewer system and ensure they are functioning properly and efficiently so Grundy County can continue to collect sanitary sewer from customers.

Best management practices hold the asset management team accountable for their commitment to the AMP goals and high levels of service. Preventative maintenance should be implemented when applicable to minimize large and often costly repairs. These practices provide guidelines to follow for the inspection and maintenance of Grundy County's sewer assets. Best management practices are to be used as the baseline level of service to the sewer system's assets.

Any service, inspection, or maintenance practices not implementing Grundy County's best management practices is not acceptable and does not uphold Grundy County's level of service goals for maintaining and improving the sewer system. Grundy County suggested best management practices are described in the paragraphs below.

GIS Mapping

Confirming the assets via survey and inspections to include the lift station, the material, size, and length of the collection pipes contained within the system, and all valves is imperative in understanding the health of the entire system, as well as keeping track of sewer cleanings and valve exercises within the system.

Valve Inspection and Exercising Program

Grundy County does not outline a valve inspection and exercise program for their sanitary sewer system. As the collection pipes for Grundy County were all recorded to have installation dates in 1993 and 2005, the same can be determined for the valves that service these pipes. Assuming that the valves are over 20 years old, the valves are all considered to be in "Minor Deterioration". An inspection would need to be performed to confirm the full extent of the condition of the valves. A visual inspection can aid in determining when build up would cause deficiencies in the sewer system. If not identified, corrosion in the pipes and leaks can occur. A recommendation to keep Grundy County's system in working order would be to inspect valves when leak/overflows or breaks are reported and develop a plan for valve exercising. A goal would be to ensure that 100% of the "main" valves within Grundy's system are exercised every year. There are under 30 valves in the as-builts provided, exercising these valves is imperative in maintaining the health of the system as it determines which valves are inoperative.

CCTV, Smoke Testing, and Sewer Jetting

CCTV sewer inspection, sewer jetting, and smoke testing can all be used to determine leaks within the Grundy County sewer system. Implementing smoke testing and CCTV is a necessary step in maintaining the level of service from Grundy County to its customers. Implementing a compilation of hard copy work orders to be in one system and a standard operating procedure for how they are responding to issues is important to quickly identify cracks.

Sewer CCTV is the level of service practice that improves the quality of sewer collection throughout the system. CCTV inspection will determine cracks and blockages in the system. This is beneficial for a system that is about 15 miles long, as Grundy County will be able to pinpoint where in the system the cracks have occurred quickly for repair. CCTV operators aim to inspect half a mile a day, given this information the CCTV inspection can be completed within a month. This information will create a digital record of inspection that can be input into GIS to map which parts of the system have been assessed and will require repair.

Lift Station Maintenance

The Beersheba Springs Lift Station does not have any services or maintenance best practices outlined by Grundy County. A recommendation for Grundy County would be to commit to visual inspections of the Lift Station weekly, this would include checking for debris around the lift station, as well as debris around the float switch, inspecting the pump, inspecting the electrical, valve vault, and wet wells. Making note of these inspections and keeping detailed records can aid in replacement schedules for the asset. This is all under the assumption that Grundy County has the necessary staff to complete weekly inspections.

Sewer Treatment Plant Maintenance

The Coalmont Wastewater Treatment Plant was recently updated with new spray heads and piping that will require maintenance in differing intervals. For example, checking for back pumping water into the system or the spray pump operation should be completed every other day, while mowing the ponds and the spray fields should be completed as necessary depending on season. Checking the sprayers to ensure they are working properly should be completed every other day, as well.

IT Infrastructure

Grundy County maintains three (3) separate networks in its operation. Located in the main office, Grundy County maintains one (1) local network serving employee laptop and desktop computer units throughout the facility. Grundy County maintains one (1) telephone notification network unit at the Beersheba Springs lift station, through which high-level and low-level alarms are alerted directly to the mobile phone(s) of on-call maintenance staff. Grundy County maintains one (1) telephone notification network unit at the Coalmont Wastewater Treatment Plant, through which maintenance alarms are alerted directly to the mobile phone(s) of on-call maintenance staff. This network supports the desktop computer units in the operations and maintenance building and phone calls made into and out of the wastewater treatment facility.

Annual Financial Report

Grundy County releases an annual financial report on June 30th of each year, this information is required by the Comptroller of Tennessee. The annual financial report allows Grundy County to reflect on yearly spending, identify revenue streams, and consider possible items resulting in excessive expenditures. The annual financial report records the money used for various circumstances to help determine excess spending or the possibility of a leak throughout the sewer system. The annual financial report consists of

net position, cash flow, financial statements, federal awards, revenues and expenses, insurance, and various other factors involving budget.

VII. Critical Assets

Critical Assets are sewer assets that are vital to the sewer system. If these assets were to fail, experience diminished performance, or be out of service for an extended period of time, they would result in dire consequences and negative impact to the sewer system. Assets can qualify as critical for various reasons. Assets that are essential to the collection of sewers throughout the system (i.e., treatment facilities, lift stations) or the efficiency of the sewer system overall shall be considered critical in this AMP. The criticality of assets should be considered when determining the level of investment of personnel and financial resources.

The AMP includes a criticality table, Probability and Consequence of Failure, located in Appendix G. The probability and consequence of failure criteria include redundancy, population effected by failure, regulatory impact of failure, and public health or environmental concern of failure. Each asset was identified as either having a back-up asset on hand/easily acquired or none and provided a score of either 2 or 4, yes or no, respectively. The population served by each asset was identified being between 0-20%, 20-40%, 40-60%, 60-80%, and 80-100% of the system's customers, and provided a score between 1 and 5. Each asset was provided with a score based on if its failure would cause regulatory violations: 2 and 4, no and yes, respectively. Lastly, each asset was provided a score based on if the asset failure would lead to public health or environmental concerns. The scores were 2 and 4, no and yes, respectively. The final Asset Criticality Score was generated by multiplying the risk of failure score times the aggregate of the consequence of failure scores. The criticality score was then used to rank the criticality of all assets included in the table.

Large sewer mains are critical within the system due to the large amounts of sewage they collect and the pressure and flow they provide. If a blockage or break were to occur in a large pipe, there would be major environmental consequences and decreased service quality for affected customers in Grundy County. The length of the Beersheba 8-inch and the 10-inch Altamont force mains comprise over 50,000 linear feet of pipe, a break from these pipes would be critical to the system. Using GIS to its full potential to mark where valves are along "main" lines will greatly improve the ability to repair breaks in the system.

A criticality hierarchy shall be developed to aid Grundy County in making prioritization decisions for asset repairs, replacements, and upgrades to maximize utility and minimize cost. Assets that are past their useful service lives, underperforming (i.e., pipes experiencing leaks or breaks), or in "unserviceable" condition are categorized as being in critical condition due to their higher risk of failure. Such assets shall be treated as critical in this AMP for determining asset repair and replacement order. Critical assets shall be at the top of the hierarchy as Grundy County plans for replacements of aged and failing assets, and repairs of salvageable assets for which service life can be prolonged.

VIII. Minimizing Life Cycle Costs- Capital Improvement Plan

Now that Grundy County has completed their inventory, determined the current condition of assets, assigned criticality, all components are now collected to prioritize the repair, rehabilitation, and replacement of the capital assets. The estimated monetary contribution a municipality makes towards the operating, capital, and maintenance of an asset in the time span of its operating life is known as the asset's life cycle cost. Life cycle costs include acquisition, installation, maintenance activities (calibration, inspection, exercising, flushing, etc.), retirement or removal, and replacement of the asset.

The AMP includes the initial price of each asset, historical inflation rates, estimated replacement costs in current dollars, an expected replacement date, the asset's condition, and the asset's criticality. The utilized template provides an asset priority ranking for every asset. The Capital Improvement Needs worksheet can be found in Appendix H.

The AMP serves to rank improvements to the high priority, critical assets that need to be repaired and/or replaced to elevate from a category of "Unserviceable/End of Life" to "New/Excellent". Although the provided template outlines organization and prioritization of assets, it is imperative that Grundy County staff review the information and provide input. The final AMP Report can be found Appendix I. The completion of all the projects that are designated "Unserviceable/End of Life" will cost Grundy County approximately \$115,000. These costs mainly consist of upgrades to the Pelham Sand Filtration System and Coalmont WWTP, including five (5) recirculation pumps, the aerators from the aeration basins, and the UV disinfection system.

Table VII: Percent Unserviceable and Cost of Replacement or Repair

Type	Total number of Asset	Percent Unserviceable	Cost of replacement/repair
Sanitary Sewer Pipes	76,996 linear feet	0%	\$0
Sewer Valves	23 Each	0%	\$0
Lift Station	1 Each	0%	\$0
Sand Filtration	8 Each	75%	\$95,000
WWTP	14 Each	15%	\$20,000
TOTAL			\$115,000

Instead of replacing all assets within this designation, it is recommended that Grundy County review these specific assets, perform a complete inspection, and issue repairs/replacement on an as-needed basis. Assets such as the UV disinfection system could be in "Minor Deterioration" condition based on a visual inspection, as there is a concrete structure protecting it. Project costs have increased significantly due to inflation factors in construction, but the County has additional revenue to continue to replace or repair unserviceable assets. These projects could be completed over the next year using capital budget. Once all assets have improved out of this category, Grundy County should consider the rehabilitation of assets designated as "Significant Deterioration". Assets such as the north and south aeration basins are most likely only in need of cleanings or visual inspections to maintain the asset's condition and return them in "Minor Deterioration" condition.

IX. Long-Term Funding Plan

Implementing and continuing the best management practices, asset repairs and rehabilitation, and asset replacements are actions that are not inexpensive and require proper funding to complete. Monetary investment in the sewer system in the form of rehabilitation efforts shall extend the useful service life of its assets and improve the overall health of the system. If a utility were to only make small investments in their sewer assets, the total replacement will only delay the financial burden that comes with large-scale replacements and upgrades. With emergency repairs, such as leaks and breaks, comes sewer collection losses that are costly and require significant man-hours to resolve.

A working sewer budget worksheet was developed for Grundy County to provide a simplified version of the County's financial position with respect to their earnings and spending. Grundy County provided Croy Engineering LLC. with an annual financial report for the year 2024 to assist in creating the budget worksheet. The document contains the approved revenues and expenses for Grundy County's 2024 annual financial report. The 2024 Sewer-Only Budget Worksheet is displayed in Figure II.

Revenues

Grundy County collected \$150,397.00 in revenue for the year 2024. Grundy County's sewer revenues consist of sewer service fees, general service fees, and various other factors. All of Grundy County's revenue comes from charges for services.

Expenses

Grundy County spent \$144,585.00 on the sewer system for 2024. Grundy County's sewer expenses consist of operating and maintenance, communication, testing, electricity, and miscellaneous charges.

In case of an emergency, Grundy County has insurance budgeted to finance any unanticipated issues that may arise. If no other option is applicable for Grundy County, then they shall fall back on net income to fund emergency repairs or system improvements if necessary.

Funding Plan

As shown in Figure IX, Grundy County has a change in net position of approximately \$5,812.00. To complete the projects included in the Capital Improvement Plan, \$115,000.00 is required. These capital projects will fluctuate each year depending on the determined need. These funds cannot be comprised of grants and loans alone but will rather need to be incorporated into a larger rate study. Every year, Grundy County will have to budget for the "Unserviceable/ End of Life" assets within their system to be updated or replaced until all assets are in either "Minor Deterioration" or "New/Excellent" Condition. From there, preventative maintenance will be imperative to ensure that all assets remain in "Minor Deterioration" Condition.

X. Conclusions and Recommendations

To continue to provide the service and reliability to Grundy County's customers, continuous review of the AMP and Capital Improvement Plan must occur. Replacing assets that are beyond their useful service life of 25-50 years will require significant capital. The capital budget to repair or replace all known current assets beyond their useful service life is approximately \$115,000. Preventative maintenance remains a cost-effective strategy to avoid large-scale replacements.

The creation of a concise database system including all sewer asset data will be beneficial for the future iterations of the AMP and Grundy County's sewer asset inventory. Age is often the best indicator of underground asset condition. Grundy County should log installation or replacement dates for all assets upon completion. Rehabilitation and repair notes can benefit Grundy County by removing assets on the Capital Improvement Needs Worksheet when repairs are made that extend the useful life of the asset and resolve performance issues that caused the asset's condition criticality.

Implementing asset management best practices and analyzing Grundy County's GIS data shall assist Grundy County in identifying critical condition assets and in prioritizing system improvements to prevent upcoming failure events. Grundy County shall provide superior service to its residents and commercial users by implementing the best management practices outline throughout this AMP and continuing to improve its sewer distribution system as needed. Grundy County's commitment to asset management demonstrates their commitment to the safety, health, and satisfaction of their customers.

The Grundy County AMP shall be revised every year to include updated asset conditions, level of service initiatives, and long-term financial planning. Any changes shall be included in future revisions.

Appendix A

Utility Information

TENNESSEE ASSET MANAGEMENT PLAN

UTILITY NAME:	Grundy County			
UTILITY LOCATION:	68 Cumberland Street Altamont, TN 37301			
CONTACT INFORMATION:	Name:	Michael Brady	Title:	County Mayor
	Phone Number:	931-692-3718	Email:	Grundymayor@yahoo.com
	Name:		Title:	
	Phone Number:		Email:	
PERMIT NUMBER:	92067			
NUMBER OF EMPLOYEES:	1			
NUMBER OF CONNECTIONS:	52			
DATE ESTABLISHED:	Jul-25			
DATE UPDATED:	N/A			
SYSTEM CAPACITY:				
POPULATION SERVED:	135			
ASSESOR NAME:	Paige Benson, PE - Croy Engineering			

Appendix B

Infrastructure Scorecard

Page 11

Name of Entity:	Grundy County				
Office Address:	68 Cumberland Street				
City:	Altamont	State:	TN	Zip Code:	37301
County:	Grundy				
Primary Community Served:	Coalmont		Population:	135	
ATPI:	0				
Utility Type:	County				
Number of Wastewater Connections:	52				
Number of Employees:	1 Full-time		0 Part-Time		

NPDES

92067

UTILITY CONTACT LIST

Name	Title	Phone	Email
Michael Brady	County Mayor	9316923718	grundymayor@yahoo.com

REPORTING REQUIREMENTS

Entity Fiscal Year:	June
Date of Last Audit:	2021
Adverse Audit Findings:	Yes
Notes:	none

REGIONALIZATION

Has the system considered any regional cooperative efforts?	Yes
Does the system have written or verbal agreements with neighboring utilities?	Yes

ASSET MANAGEMENT		INFLOW and INFILTRATION	
Asset Mangement Plan	No	Inflow and Infiltration	33%
GIS Mapping	0-25%	Millions of Gallons/year	8.76
Inventory and Condition Assessment	<50%	Treatment Cost/year	\$586,920.00
Planned O&M and Work Order System	No		
Meter Testing & Changeouts	No		
Capital Improvement Plan & Budget	No		
IT Infrastructure	No		

MODERNIZATION

Wastewater Plant >80% Capacity	Yes
Age of Wastewater Treatment Plant	10-30 years
Percentage of lines older than 50 years	0-25%

COMPLIANCE

Meeting Wastewater Permit Requirements	No
State Mandated Compliance Order (WW)	No
Meeting Order Requirements (WW)	NA

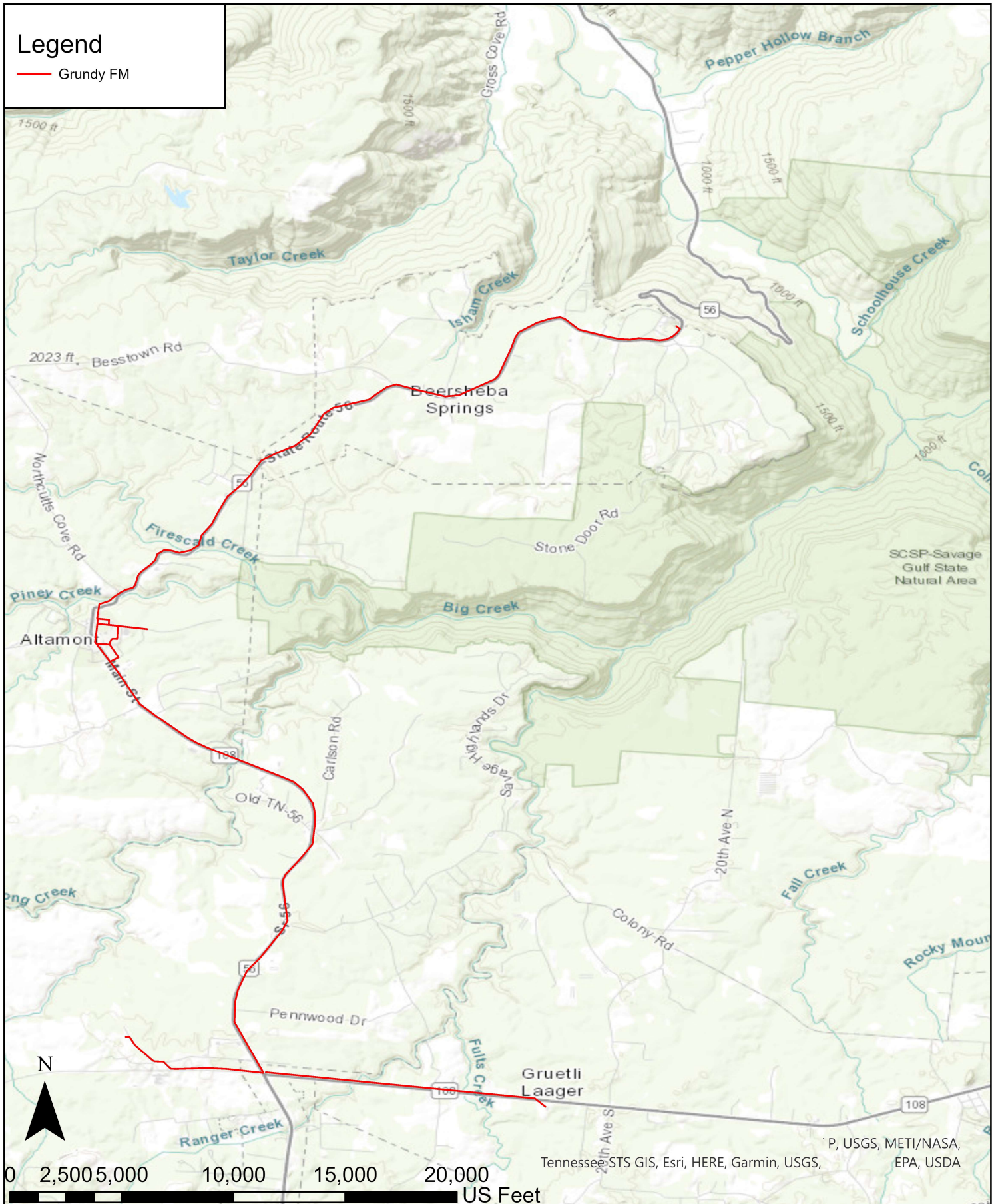
STORMWATER

Stormwater Management Plan	N/A
System-Wide Map	N/A

Appendix C

GIS Map

GRUNDY SEWER SYSTEM FORCE MAINS



Appendix D

Asset Inventory

ASSET INVENTORY INFORMATION												
ASSET LOCATION	ASSET NAME	ASSET ID (MUST BE UNIQUE)	ASSET CATEGORY	ASSET TYPE	MODEL/SERIAL NUMBER	ASSET DESCRIPTION	ASSET SIZE	GIS LONGITUDE	GIS LATITUDE	INSTALL DATE	REPAIR/REPLACE MENT HISTORY	
Sewer_Collection	Sewer Pipe	8-inch Beersheba Springs FM	Transmission line	Main	PVC	28,640 LF	8	-85.720864	35.433108	2005		
Sewer_Collection	Sewer Pipe	4-inch Beersheba Springs FM	Transmission line	Main	PVC	630 LF	4	-85.720864	35.433108	2005		
Sewer_Collection	Sewer Pipe	10-inch Altamont FM	Transmission line	Main	Unknown	31,169 LF	10	-85.722777	35.29256	2005		
Sewer_Collection	Sewer Pipe	10-inch FM State Route 108	Transmission line	Main	Unknown	10,486 LF	10	-85.694233	35.374389	1993		
Sewer_Collection	Sewer Pipe	6-inch PVC Spring Street to Maple Street	Transmission line	Main	PVC	2,440 LF	6	-85.721999	35.400724	2005		
Sewer_Collection	Sewer Pipe	6-inch PVC FM Virginia Street	Transmission line	Main	Unknown	1,772 LF	6	-85.720547	35.421793	2005		
Sewer_Collection	Sewer Pipe	2-inch FM Fitch Town Road	Transmission line	Service Line	PVC	1,850 LF	2	-85.71752	35.4296	2005		
Sewer_Collection	Gate Valve	Gate Valve on Virginia Street for County Buildings (15 /35-M) (Vernon Ave. and Virginia Street)	Valves	Valve		Gate Valve on 6-inch F.M. on gravel road behind County Buildings	6	-85.720173	35.428487	2005		
Sewer_Collection	Gate Valve	Gate Valve on Virginia Street for County Buildings (15 /35-M)	Valves	Valve		Gate Valve on 6-inch F.M. on gravel road behind County Buildings	6	-85.720173	35.428487	2005		
Sewer_Collection	Gate Valve	Gate Valve on 6-inch F.M. Fitch Town Road (3.02 /35-M)	Valves	Valve		Gate Valve on 6-inch F.M. Fitch Town Road	6	-85.721219	35.420113	2005		
Sewer_Collection	Gate Valve	Gate Valve on 6-inch F.M. Fitch Town Road (Corner of Maple Street and Fitch Town Road)	Valves	Valve		Gate Valve on 6-inch F.M. Fitch Town Road	6	-85.72013	35.4299	2005		
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 6-inch F.M. Outside Altamont (14 /36)	Valves	Valve		Gate Valve on Highway 56 6-inch F.M. Outside Altamont	6	-85.71714	35.436632	2005		
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 6-inch F.M. Outside Altamont (2 /36)	Valves	Valve		Gate Valve on Highway 56 6-inch F.M. Outside Altamont	6	-85.705435	35.446793	2005		
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 6-inch F.M. Outside Altamont (Opposite of 25 /36)	Valves	Valve		Gate Valve on Highway 56 6-inch F.M. Outside Altamont	6	-85.686676	35.459382	2005		
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 6-inch F.M. Outside Altamont (32 /27)	Valves	Valve		Gate Valve on Highway 56 6-inch F.M. Outside Altamont	6	-85.698794	35.4551	2005		
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 6-inch F.M. Outside Altamont (9 /26)	Valves	Valve		Gate Valve on Highway 56 6-inch F.M. Outside Altamont	6	-85.665319	35.467472	2005		
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 4-inch F.M. Outside Altamont by Septic Tank (Methodist Church Lot)	Valves	Valve		Gate Valve on Highway 56 4-inch F.M. Outside Altamont by Septic Tank	4	-85.651685	35.466824	2005		
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 4-inch F.M. Outside Altamont by Septic Tank (Methodist Church Lot)	Valves	Valve		Gate Valve on Highway 56 4-inch F.M. Outside Altamont by Septic Tank	4	-85.651685	35.466824	2005		
Sewer_Collection	Blowoff Valve	Blowoff Valve for 6-inch on Highway 56 F.M. (16.01 /35)	Valves	Valve		Blowoff Valve for 6-inch on Highway 56 F.M.	6	-85.72091	35.433432	2005		
Sewer_Collection	Blowoff Valve	Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont (10 /36)	Valves	Valve		Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont	6	-85.712339	35.438883	2005		
Sewer_Collection	Blowoff Valve	Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont (Timber Drive, Parcel 25 /36)	Valves	Valve		Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont	6	-85.702157	35.450203	2005		
Sewer_Collection	Blowoff Valve	Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont (17.02 /27, 25 /36)	Valves	Valve		Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont	6	-85.69578	35.454437	2005		
Sewer_Collection	Blowoff Valve	Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont (Between 32 /27 and 33 /27)	Valves	Valve		Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont	6	-85.689701	35.457568	2005		
Sewer_Collection	Blowoff Valve	Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont (17 /27)	Valves	Valve		Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont	6	-85.671441	35.465018	2005		
Sewer_Collection	Air Release Valve	Air Release Valve for 6-inch PVC F.M. on Lake Avenue (Across 25 /35-M)	Valves	Valve		Air Release Valve for 6-inch PVC F.M. on Lake Avenue	6	-85.720818	35.425739	2005		
Sewer_Collection	Air Release Valve	Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont (14 /36)	Valves	Valve		Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont	6	-85.71714	35.436632	2005		
Sewer_Collection	Air Release Valve	Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont (2 /36)	Valves	Valve		Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont	6	-85.705435	35.446793	2005		
Sewer_Collection	Air Release Valve	Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont (Across 25 /36)	Valves	Valve		Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont	6	-85.693243	35.456725	2005		
Sewer_Collection	Air Release Valve	Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont (32 /27)	Valves	Valve		Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont	6	-85.686676	35.459382	2005		
Sewer_Collection	Air Release Valve	Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont (9 /26)	Valves	Valve		Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont	6	-85.665232	35.467423	2005		
Sewer_Plant	WWTP	Flow Meter Vault/ Influent Flow Measurement Structure	Other	Other	150 psi Strap-on Saddle Meter (Hach)	10" DIP (FLGxFLG) with existing pipe to North and South Pond		-85.719705	35.379107	2024	2024	
Sewer_Plant	WWTP	North Aeration Basin	Aeration	Basin		6" DIP to Storage Lagoon, 0.89 mg volume		-85.719705	35.379107	1993		
Sewer_Plant	WWTP	South Aeration Basin	Aeration	Basin		One Aerator with another on Standby (Shp)		-85.719705	35.379107	1993		
Sewer_Plant	WWTP	South Aeration Basin - Aerator	Aeration	Aerator		6" DIP to Storage Lagoon, 0.89 mg volume		-85.719705	35.379107	1993		
Sewer_Plant	WWTP	Storage Lagoon	Aeration	Storage		One Aerator with another on Standby (Shp)		-85.719705	35.379107	1993		
Sewer_Plant	WWTP	Maintenance and Lab Building	Lab	Lab		6 Million Gallons effective storage, compacted clay lining		-85.719705	35.379107	1993		
Sewer_Plant	WWTP	Spray Pump Station Wet Well	Other	Pump Station		No update to existing structure		-85.719705	35.379107	1993		
Sewer_Plant	WWTP	Effluent Pump #1	Other	Pump		Connected to 6" DIP Class 50, and to the existing 6" Flange, as well as the Propeller Meter		-85.719705	35.379107	1993		
Sewer_Plant	WWTP	Effluent Pump #2	Other	Pump		Guthrie Pump, 20HP, Constant Duty Motor (10M 7000 AW)		-85.719705	35.379107	2024	2024	
Sewer_Plant	WWTP	LAS - Sprayfield 1	Other	Sprayfield		Guthrie Pump, 20HP, Constant Duty Motor (10M 7000 AW)		-85.719705	35.379107	2024	2024	
Sewer_Plant	WWTP	LAS - Sprayfield 2	Other	Sprayfield		Spray Field No 1 Replacement 27 Heads, New PVC		-85.719705	35.379107	2024	2024	
Sewer_Plant	WWTP	LAS - Sprayfield 3	Other	Sprayfield		Spray Field No 2 Replacement, 26 Heads, New PVC		-85.719705	35.379107	2024	2024	
Sewer_Plant	WWTP	LAS - Sprayfield 4	Other	Sprayfield		Spray Field No 3 Replacement, 26 Heads, New PVC		-85.719705	35.379107	2024	2024	
Sewer_Plant	WWTP	Recirculation Tank	Filtration	Tank		New Spray Field No 4, 18 Heads, New PVC		-85.719705	35.379107	2024	2024	
Sewer_Plant	WWTP	30,000 Gallon Recirculation Sand Filter	Filtration	Filter		No updated noted to existing system		-85.87867	35.311775	2001		
Sewer_Plant	WWTP	Recirculation Pump 1	Filtration	Pump		30,000 GPD Recirculating Sand Filter		-85.87867	35.311775	2001		
Sewer_Plant	WWTP	Recirculation Pump 2	Filtration	Pump		2" PVC going to the sand filter, housed within the recirculation tank		-85.87867	35.311775	2001		
Sewer_Plant	WWTP	Recirculation Pump 3	Filtration	Pump		2" PVC going to the sand filter, housed within the recirculation tank		-85.87867	35.311775	2001		
Sewer_Plant	WWTP	Recirculation Pump 4	Filtration	Pump		2" PVC going to the sand filter, housed within the recirculation tank		-85.87867	35.311775	2001		
Sewer_Plant	WWTP	Recirculation Pump 5	Filtration	Pump		2" PVC going to the sand filter, housed within the recirculation tank		-85.87867	35.311775	2001		
Sewer_Plant	WWTP	2,000 Gallon Effluent Septic Pump Tank	Other	Pump Tank		2" PVC going to the sand filter, housed within the recirculation tank		-85.87867	35.311775	2001		
Sewer_Plant	WWTP	Ultraviolet Disinfection System	Disinfection	UV System		Housed inside of Building from the effluent pump tank		-85.87867	35.311775	2001		
Sewer_Collection	Beersheba Springs pump	Beersheba Springs Lift Station	Other	Lift Station		Housed inside of Building from the effluent pump tank		-85.652297	35.46766	2005		
						One Manhole, 8" PVC french drain to daylight, reinforced concrete headwall		-85.652297	35.46766	2005		

Appendix E

Utility Asset Life Cycle

ASSET LIFE-CYCLE								
ASSET LOCATION	ASSET NAME	ASSET ID	INSTALL DATE	USEFUL LIFE (YEARS)	RECENT ASSET REVIEW	YEARS IN USE	REMAINING USEFUL LIFE (YEARS)	% USEFUL LIFE REMAINING
Sewer_Collection	Transmission line	8-Inch Beersheba Springs FM	2005	50	Satisfactory	20	30	60
Sewer_Collection	Transmission line	4-Inch Beersheba Springs FM	2005	50	Satisfactory	20	30	60
Sewer_Collection	Transmission line	10-Inch Altamont FM	2005	50	Satisfactory	20	30	60
Sewer_Collection	Transmission line	10-Inch FM State Route 108	1993	50	Fair	32	18	36
Sewer_Collection	Transmission line	6-Inch PVC Spring Street to Maple Street	2005	50	Satisfactory	20	30	60
Sewer_Collection	Transmission line	6-Inch PVC FM Virginia Street	2005	50	Satisfactory	20	30	60
Sewer_Collection	Transmission line	2-Inch FM Fitch Town Road	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Gate Valve on Virginia Street for County Buildings (15 /35-M) (Vernon Ave. and Virginia Street)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Gate Valve on Virginia Street for County Buildings (15 /35-M)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Gate Valve on 6-Inch F.M. Fitch Town Road (3.01 /35-M)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Gate Valve on 6-Inch F.M. Fitch Town Road (Corner of Maple Street and Fitch Town Road)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (14 /36)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (2 /36)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (Opposite of 25 /36)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (32 /27)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (9 /26)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Gate Valve on Highway 56 4-Inch F.M. Outside Altamont by Septic Tank (Methodist Church Lot)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Gate Valve on Highway 56 4-Inch F.M. Outside Altamont by Septic Tank (Methodist Church Lot)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Blowoff Valve for 6-Inch on Highway 56 F.M. (16.01 /35)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (10 /36)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (Timber Drive, Parcel 25 /36)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (17.02 /27, 25 /36)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (Between 32 /27 and 33 /27)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (77 /27)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Air Release Valve for 6-Inch PVC F.M. on Lake Avenue (Across 25 /35-M)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (14 /36)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (2 /36)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (Across 25 /36)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (32 /27)	2005	50	Satisfactory	20	30	60
Sewer_Collection	Valves	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (9 /26)	2005	50	Satisfactory	20	30	60
Sewer_Plant	Other	Flow Meter Vault/ Influent Flow Measurement Structure	2024	20	Excellent	1	19	95
Sewer_Plant	Aeration	North Aeration Basin	1993	50	Fair	32	18	36
Sewer_Plant	Aeration	North Aeration Basin - Aerator	1993	25	Poor	32	-7	-28
Sewer_Plant	Aeration	South Aeration Basin	1993	50	Fair	32	18	36
Sewer_Plant	Aeration	South Aeration Basin - Aerator	1993	25	Poor	32	-7	-28
Sewer_Plant	Aeration	Storage Lagoon	1993	50	Fair	32	18	36
Sewer_Plant	Lab	Maintenance and Lab Building	1993	75	Satisfactory	32	43	57.33333333
Sewer_Plant	Other	Spray Pump Station Wet Well	1993	50	Fair	32	18	36
Sewer_Plant	Other	Effluent Pump #1	2024	25	Excellent	1	24	96
Sewer_Plant	Other	Effluent Pump #2	2024	25	Excellent	1	24	96
Sewer_Plant	Other	LAS - Sprayfield 1	2024	50	Excellent	1	49	98
Sewer_Plant	Other	LAS - Sprayfield 2	2024	50	Excellent	1	49	98
Sewer_Plant	Other	LAS - Sprayfield 3	2024	50	Excellent	1	49	98
Sewer_Plant	Other	LAS - Sprayfield 4	2024	50	Excellent	1	49	98
Sewer_Plant	Filtration	Recirculation Tank	2001	50	Satisfactory	24	26	52
Sewer_Plant	Filtration	30,000 Gallon Recirculation Sand Filter	2001	50	Satisfactory	24	26	52
Sewer_Plant	Filtration	Recirculation Pump 1	2001	25	Poor	24	1	4
Sewer_Plant	Filtration	Recirculation Pump 2	2001	25	Poor	24	1	4
Sewer_Plant	Filtration	Recirculation Pump 3	2001	25	Poor	24	1	4
Sewer_Plant	Filtration	Recirculation Pump 4	2001	25	Poor	24	1	4
Sewer_Plant	Filtration	Recirculation Pump 5	2001	25	Poor	24	1	4
Sewer_Plant	Other	2,000 Gallon Effluent Septic Pump Tank	2001	50	Satisfactory	24	26	52
Sewer_Plant	Disinfection	Ultraviolet Disinfection System	2001	25	Poor	24	1	4
Sewer_Collection	Other	Beersheba Springs Lift Station	2005	50	Satisfactory	20	30	60

Appendix F

Asset Condition Capacity

ASSET CONDITION CAPACITY											
ASSET LOCATION	ASSET NAME	ASSET ID	ASSET TYPE	% USEFUL LIFE REMAINING	% REMAINING USEFUL LIFE RANK	SCORE	CURRENT ASSET CAPACITY LEVEL OF SERVICE	SCORE2	CURRENT ASSET CONDITION	SCORE3	LIKELIHOOD OF FAILURE SCORE
8-Inch Beersheba Springs FM	Transmission line		Main	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
4-Inch Beersheba Springs FM	Transmission line		Main	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
10-Inch Altamont FM	Transmission line		Main	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
10-Inch FM State Route 108	Transmission line		Main	36	4 - 20-40%	4	Moderately Below Current LOS	4	Significant Deterioration	4	12
6-Inch PVC Spring Street to Maple Street	Transmission line		Main	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
6-Inch PVC FM Virginia Street	Transmission line		Main	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
2-Inch FM Fitch Town Road	Transmission line		Service Line	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Gate Valve on Virginia Street for County Buildings (15 /35-M) (Vernon Ave. and Virginia Street)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Gate Valve on Virginia Street for County Buildings (15 /35-M)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Gate Valve on 6-Inch F.M. Fitch Town Road (3.01 /35-M)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Gate Valve on 6-Inch F.M. Fitch Town Road (Corner of Maple Street and Fitch Town Road)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (14 /36)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (2 /36)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (Opposite of 25 /36)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (32 /27)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (9 /26)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Gate Valve on Highway 56 4-Inch F.M. Outside Altamont by Septic Tank (Methodist Church Lot)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Gate Valve on Highway 56 4-Inch F.M. Outside Altamont by Septic Tank (Methodist Church Lot)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Blowoff Valve for 6-Inch on Highway 56 F.M. (16.01 /35)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (10 /36)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (Timber Drive, Parcel 25 /36)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (17.02 /27, 25 /36)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (Between 32 /27 and 33 /27)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (77 /27)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Air Release Valve for 6-Inch PVC F.M. on Lake Avenue (Across 25 /35-M)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (14 /36)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (2 /36)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (Across 25 /36)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (32 /27)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (9 /26)	Valves		Valve	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Flow Meter Vault/ Influent Flow Measurement Structure	Other		Other	95	1 – 90-100%	1	New/Greatly Exceeds LOS	1	New/Excellent	1	3
North Aeration Basin	Aeration		Basin	36	4 - 20-40%	4	Moderately Below Current LOS	4	Significant Deterioration	4	12
North Aeration Basin - Aerator	Aeration		Aerator	-28	5 - 0-20%	5	Significantly Below LOS	5	Unserviceable/End Of Life	5	15
South Aeration Basin	Aeration		Basin	36	4 - 20-40%	4	Moderately Below Current LOS	4	Significant Deterioration	4	12
South Aeration Basin - Aerator	Aeration		Aerator	-28	5 - 0-20%	5	Significantly Below LOS	5	Unserviceable/End Of Life	5	15
Storage Lagoon	Aeration		Storage	36	4 - 20-40%	4	Moderately Below Current LOS	4	Significant Deterioration	4	12
Maintenance and Lab Building	Lab		Lab	57.33333333	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Spray Pump Station Wet Well	Other		Pump Station	36	4 - 20-40%	4	Moderately Below Current LOS	4	Significant Deterioration	4	12
Effluent Pump #1	Other		Pump	96	1 – 90-100%	1	New/Greatly Exceeds LOS	1	New/Excellent	1	3
Effluent Pump #2	Other		Pump	96	1 – 90-100%	1	New/Greatly Exceeds LOS	1	New/Excellent	1	3
LAS - Sprayfield 1	Other		Sprayfield	98	1 – 90-100%	1	New/Greatly Exceeds LOS	1	New/Excellent	1	3
LAS - Sprayfield 2	Other		Sprayfield	98	1 – 90-100%	1	New/Greatly Exceeds LOS	1	New/Excellent	1	3
LAS - Sprayfield 3	Other		Sprayfield	98	1 – 90-100%	1	New/Greatly Exceeds LOS	1	New/Excellent	1	3
LAS - Sprayfield 4	Other		Sprayfield	98	1 – 90-100%	1	New/Greatly Exceeds LOS	1	New/Excellent	1	3
Recirculation Tank	Filtration		Tank	52	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
30,000 Gallon Recirculation Sand Filter	Filtration		Filter	52	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Recirculation Pump 1	Filtration		Pump	4	5 - 0-20%	5	Significantly Below LOS	5	Unserviceable/End Of Life	5	15
Recirculation Pump 2	Filtration		Pump	4	5 - 0-20%	5	Significantly Below LOS	5	Unserviceable/End Of Life	5	15
Recirculation Pump 3	Filtration		Pump	4	5 - 0-20%	5	Significantly Below LOS	5	Unserviceable/End Of Life	5	15
Recirculation Pump 4	Filtration		Pump	4	5 - 0-20%	5	Significantly Below LOS	5	Unserviceable/End Of Life	5	15
Recirculation Pump 5	Filtration		Pump	4	5 - 0-20%	5	Significantly Below LOS	5	Unserviceable/End Of Life	5	15
2,000 Gallon Effluent Septic Pump Tank	Other		Pump Tank	52	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6
Ultraviolet Disinfection System	Disinfection		UV System	4	5 - 0-20%	5	Significantly Below LOS	5	Unserviceable/End Of Life	5	15
Beersheba Springs Lift Station	Other		Lift Station	60	2 – 60-80%	2	Exceeds Current LOS	2	Minor Deterioration	2	6

Appendix G

Probability and Consequence of Failure

PROBABILITY AND CONSEQUENCE OF FAILURE																
ASSET LOCATION	ASSET NAME	ASSET ID	ASSET TYPE	LIKELIHOOD OF FAILURE SCORE	REDUNDANCY - Does the utility have a back-up asset on hand, or could one be easily acquired?	SCORE	Size	POPULATION Population served affected by failure.	SCORE2	COMPLIANCE - Could asset failure lead to regulatory violations?	SCORE3	PUBLIC HEALTH & ENVIRONMENTAL CONCERNS - Could asset failure lead to public health or environmental concerns?	SCORE4	ASSET CRITICALITY	ASSET CRITICALITY	RANK
8-inch Beersheba Springs FM			Main	6	2 - Yes	2	8	4 - 50-80%	4	2 - No	2	4 - Yes	4	72	8	21
4-inch Beersheba Springs FM			Main	6	2 - Yes	2	4	5 - 80-100%	5	2 - No	2	4 - Yes	4	78	9	15
10-inch Altamont FM			Main	6	2 - Yes	2	10	5 - 80-100%	5	2 - No	2	4 - Yes	4	78	9	16
10-inch FM State Route 108			Main	12	2 - Yes	2	10	5 - 80-100%	5	2 - No	2	4 - Yes	4	156	9	13
6-inch PVC Spring Street to Maple Street			Main	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	22
6-inch PVC FM Virginia Street			Main	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	23
2-inch FM Fitch Town Road			Service Line	6	2 - Yes	2	2	1 - 0-20%	1	2 - No	2	2 - No	2	42	5	54
Gate Valve on Virginia Street for County Buildings (15 /35-M) (Vernon Ave. and Virginia Street)			Gate Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	24
Gate Valve on Virginia Street for County Buildings (15 /35-M)			Gate Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	25
Gate Valve on 6-inch F.M. Fitch Town Road (3.01 /35-M)			Gate Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	26
Gate Valve on 6-inch F.M. Fitch Town Road (Corner of Maple Street and Fitch Town Road)			Gate Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	27
Gate Valve on Highway 56 6-inch F.M. Outside Altamont (14 /36)			Gate Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	28
Gate Valve on Highway 56 6-inch F.M. Outside Altamont (2 /36)			Gate Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	29
Gate Valve on Highway 56 6-inch F.M. Outside Altamont (Opposite of 25 /36)			Gate Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	30
Gate Valve on Highway 56 6-inch F.M. Outside Altamont (32 /27)			Gate Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	31
Gate Valve on Highway 56 6-inch F.M. Outside Altamont (9 /26)			Gate Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	32
Gate Valve on Highway 56 4-inch F.M. Outside Altamont by Septic Tank (Methodist Church Lot)			Gate Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	33
Gate Valve on Highway 56 4-inch F.M. Outside Altamont by Septic Tank (Methodist Church Lot)			Gate Valve	6	2 - Yes	2	4	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	34
Blowoff Valve for 6-inch on Highway 56 F.M. (16 /01 /35)			Gate Valve	6	2 - Yes	2	4	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	35
Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont (10 /36)			Blowoff Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	36
Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont (Timber Drive, Parcel 25 /36)			Blowoff Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	37
Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont (17 /02 /27, 25 /36)			Blowoff Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	38
Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont (Between 32 /27 and 33 /27)			Blowoff Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	39
Blowoff Valve for 6-inch on Highway 56 F.M. Outside Altamont (77 /27)			Blowoff Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	40
Air Release Valve for 6-inch PVC F.M. on Lake Avenue (Across 25 /35-M)			Air Release Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	41
Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont (14 /36)			Air Release Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	42
Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont (2 /36)			Air Release Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	43
Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont (Across 25 /36)			Air Release Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	44
Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont (32 /27)			Air Release Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	45
Air Release Valve for 6-inch on Highway 56 F.M. Outside Altamont (9 /26)			Air Release Valve	6	2 - Yes	2	6	2 - 30-40%	2	2 - No	2	4 - Yes	4	60	6	46
Flow Meter Vault/ Influent Flow Measurement Structure			Other	3	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	51	13	47
North Aeration Basin			Basin	12	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	204	13	3
North Aeration Basin - Aerator			Aerator	15	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	255	13	1
South Aeration Basin			Basin	12	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	204	13	4
South Aeration Basin - Aerator			Aerator	15	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	255	13	2
Storage Lagoon			Storage	12	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	204	13	5
Maintenance and Lab Building			Lab	6	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	102	13	14
Spray Pump Station Wet Well			Pump Station	12	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	204	13	6
Effluent Pump #1			Pump	3	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	51	13	48
Effluent Pump #2			Pump	3	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	51	13	49
LAS - Sprayfield 1			Sprayfield	3	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	51	13	50
LAS - Sprayfield 2			Sprayfield	3	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	51	13	51
LAS - Sprayfield 3			Sprayfield	3	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	51	13	52
LAS - Sprayfield 4			Sprayfield	3	4 - No	4		5 - 80-100%	5	4 - Yes	4	4 - Yes	4	51	13	53
Recirculation Tank			Tank	6	4 - No	4		1 - 0-20%	1	4 - Yes	4	4 - Yes	4	78	9	17
30,000 Gallon Recirculation Sand Filter			Filter	6	4 - No	4		1 - 0-20%	1	4 - Yes	4	4 - Yes	4	78	9	18
Recirculation Pump 1			Pump	15	4 - No	4		1 - 0-20%	1	4 - Yes	4	4 - Yes	4	195	9	7
Recirculation Pump 2			Pump	15	4 - No	4		1 - 0-20%	1	4 - Yes	4	4 - Yes	4	195	9	8
Recirculation Pump 3			Pump	15	4 - No	4		1 - 0-20%	1	4 - Yes	4	4 - Yes	4	195	9	9
Recirculation Pump 4			Pump	15	4 - No	4		1 - 0-20%	1	4 - Yes	4	4 - Yes	4	195	9	10
Recirculation Pump 5			Pump	15	4 - No	4		1 - 0-20%	1	4 - Yes	4	4 - Yes	4	195	9	11
2,000 Gallon Effluent Septic Pump Tank			Pump Tank	6	4 - No	4		1 - 0-20%	1	4 - Yes	4	4 - Yes	4	78	9	19
Ultraviolet Disinfection System			UV System	15	4 - No	4		1 - 0-20%	1	4 - Yes	4	4 - Yes	4	195	9	12
Beersheba Springs Lift Station			Lift Station	6	4 - No	4		1 - 0-20%	1	4 - Yes	4	4 - Yes	4	78	9	20

Appendix H

Capital Improvement Needs

CAPITAL IMPROVEMENT NEEDS												
ASSET LOCATION	ASSET NAME	ASSET ID	ASSET TYPE	YEARS IN USE	Length in Feet	INITIAL PRICE OF ASSET	HISTORICAL AVG INFLATION RATE	ESTIMATED REPLACEMENT COST (IN CURRENT \$)	EXPECTED REPLACEMENT DATE	ASSET CONDITION	ASSET CRITICALITY	ASSET PRIORITY (RANK)
Sewer_Collection	Sewer Pipe	8-Inch Beersheba Springs FM	Main	20	28,649	\$356,373.10	4.50%	\$859,470.00	2055	Minor Deterioration	8	21
Sewer_Collection	Sewer Pipe	4-Inch Beersheba Springs FM	Main	20	630	\$7,836.75	4.50%	\$18,900.00	2055	Minor Deterioration	9	15
Sewer_Collection	Sewer Pipe	10-Inch Altamont FM	Main	20	31,169	\$387,720.10	4.50%	\$935,070.00	2055	Minor Deterioration	9	16
Sewer_Collection	Sewer Pipe	10-Inch FM State Route 108	Main	32	10,486	\$76,914.78	4.50%	\$314,580.00	2043	Significant Deterioration	9	13
Sewer_Collection	Sewer Pipe	6-Inch PVC Spring Street to Maple Street	Main	20	2,440	\$30,351.86	4.50%	\$73,200.00	2055	Minor Deterioration	6	22
Sewer_Collection	Sewer Pipe	6-Inch PVC FM Virginia Street	Main	20	1,772	\$22,042.41	4.50%	\$53,160.00	2055	Minor Deterioration	6	23
Sewer_Collection	Sewer Pipe	2-Inch FM Fitch Town Road	Service Line	20	1,850	\$23,012.68	4.50%	\$55,500.00	2055	Minor Deterioration	5	54
Sewer_Collection	Gate Valve	Gate Valve on Virginia Street for County Buildings (15 /35-M) (Vernon Ave. and Virginia Street)	Valve	20		\$497.57	4.50%	\$1,200.00	2055	Minor Deterioration	6	24
Sewer_Collection	Gate Valve	Gate Valve on Virginia Street for County Buildings (15 /35-M)	Valve	20		\$497.57	4.50%	\$1,200.00	2055	Minor Deterioration	6	25
Sewer_Collection	Gate Valve	Gate Valve on 6-Inch F.M. Fitch Town Road (3.01 /35-M)	Valve	20		\$497.57	4.50%	\$1,200.00	2055	Minor Deterioration	6	26
Sewer_Collection	Gate Valve	Gate Valve on 6-Inch F.M. Fitch Town Road (Corner of Maple Street and Fitch Town Road)	Valve	20		\$497.57	4.50%	\$1,200.00	2055	Minor Deterioration	6	27
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (14 /36)	Valve	20		\$497.57	4.50%	\$1,200.00	2055	Minor Deterioration	6	28
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (2 /36)	Valve	20		\$497.57	4.50%	\$1,200.00	2055	Minor Deterioration	6	29
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (Opposite of 25 /36)	Valve	20		\$497.57	4.50%	\$1,200.00	2055	Minor Deterioration	6	30
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (32 /27)	Valve	20		\$497.57	4.50%	\$1,200.00	2055	Minor Deterioration	6	31
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (9 /26)	Valve	20		\$497.57	4.50%	\$1,200.00	2055	Minor Deterioration	6	32
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 4-Inch F.M. Outside Altamont by Septic Tank (Methodist Church Lot)	Valve	20		\$497.57	4.50%	\$1,200.00	2055	Minor Deterioration	6	33
Sewer_Collection	Gate Valve	Gate Valve on Highway 56 4-Inch F.M. Outside Altamont by Septic Tank (Methodist Church Lot)	Valve	20		\$497.57	4.50%	\$1,200.00	2055	Minor Deterioration	6	34
Sewer_Collection	Blowoff Valve	Blowoff Valve for 6-Inch on Highway 56 F.M. (16.01 /35)	Valve	20		\$414.64	4.50%	\$1,000.00	2055	Minor Deterioration	6	35
Sewer_Collection	Blowoff Valve	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (10 /36)	Valve	20		\$414.64	4.50%	\$1,000.00	2055	Minor Deterioration	6	36
Sewer_Collection	Blowoff Valve	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (Timber Drive, Parcel 25 /36)	Valve	20		\$414.64	4.50%	\$1,000.00	2055	Minor Deterioration	6	37
Sewer_Collection	Blowoff Valve	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (17.02 /27, 25 /36)	Valve	20		\$414.64	4.50%	\$1,000.00	2055	Minor Deterioration	6	38
Sewer_Collection	Blowoff Valve	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (Between 32 /27 and 33 /27)	Valve	20		\$414.64	4.50%	\$1,000.00	2055	Minor Deterioration	6	39
Sewer_Collection	Blowoff Valve	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (77 /27)	Valve	20		\$414.64	4.50%	\$1,000.00	2055	Minor Deterioration	6	40
Sewer_Collection	Air Release Valve	Air Release Valve for 6-Inch PVC F.M. on Lake Avenue (Across 25 /35-M)	Valve	20		\$1,036.61	4.50%	\$2,500.00	2055	Minor Deterioration	6	41
Sewer_Collection	Air Release Valve	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (14 /36)	Valve	20		\$1,036.61	4.50%	\$2,500.00	2055	Minor Deterioration	6	42
Sewer_Collection	Air Release Valve	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (2 /36)	Valve	20		\$1,036.61	4.50%	\$2,500.00	2055	Minor Deterioration	6	43
Sewer_Collection	Air Release Valve	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (Across 25 /36)	Valve	20		\$1,036.61	4.50%	\$2,500.00	2055	Minor Deterioration	6	44
Sewer_Collection	Air Release Valve	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (32 /27)	Valve	20		\$1,036.61	4.50%	\$2,500.00	2055	Minor Deterioration	6	45
Sewer_Collection	Air Release Valve	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (9 /26)	Valve	20		\$1,036.61	4.50%	\$2,500.00	2055	Minor Deterioration	6	46
Sewer_Plant	WWTP	Flow Meter Vault/ Influent Flow Measurement Structure	Other	1		\$6,220.10	4.50%	\$6,500.00	2044	New/Excellent	13	47
Sewer_Plant	WWTP	North Aeration Basin	Basin	32		\$513,449.81	4.50%	\$2,100,000.00	2043	Significant Deterioration	13	3
Sewer_Plant	WWTP	North Aeration Basin - Aerator	Aerator	32		\$2,445.00	4.50%	\$10,000.00	2018	Unserviceable/End Of Life	13	1
Sewer_Plant	WWTP	South Aeration Basin	Basin	32		\$513,449.81	4.50%	\$2,100,000.00	2043	Significant Deterioration	13	4
Sewer_Plant	WWTP	South Aeration Basin - Aerator	Aerator	32		\$2,445.00	4.50%	\$10,000.00	2018	Unserviceable/End Of Life	13	2
Sewer_Plant	WWTP	Storage Lagoon	Storage	32		\$1,222,499.56	4.50%	\$5,000,000.00	2043	Significant Deterioration	13	5
Sewer_Plant	WWTP	Maintenance and Lab Building	Lab	32		\$48,899.98	4.50%	\$200,000.00	2068	Minor Deterioration	13	14
Sewer_Plant	WWTP	Spray Pump Station Wet Well	Pump Station	32		\$36,674.99	4.50%	\$150,000.00	2043	Significant Deterioration	13	6
Sewer_Plant	WWTP	Effluent Pump #1	Pump	1		\$5,741.63	4.50%	\$6,000.00	2049	New/Excellent	13	48
Sewer_Plant	WWTP	Effluent Pump #2	Pump	1		\$5,741.63	4.50%	\$6,000.00	2049	New/Excellent	13	49
Sewer_Plant	WWTP	LAS - Sprayfield 1	Sprayfield	1		\$110,047.85	4.50%	\$115,000.00	2074	New/Excellent	13	50
Sewer_Plant	WWTP	LAS - Sprayfield 2	Sprayfield	1		\$110,047.85	4.50%	\$115,000.00	2074	New/Excellent	13	51
Sewer_Plant	WWTP	LAS - Sprayfield 3	Sprayfield	1		\$110,047.85	4.50%	\$115,000.00	2074	New/Excellent	13	52
Sewer_Plant	WWTP	LAS - Sprayfield 4	Sprayfield	1		\$110,047.85	4.50%	\$115,000.00	2074	New/Excellent	13	53
Sewer_Plant	WWTP	Recirculation Tank	Tank	24		\$17,385.17	4.50%	\$50,000.00	2051	Minor Deterioration	9	17
Sewer_Plant	WWTP	30,000 Gallon Recirculation Sand Filter	Filter	24		\$52,155.52	4.50%	\$150,000.00	2051	Minor Deterioration	9	18
Sewer_Plant	WWTP	Recirculation Pump 1	Pump	24		\$3,477.03	4.50%	\$10,000.00	2026	Unserviceable/End Of Life	9	7
Sewer_Plant	WWTP	Recirculation Pump 2	Pump	24		\$3,477.03	4.50%	\$10,000.00	2026	Unserviceable/End Of Life	9	8
Sewer_Plant	WWTP	Recirculation Pump 3	Pump	24		\$3,477.03	4.50%	\$10,000.00	2026	Unserviceable/End Of Life	9	9
Sewer_Plant	WWTP	Recirculation Pump 4	Pump	24		\$3,477.03	4.50%	\$10,000.00	2026	Unserviceable/End Of Life	9	10
Sewer_Plant	WWTP	Recirculation Pump 5	Pump	24		\$3,477.03	4.50%	\$10,000.00	2026	Unserviceable/End Of Life	9	11
Sewer_Plant	WWTP	2,000 Gallon Effluent Septic Pump Tank	Pump Tank	24		\$5,215.55	4.50%	\$15,000.00	2051	Minor Deterioration	9	19
Sewer_Plant	WWTP	Ultraviolet Disinfection System	UV System	24		\$15,646.66	4.50%	\$45,000.00	2026	Unserviceable/End Of Life	9	12
Sewer_Collection	Beersheba Springs pump	Beersheba Springs Lift Station	Lift Station	20		\$103,660.71	4.50%	\$250,000.00	2055	Minor Deterioration	9	20

Appendix I

Asset Management Plan Report

ASSET MANAGEMENT PLAN													
ASSET LOCATION	ASSET NAME	ASSET ID	ASSET TYPE	YEARS IN USE	Length in Feet	INITIAL PRICE OF ASSET	HISTORICAL AVG INFLATION RATE	ESTIMATED REPLACEMENT COST (IN CURRENT \$)	EXPECTED REPLACEMENT DATE	ASSET CONDITION	ASSET CRITICALITY	ASSET PRIORITY (RANK)	
Sewer Plant	WWTP	North Aeration Basin - Aerator	Aerator	32		\$2,445.00	4.50%	\$10,000.00	2018	Unserviceable/End Of Life	13	1	
Sewer Plant	WWTP	South Aeration Basin - Aerator	Aerator	32		\$2,445.00	4.50%	\$10,000.00	2018	Unserviceable/End Of Life	13	2	
Sewer Plant	WWTP	North Aeration Basin	Basin	32		\$488,999.82	4.50%	\$2,100,000.00	2043	Significant Deterioration	13	3	
Sewer Plant	WWTP	South Aeration Basin	Basin	32		\$488,999.82	4.50%	\$2,100,000.00	2043	Significant Deterioration	13	4	
Sewer Plant	WWTP	Storage Lagoon	Storage	32		\$1,222,499.56	4.50%	\$5,000,000.00	2043	Significant Deterioration	13	5	
Sewer Plant	WWTP	Spray Pump Station Wet Well	Pump Station	32		\$36,674.99	4.50%	\$150,000.00	2043	Significant Deterioration	13	6	
Sewer Plant	WWTP	Recirculation Pump 1	Pump	24		\$3,477.03	4.50%	\$10,000.00	2026	Unserviceable/End Of Life	9	7	
Sewer Plant	WWTP	Recirculation Pump 2	Pump	24		\$3,477.03	4.50%	\$10,000.00	2026	Unserviceable/End Of Life	9	8	
Sewer Plant	WWTP	Recirculation Pump 3	Pump	24		\$3,477.03	4.50%	\$10,000.00	2026	Unserviceable/End Of Life	9	9	
Sewer Plant	WWTP	Recirculation Pump 4	Pump	24		\$3,477.03	4.50%	\$10,000.00	2026	Unserviceable/End Of Life	9	10	
Sewer Plant	WWTP	Recirculation Pump 5	Pump	24		\$3,477.03	4.50%	\$10,000.00	2026	Unserviceable/End Of Life	9	11	
Sewer Plant	WWTP	Ultraviolet Disinfection System	UV System	24		\$15,646.66	4.50%	\$45,000.00	2026	Unserviceable/End Of Life	9	12	
Sewer Collection	Sewer Pipe	10-Inch FM State Route 108	Main	32	10,486	\$76,914.78	4.50%	\$314,580.00	2043	Significant Deterioration	9	13	
Sewer Plant	WWTP	Maintenance and Lab Building	Lab	32		\$48,899.98	4.50%	\$200,000.00	2068	Minor Deterioration	13	14	
Sewer Collection	Sewer Pipe	10-Inch Altamont FM	Main	20	31,169	\$387,720.10	4.50%	\$935,070.00	2055	Minor Deterioration	9	15	
Sewer Plant	WWTP	Recirculation Tank	Tank	24		\$17,385.17	4.50%	\$50,000.00	2051	Minor Deterioration	9	16	
Sewer Plant	WWTP	30,000 Gallon Recirculation Sand Filter	Filter	24		\$52,155.52	4.50%	\$150,000.00	2051	Minor Deterioration	9	17	
Sewer Plant	WWTP	2,000 Gallon Effluent Septic Pump Tank	Pump Tank	24		\$5,215.55	4.50%	\$15,000.00	2051	Minor Deterioration	9	18	
Sewer Collection	Beersheba Springs pump	Beersheba Springs Lift Station	Lift Station	20		\$103,660.71	4.50%	\$250,000.00	2055	Minor Deterioration	9	19	
Sewer Collection	Sewer Pipe	8-Inch Beersheba Springs FM	Main	20	28,649	\$356,373.10	4.50%	\$859,470.00	2055	Minor Deterioration	8	20	
Sewer Collection	Gate Valve	Gate Valve on Virginia Street for County Buildings (15 /35-M) (Vernon Ave. and Virginia Street)	Valve	20		\$352.45	4.50%	\$1,200.00	2055	Minor Deterioration	8	21	
Sewer Collection	Gate Valve	Gate Valve on Virginia Street for County Buildings (15 /35-M)	Valve	20		\$352.45	4.50%	\$1,200.00	2055	Minor Deterioration	8	22	
Sewer Collection	Gate Valve	Gate Valve on 6-Inch F.M. Fitch Town Road (3.01 /35-M)	Valve	20		\$352.45	4.50%	\$1,200.00	2055	Minor Deterioration	8	23	
Sewer Collection	Gate Valve	Gate Valve on 6-Inch F.M. Fitch Town Road (Corner of Maple Street and Fitch Town Road)	Valve	20		\$352.45	4.50%	\$1,200.00	2055	Minor Deterioration	8	24	
Sewer Collection	Gate Valve	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (14 /36)	Valve	20		\$352.45	4.50%	\$1,200.00	2055	Minor Deterioration	8	25	
Sewer Collection	Gate Valve	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (2 /36)	Valve	20		\$352.45	4.50%	\$1,200.00	2055	Minor Deterioration	8	26	
Sewer Collection	Gate Valve	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (Opposite of 25 /36)	Valve	20		\$352.45	4.50%	\$1,200.00	2055	Minor Deterioration	8	27	
Sewer Collection	Gate Valve	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (32 /27)	Valve	20		\$352.45	4.50%	\$1,200.00	2055	Minor Deterioration	8	28	
Sewer Collection	Gate Valve	Gate Valve on Highway 56 6-Inch F.M. Outside Altamont (9 /26)	Valve	20		\$352.45	4.50%	\$1,200.00	2055	Minor Deterioration	8	29	
Sewer Collection	Gate Valve	Gate Valve on Highway 56 4-Inch F.M. Outside Altamont by Septic Tank (Methodist Church Lot)	Valve	20		\$352.45	4.50%	\$1,200.00	2055	Minor Deterioration	8	30	
Sewer Collection	Gate Valve	Gate Valve on Highway 56 4-Inch F.M. Outside Altamont by Septic Tank (Methodist Church Lot)	Valve	20		\$352.45	4.50%	\$1,200.00	2055	Minor Deterioration	8	31	
Sewer Collection	Blowoff Valve	Blowoff Valve for 6-Inch on Highway 56 F.M. (16.01 /35)	Valve	20		\$352.45	4.50%	\$1,000.00	2055	Minor Deterioration	8	32	
Sewer Collection	Blowoff Valve	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (10 /36)	Valve	20		\$352.45	4.50%	\$1,000.00	2055	Minor Deterioration	8	33	
Sewer Collection	Blowoff Valve	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (Timber Drive, Parcel 25 /36)	Valve	20		\$352.45	4.50%	\$1,000.00	2055	Minor Deterioration	8	34	
Sewer Collection	Blowoff Valve	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (17.02 /27, 25 /36)	Valve	20		\$352.45	4.50%	\$1,000.00	2055	Minor Deterioration	8	35	
Sewer Collection	Blowoff Valve	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (Between 32 /27 and 33 /27)	Valve	20		\$352.45	4.50%	\$1,000.00	2055	Minor Deterioration	8	36	
Sewer Collection	Blowoff Valve	Blowoff Valve for 6-Inch on Highway 56 F.M. Outside Altamont (77 /27)	Valve	20		\$352.45	4.50%	\$1,000.00	2055	Minor Deterioration	8	37	
Sewer Collection	Air Release Valve	Air Release Valve for 6-Inch PVC F.M. on Lake Avenue (Across 25 /35-M)	Valve	20		\$352.45	4.50%	\$2,500.00	2055	Minor Deterioration	8	38	
Sewer Collection	Air Release Valve	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (14 /36)	Valve	20		\$352.45	4.50%	\$2,500.00	2055	Minor Deterioration	8	39	
Sewer Collection	Air Release Valve	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (2 /36)	Valve	20		\$352.45	4.50%	\$2,500.00	2055	Minor Deterioration	8	40	
Sewer Collection	Air Release Valve	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (Across 25 /36)	Valve	20		\$352.45	4.50%	\$2,500.00	2055	Minor Deterioration	8	41	
Sewer Collection	Air Release Valve	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (32 /27)	Valve	20		\$352.45	4.50%	\$2,500.00	2055	Minor Deterioration	8	42	
Sewer Collection	Air Release Valve	Air Release Valve for 6-Inch on Highway 56 F.M. Outside Altamont (9 /26)	Valve	20		\$352.45	4.50%	\$2,500.00	2055	Minor Deterioration	8	43	
Sewer Collection	Sewer Pipe	4-Inch Beersheba Springs FM	Main	20	630	\$7,836.75	4.50%	\$18,900.00	2055	Minor Deterioration	9	44	
Sewer Collection	Sewer Pipe	6-Inch PVC Spring Street to Maple Street	Main	20	2,440	\$30,351.86	4.50%	\$73,200.00	2055	Minor Deterioration	6	45	
Sewer Collection	Sewer Pipe	6-Inch PVC FM Virginia Street	Main	20	1,772	\$22,042.41	4.50%	\$53,160.00	2055	Minor Deterioration	6	46	
Sewer Plant	WWTP	Flow Meter Vault/ Influent Flow Measurement Structure	Other	1		\$6,220.10	4.50%	\$6,500.00	2044	New/Excellent	13	47	
Sewer Plant	WWTP	Effluent Pump #1	Pump	1		\$5,741.63	4.50%	\$6,000.00	2049	New/Excellent	13	48	
Sewer Plant	WWTP	Effluent Pump #2	Pump	1		\$5,741.63	4.50%	\$6,000.00	2049	New/Excellent	13	49	
Sewer Plant	WWTP	LAS - Sprayfield 1	Sprayfield	1		\$110,047.85	4.50%	\$115,000.00	2074	New/Excellent	13	50	
Sewer Plant	WWTP	LAS - Sprayfield 2	Sprayfield	1		\$110,047.85	4.50%	\$115,000.00	2074	New/Excellent	13	51	
Sewer Plant	WWTP	LAS - Sprayfield 3	Sprayfield	1		\$110,047.85	4.50%	\$115,000.00	2074	New/Excellent	13	52	
Sewer Plant	WWTP	LAS - Sprayfield 4	Sprayfield	1		\$110,047.85	4.50%	\$115,000.00	2074	New/Excellent	13	53	
Sewer Collection	Sewer Pipe	2-Inch FM Fitch Town Road	Service Line	20	1,850	\$23,012.68	4.50%	\$55,500.00	2055	Minor Deterioration	5	54	

CAPITAL PROJECT SCOPE

During the Growth Plan period, Grundy County will undertake and evaluate capital improvements necessary to expand wastewater capacity, accommodate anticipated residential, commercial, and tourism-related growth, maintain regulatory compliance, and support the long-term financial and operational sustainability of the sewer system. Capital improvements will be coordinated within the Accelerated Growth Plan with further evaluation by the Mayor, system operator, and engineer.

The County's Asset Management Plan identifies wastewater treatment capacity and permit compliance as areas requiring continued attention. The Infrastructure Scorecard included in the Asset Management Plan identifies wastewater treatment capacity below 80 percent and wastewater permit compliance as areas requiring improvement. Accordingly, the County's capital planning approach will address both the infrastructure necessary to accommodate new development and the rehabilitation or replacement of existing assets necessary to maintain reliable wastewater service.

Pelham Wastewater System Expansion Project

The primary capital project during the Growth Plan period is the Pelham Wastewater System Expansion Project. This project represents a substantial expansion of Grundy County's wastewater infrastructure and is intended to provide the infrastructure necessary to serve existing customers, accommodate identified near-term development, and support continued residential, commercial, industrial, medical, and tourism-related growth within the Pelham service area.

The existing Pelham wastewater system includes a 30,000-gallon-per-day recirculating sand filter treatment system, five recirculation pumps, and an ultraviolet disinfection system. The Pelham Wastewater System Expansion Project will extend and improve wastewater infrastructure to allow additional residential and commercial customers to connect to the system and to provide sewer service to areas where the lack of wastewater infrastructure has historically limited development.

The expansion is particularly important because several identifiable developments within the Pelham area are anticipated to require wastewater service. Pelham Medical, a specialty medical facility locating in Pelham, intends to break ground on construction in September 2026 and plans to connect to the sewer system. Benchmark, an important local industry and source of employment, is also planning an expansion expected to create approximately 25 new jobs and connect to the sewer system. These developments represent tangible near-term customer and revenue growth for the Utility.

Commercial and tourism-related development is also anticipated to be a significant component of growth within the service area. This includes continued development associated with The Caverns, as well as additional restaurants, tourism-oriented businesses, and commercial activity anticipated around the Pelham interstate interchange. These are just three of eleven new commercial customers connecting to the new service line. Extending sewer infrastructure from the interstate area to The Caverns is therefore important not only for serving currently identified customers, but also for

establishing the infrastructure necessary to support future economic development along this corridor.

The expansion of the customer base is also an important component of the Utility's long-term financial sustainability. Additional residential, commercial, industrial, medical, and tourism-related connections will generate recurring sewer revenues that will help distribute the fixed costs of operating and maintaining the wastewater system across a larger customer base. Accordingly, customer growth associated with the Pelham expansion is integral to the Utility's ability to satisfy its revenue requirements while maintaining reasonable and sustainable customer rates.

The financial effect of the Pelham Wastewater System Expansion Project has been incorporated into the County's multi-year financial projections. Because the project represents a substantial addition to the County's wastewater infrastructure, the resulting capital assets and associated depreciation represent a significant component of the Utility's projected operating costs. Customer growth, projected sewer revenues, planned rate adjustments, operating and maintenance expenses, depreciation, and other revenues included within the Growth Plan have therefore been evaluated together to demonstrate the Utility's strategy for managing accelerated growth while progressing toward long-term financial sustainability and positive financial performance.

The Pelham Wastewater System Expansion Project is therefore both a capital infrastructure project and a central component of the Utility's Growth Plan. By providing the infrastructure necessary to connect identified customers and accommodate future development, the project is expected to expand the Utility's revenue base, support job creation and economic development, facilitate tourism growth, and improve the long-term financial sustainability of the wastewater system.

Existing System Rehabilitation and Asset Replacement

In addition to the Pelham Wastewater System Expansion Project, Grundy County will continue to evaluate the condition and performance of its existing wastewater infrastructure and undertake repair, rehabilitation, or replacement when necessary.

Grundy County owns approximately 78,000 linear feet of sanitary sewer lines, with more than 75,000 linear feet consisting of main collection lines. The Asset Management Plan provides an inventory of these and other system assets and establishes a methodology for evaluating their condition, remaining useful life, likelihood of failure, consequence of failure, and estimated replacement cost.

The Asset Management Plan currently identifies approximately \$115,000 in potential priority repair and replacement needs for assets classified as unserviceable or at the end of their estimated useful lives. These potential improvements are primarily associated with the Pelham Sand Filtration System and the Coalmont Wastewater Treatment Plant.

The County recognizes that the Asset Management Plan provides a planning-level assessment based upon available asset information, age, estimated useful life, condition, and criticality. Accordingly, Grundy County would like to obtain a secondary evaluation of the Pelham Sand

Filtration System and the Coalmont Wastewater Treatment Plant before proceeding with the repair or replacement of the assets identified in the Asset Management Plan.

The secondary evaluation will further assess the current physical condition, operating performance, remaining useful life, and actual repair or replacement needs of the identified equipment. The evaluation will assist the County in determining whether repair, rehabilitation, replacement, or continued operation represents the most appropriate and cost-effective course of action for each asset.

Accordingly, the approximately \$115,000 identified in the Asset Management Plan should be considered a planning-level estimate of potential capital needs and not a commitment to immediately replace all identified assets. Following the secondary evaluation, the County will prioritize improvements based upon actual asset condition, operational necessity, regulatory requirements, system performance, available funding, and the financial effect of the proposed improvements on the wastewater system.

This approach will allow Grundy County to address legitimate asset-management needs while avoiding premature capital expenditures for equipment that may remain capable of providing reliable service.

Telemetry and 2026 Infrastructure Planning Grant

The County will also evaluate opportunities to improve monitoring, management, and operation of the wastewater system through the implementation or expansion of telemetry and automated monitoring systems.

Grundy County is eligible for the 2026 Infrastructure Planning Grant (IPG) program, and telemetry is an eligible expense under the program. The County intends to evaluate the use of available 2026 IPG funding to assist with eligible telemetry improvements to the wastewater system.

The use of available grant funding for telemetry would allow the County to improve system monitoring and operational capabilities while reducing the amount of capital cost that must otherwise be supported through wastewater rates and system revenues. The scope and extent of telemetry improvements will be determined based upon operational need, compatibility with existing facilities, available grant funding, and the long-term benefit to the wastewater system.

Additional Long-Term Capital Considerations

In addition to telemetry, the Engineer has identified other potential long-term improvements for consideration. These include standardization of residential effluent pumps and consideration of acquiring property near existing treatment facilities to provide additional options for future irrigation or drip disposal of treated effluent.

Recommended improvements associated with pump standardization and telemetry, excluding potential land acquisition, could range from approximately **\$100,000 to \$300,000**, depending upon the type of pump selected and the extent of telemetry ultimately implemented.

These potential improvements are therefore considered long-term capital planning items rather than committed expenditures during the Growth Plan period. The County will evaluate each improvement based upon demonstrated system need, operational benefit, regulatory requirements, customer growth, availability of funding, and the financial capacity of the wastewater system before proceeding.

Capital Improvement Prioritization

Capital improvements during the Growth Plan period will be prioritized based upon the County's Asset Management Plan and actual system conditions. The Asset Management Plan establishes a process for prioritizing assets according to condition, remaining useful life, likelihood of failure, consequence of failure, and estimated replacement cost.

In determining the timing and priority of capital expenditures, Grundy County will consider:

1. regulatory and permit requirements;
2. existing and projected wastewater treatment capacity;
3. asset condition and remaining useful life;
4. likelihood and consequence of asset failure;
5. protection of existing customers and continuity of service;
6. actual and projected customer connections and wastewater flows;
7. demonstrated residential, commercial, and tourism-related development;
8. operating and maintenance impacts of the proposed improvement;
9. availability of grants and other outside funding; and
10. the Utility's ability to support the improvement while maintaining positive cash flow and progressing toward the financial objectives established by the Growth Plan.

As development occurs, the County will continually evaluate actual wastewater flows, customer connections, treatment capacity, infrastructure performance, and operating expenses. Additional collection, pumping, treatment, monitoring, rehabilitation, or replacement improvements will be incorporated into the capital improvement program when supported by demonstrated system conditions and actual demand.

This phased approach will allow Grundy County to accommodate accelerated growth while avoiding premature capital expenditures and maintaining adequate capacity and reliable service for existing customers.

Conclusion

Collectively, the planned and potential capital improvements are intended to transition the Grundy County wastewater system from its current limited customer and capacity base into a financially

and operationally sustainable system capable of accommodating additional residential, commercial, and tourism-related development.

The Pelham Wastewater System Expansion Project represents the County's principal growth-related capital investment. Existing asset repair and replacement needs will be further evaluated before additional capital expenditures are undertaken, while telemetry and other system improvements will be pursued when demonstrated to be operationally beneficial and financially appropriate. In addition, the Growth Plan financial projections include \$50,000 in additional operation and maintenance expenses to provide for anticipated system needs and to account for potential future improvements, repairs, maintenance, and operational requirements as the wastewater system expands.

Capital investments will be coordinated with the County's rate structure, customer growth, operating and maintenance requirements, asset replacement schedule, available grant funding, and long-term financial strategy. The inclusion of additional operation and maintenance funding provides further financial capacity to address system needs as they are identified without prematurely committing the County to capital expenditures before the condition, priority, and appropriate scope of those improvements have been fully evaluated.

This approach is intended to ensure that growth contributes sufficient revenue to support the additional infrastructure and operating requirements necessary to serve it, while allowing the County to manage capital expenditures responsibly, maintain positive cash flow, and achieve the long-term financial objectives established by the Growth Plan.

JAMES C. HAILEY & COMPANY

Consulting Engineers

360 Cool Springs Boulevard, Suite 100

Franklin, TN 37067

Telephone: 615-883-4933

Fax: 615-883-4937

December 11, 2025

Michael Brady, County Mayor

[VIA EMAIL]

**Re: Detailed Description of Planned Capital Projects
Grundy County, Tennessee**

Dear Mayor Brady:

At the request of representative(s) from the Comptroller's office, please accept this letter regarding a detailed description of the scope of planned capital improvements projects.

The current project is the largest scale improvement since the initial inception of the sewer collection plant and collection system. Initially constructed in the mid-1990s, Grundy County's sewer system consists of two (2) separate treatment facilities and associated collection systems. At present, the Coalmont wastewater treatment plant and collection lines contain the lion-share of flows. In Pelham, a smaller wastewater treatment plant, dedicated to the industrial park was implemented in the late 1990s and consists of a 30,000 gallon per day on-site treatment facility with a direct discharge permit to the Elk River.

In consideration of future capital improvements (beyond the proposed project), it is recommended that the Utility standardize residential effluent pumps at some point in the future. This could be done in phases, or all at once depending on whether or not the opportunity arose. This improvement would be considered per pump and would be recommended to pass through as a non-capitalized asset, being valued at less than the County's capitalization threshold per pump. Additionally, it is recommended that the Utility consider the purchase of property near their existing treatment plans to perform additional irrigation/drip disposal of effluent. This is not to say that any physical improvements will be necessary or recommended in the next 10 years, but having a plan and property that has already been assessed and acquired is proactive. Finally, implementation of telemetric or automated systems would be helpful in monitoring and/or operating the sewer system.

Together, the recommended improvements (not including land purchase) could be under \$100,000 to \$300,000 depending on the type of pump standardized and the extent of telemetry equipment. These improvements are suggestions and the Utility could continue to operate without; however, because individual components of these improvements can likely be found at costs below the capitalization threshold, they would not require consideration in the County's depreciation line item. This means the current sewer extension project will have the largest effect on the sewer system, in terms of depreciation.

If you have any questions or if we can be of assistance, please let us know.

Sincerely,

JAMES C. HAILEY & COMPANY
Consulting Engineers



Michael N. Green, P.E.

Enclosure

Cc: Katie Kortekaas, SETDD

JCH Project# 24147

BALANCE SHEET

		Business-type Activities						
		Major Enterprise Fund						
		Waste Water Fund						
		Projected	Projected	Projected	Projected	Projected	Projected	Actual
		2032	2031	2030	2029	2028	2027	2026
								2025
								2024
ASSETS								
Current Assets:								
Equity in Pooled Cash and Investments		\$1,859,029	\$1,549,474	\$1,249,750	\$959,470	\$679,405	\$537,883	\$401,398
Total Current Assets		1,859,029	1,549,474	1,249,750	959,470	679,405	537,883	401,398
Noncurrent Assets:								
Capital Assets:								
Assets Not Depreciated:								
Land		30,000	30,000	30,000	30,000	30,000	30,000	30,000
Construction in Progress								1,851,485
Assets Net of Accumulated Depreciation:								
Buildings and Improvements		154,768	194,062	233,356	272,650	311,944	351,238	390,532
Infrastructure				-	18,457	48,008	77,559	107,110
ARP Infrastructure		4,792,150	4,903,595	5,015,040	5,126,485	5,237,930	5,349,375	5,460,820
Total Noncurrent Assets		4,976,918	5,127,657	5,278,396	5,447,592	5,627,882	5,808,172	5,988,462
Total Assets		6,835,947	6,677,131	6,528,146	6,407,062	6,307,287	6,346,055	6,389,860
NET POSITION								
Unrestricted		1,859,029	1,549,474	1,249,750	959,470	679,405	537,883	401,398
Net Investment in Capital Assets		4,976,918	5,127,657	5,278,396	5,447,592	5,627,882	5,808,172	5,988,462
Total Net Position		\$6,835,947	\$6,677,131	\$6,528,146	\$6,407,062	\$6,307,287	\$6,346,055	\$6,389,860

INCOME STATEMENT

	Business-type Activities								
	Major Enterprise Fund								
	Waste Water Fund								
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Actual	Actual
	2032	2031	2030	2029	2028	2027	2026	2025	2024
Operating Revenues:									
Water Treatment Charges	\$399,103	\$384,042	\$369,521	\$354,377	\$301,048	\$291,364	\$192,227	\$164,361	\$150,397
Wastewater Maintenance Fee	90,000	90,000	90,000	90,000	-	-	-	-	-
Total Operating Revenues	489,103	474,042	459,521	444,377	301,048	291,364	192,227	164,361	150,397
Operating Expenses:									
Salary & Benefits	-	-	-	-	-	-			
Communication	1,087	1,056	1,025	995	966	938	911	884	880
Administration	-	-	-	-	-	-	-	-	-
Other Contracted Services	60,301	58,544	56,839	55,184	53,576	52,016	50,501	49,030	36,773
Electricity	15,910	15,446	14,996	14,560	14,136	13,724	13,324	12,936	11,828
Water and Sewer	503	488	474	460	447	434	421	409	312
Testing	10,110	9,815	9,529	9,252	8,982	8,721	8,467	8,220	7,048
Other Supplies and Materials	31,090	30,184	29,305	28,452	27,623	26,818	26,037	25,279	16,346
Depreciation	150,739	150,739	169,196	180,290	180,290	180,290	180,290	68,845	68,845
Insurance	-	-	-	-	-	-	-	-	-
Operations & Maintenance	57,964	56,275	54,636	53,045	51,500	50,000	-	-	-
Other Charges	2,584	2,509	2,436	2,365	2,296	2,229	2,164	2,101	2,553
Total Operating Expenses	330,287	325,057	338,437	344,602	339,816	335,170	282,115	167,704	144,585
Net Operating Income (Loss)	158,816	148,985	121,084	99,775	(38,768)	(43,805)	(89,888)	(3,343)	5,812
Nonoperating Revenue / (Expenses)									
Federal Grants	-	-	-	-	-	-	3,720,780	1,851,485	-
Total Nonoperating Revenue/(Expenses)	-	-	-	-	-	-	3,720,780	1,851,485	-
Change in Net Position	158,816	148,985	121,084	99,775	(38,768)	(43,805)	3,630,892	1,848,142	5,812
Net Position, July 1	6,677,131	6,528,146	6,407,062	6,307,287	6,346,055	6,389,860	2,758,968	910,826	905,014
Net Position, June 30	\$6,835,947	\$6,677,131	\$6,528,146	\$6,407,062	\$6,307,287	\$6,346,055	\$6,389,860	\$2,758,968	\$910,826

CASH FLOW

	Business-type Activities								
	Major Enterprise Fund								
	Waste Water Fund								
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Actual	Actual
	2032	2031	2030	2029	2028	2027	2026	2025	2024
Cash Flows from Operating Activities:									
Receipts from Customers	\$489,103	\$474,042	\$459,521	\$444,377	\$301,048	\$291,364	\$192,227	\$164,361	\$158,618
Payments to Vendors	(177,579)	(172,407)	(167,385)	(162,510)	(157,776)	(153,181)	(100,176)	(97,258)	(74,187)
Other Payments	(1,969)	(1,912)	(1,856)	(1,802)	(1,749)	(1,699)	(1,649)	(1,601)	(1,553)
Net Cash Provided By (Used In) Operating Activities	309,555	299,724	290,280	280,065	141,522	136,485	90,402	65,502	82,878
Cash Flows from Noncapital Financing Activities									
Grants Received							3,720,780	1,851,485	-
Net Cash Provided by (Used In) Noncapital Activities	-	-	-	-	-	-	3,720,780	1,851,485	-
Cash Flows from Capital and Related Financing Activities									
Acquisition of Capital Assets	-	-	-	-	-	-	(3,720,780)	(1,851,485)	-
Net Cash Provided by (Used In) Capital & Related Financing Activities	-	-	-	-	-	-	(3,720,780)	(1,851,485)	-
Net Increase (Decrease) in Cash	309,555	299,724	290,280	280,065	141,522	136,485	90,402	65,502	82,878
Cash, July 1	1,549,474	1,249,750	959,470	679,405	537,883	401,398	310,996	245,494	162,616
Cash, June 30	1,859,029	1,549,474	1,249,750	959,470	679,405	537,883	401,398	310,996	245,494
Reconciliation of Net Operating Income (Loss)									
to Net Cash Provided By (Used In) Operating Activities:									
Net Operating Income (Loss)	158,816	148,985	121,084	99,775	(38,768)	(43,805)	(89,888)	(3,343)	5,812
Adjustments to Reconcile Net Operating Income (Loss)									
to Net Cash Provided By (Used In) Operating Activities:									
Depreciation	150,739	150,739	169,196	180,290	180,290	180,290	180,290	68,845	68,845
Changes in Assets and Liabilities:									
(Increase) Decrease in Accounts Receivable									8,221
Net Cash Provided By (Used In) Operating Activities	\$309,555	\$299,724	\$290,280	\$280,065	\$141,522	\$136,485	\$90,402	\$65,502	\$82,878

CUSTOMER & RATE PROJECTIONS

	Business-type Activities								
	Major Enterprise Fund								
	Waste Water Fund								
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Actual	Actual
	2032	2031	2030	2029	2028	2027	2026	2025	2024
Industrial									
Number of Customers	13	13	13	13	12	12	9		
Rate	38.21	37.10	36.02	34.97	33.95	32.96	32.00		
Usage	6,294	6,294	6,294	6,294	5,058	5,058	3,075		
Total Industrial Revenue	228,467	221,813	215,352	209,080	163,127	158,376.10	93,480	-	-
Commercial									
Number of Customers	37	37	37	36	36	36	27		
Rate	26.27	25.50	24.76	24.04	23.34	22.66	22.00		
Usage	5,781	5,781	5,781	5,731	5,731	5,731	4,356		
Total Commercial Revenue	144,269	140,067	135,987	130,885	127,072	123,371.24	91,040	-	-
Residential									
Number of Customers	50	45	40	35	30	27	22		
Rate	15.52	15.07	14.63	14.21	13.79	13.39	13.00		
Usage	1,788	1,548	1,308	1,068	828	756	624		
Total Residential Revenue	26,367	22,163	18,181	14,413	10,849	9,616.70	7,706	-	-
1000k Gallon Average	52.73	52.40	52.13	52.12	45.90	44.92	38.60		
Total Customer Revenue	\$399,103	\$384,042	\$369,521	\$354,377	\$301,048	\$291,364	\$192,227	\$164,361	\$158,618
Rate Requirement w/ CPI Increase	393,021.12	381,573.90	370,460.10	359,670.00	349,194.17	339,023.47	329,149.00		
Difference	6,081.67	2,468.44	(939.46)	(5,292.84)	(48,145.87)	(47,659.44)	(136,922.20)		

RESOLUTION NO. 8-26-8 B

**A RESOLUTION OF THE GOVERNING BODY OF GRUNDY COUNTY, TENNESSEE,
ADOPTING THE UTILITY GROWTH PLAN**

WHEREAS, Grundy County, Tennessee (the “COUNTY”), owns and/or operates a wastewater utility system providing sewer service within portions of Grundy County; and

WHEREAS, the COUNTY is experiencing and anticipates continued growth within the wastewater utility system’s service area, including increased residential, commercial, institutional, and tourism-related development; and

WHEREAS, such growth requires the COUNTY to appropriately plan for wastewater system capacity, infrastructure improvements, operation and maintenance requirements, capital investment, financial sustainability, and the rates and revenues necessary to support the utility system; and

WHEREAS, the Tennessee Board of Utility Regulation (“TBOUR”) requires the utility system to prepare and submit a Growth Plan addressing the management of accelerated growth and the financial and operational sustainability of the utility system; and

WHEREAS, the Grundy County governing body is the governing body with authority to establish and adjust the rates, fees, and charges of the COUNTY’s wastewater utility system; and

WHEREAS, the COUNTY has caused to be prepared the Grundy County Sewer Utility Growth Plan, including the financial, operational, capital improvement, and growth-management measures contained therein; and

WHEREAS, the governing body has reviewed the Growth Plan and finds that adoption and implementation of the Plan is in the best interest of the COUNTY, the wastewater utility system, its customers, and the continued orderly development of the service area.

NOW, THEREFORE, BE IT RESOLVED by the governing body of Grundy County, Tennessee:

Section 1. Adoption of Growth Plan

The Grundy County Sewer Utility Growth Plan, together with its supporting schedules, financial projections, capital improvement plans, rate assumptions, and other attachments, is hereby approved and adopted by the governing body of Grundy County, Tennessee.

Section 2. Commitment to Financial Sustainability

The governing body acknowledges its responsibility to establish and maintain rates, fees, and charges sufficient to support the financial and operational requirements of the wastewater utility system and to take such actions as may be reasonably necessary to implement the financial objectives and measures established in the Growth Plan, subject to applicable law and regulatory requirements.

Section 3. Implementation

The appropriate officials and representatives of Grundy County are authorized to take such actions as are reasonably necessary to implement the Growth Plan.

Section 4. Authorization to Submit to TBOUR

The County Mayor is hereby authorized to submit the adopted Growth Plan and any required supporting documentation to the Tennessee Board of Utility Regulation, and to provide such additional information, certifications, revisions, or documentation as may reasonably be required in connection with TBOUR's review of the Growth Plan.

Section 5. Effective Date

This Resolution shall take effect immediately upon its adoption, the public welfare requiring it.

ADOPTED this 26 day of August, 2026.

GRUNDY COUNTY, TENNESSEE

By: Michael Brady

Michael Brady, County Mayor

Date: 8/26/2026

ATTEST:

By: Tammy Sholey

County Clerk

Date: 8-26-2026

RESOLUTION 26-8-26 C

A RESOLUTION TO ESTABLISH GRUNDY COUNTY SEWER SYSTEM'S ENFORCEMENT RESPONSE PLAN AND SEWER USE RESOLUTION

BE IT RESOLVED by the Board of Commissioners of the Grundy County Sewer System of Grundy County, Tennessee, that the existing Enforcement Response Plan be revised to include the information stated below, and that said revision be adopted to be incorporated in the minutes and a copy left in the Owner Office for public use:

Appendix A, Chapter 1, Section 109. TABLE A RELEVANT TO ENFORCEMENT – One table to be replaced, Enforcement Response Plan, of Grundy County Sewer System is hereby replaced with the following Table A.

Table A – Plant Protection Criteria

Parameter	Maximum Concentration (mg/l)	Average Monthly Concentration (mg/l)
Benzene	0.026	0.013
Cadmium	0.500	0.250
Carbon Tetrachloride	3.00	1.50
Chloroform	0.500	0.250
Chromium VI	0.500	0.250
Chromium III	0.500	0.250
Chromium (total)	0.500	0.250
Copper	0.530	0.265
Cyanide	0.200	0.100
Ethylbenzene	0.080	0.040
Lead	0.200	0.100
Mercury	0.0026	0.0013
Methylene Chloride	0.192	0.961
Naphthalene	0.0250	0.0125
Nickel	0.500	0.250
Phenol, Total	0.908	0.454
Silver	0.0588	0.0294
Tetrachloroethylene	0.277	0.1388
Toluene	0.0428	0.0214
Total Phthalate	0.338	0.169

Parameter	Maximum Concentration (mg/l)	Average Monthly Concentration (mg/l)
Trichlorethylene	0.200	0.100
1,1,1-Trichloroethane	0.500	0.250
1,2 Transdichloroethylene	0.0150	0.0075
Zinc	0.580	0.290

Appendix A, Chapter 2, Section 201. TABLE B RELEVANT TO ENFORCEMENT – One table to be replaced, Enforcement Response Plan, of Grundy County Sewer System is hereby replaced with the following Table B.

Table B – Local Limits

Pollutant	Daily Maximum Concentration (mg/l)	Monthly Average Concentration (mg/l)
Benzene	0.226	0.113
Cadmium	0.590	0.295
Carbon Tetrachloride	26.900	13.495
Chloroform	3.984	1.992
Chromium VI	4.418	2.209
Chromium III	4.418	2.209
Chromium (total)	4.338	2.169
Copper	4.560	2.280
Cyanide	1.758	0.879
Ethylbenzene	0.710	0.355
Lead	1.782	0.891
Mercury	0.0238	0.0119
Methylene chloride	1.690	0.845
Naphthalene	0.184	0.092
Nickel	4.442	2.221
Phenols, Total	6.396	3.198
Silver	0.520	0.260
Tetrachloroethylene	2.490	1.245
Toluene	3.848	1.924
Total Phthalates	2.568	1.284
Trichlorethylene	1.790	0.895
1,1,1-Trichloroethane	4.490	2.245
1,2 Transdichloroethylene	0.126	0.063
Zinc	4.204	2.102
BOD	600	--
Total Suspended Solids	600	--

BE IT FURTHER RESOLVED that the Sewer Use Resolution set out and designated as Appendix A in the existing Enforcement Response Plan be repealed and replaced with the following two Chapters of Wastewater Regulations and that said replacement be adopted to be incorporated in the minutes and a copy left in the Owner Office for public use:

Appendix A (Sewer Use Resolution) of the Grundy County Sewer System Enforcement Response Plan is hereby replaced by the following two Chapters of Wastewater Regulations.

CHAPTER 1

GENERAL WASTEWATER REGULATIONS

SECTION

101. Purpose and policy.
102. Administrative
103. Definitions.
104. Proper waste disposal required.
105. Private domestic wastewater disposal.
106. Connection to public sewers.
107. Septic tank effluent pump wastewater systems.
108. Regulation of holding tank waste disposal or trucked in waste.
109. Discharge regulations.
110. Enforcement and abatement.

101. Purpose and policy. This chapter sets forth uniform requirements for users of Grundy County Sewer System Grundy County, Tennessee, wastewater treatment system and enables the OWNER to comply with the Federal Clean Water Act and the state Water Quality Control Act and rules adopted pursuant to these acts. The objectives of this chapter are:

- (1) To protect public health,
- (2) To prevent the introduction of pollutants into the municipal wastewater treatment facility, which will interfere with the system operation;
- (3) To prevent the introduction of pollutants into the wastewater treatment facility that will pass through the facility, inadequately treated, into the receiving waters, or otherwise be incompatible with the treatment facility;
- (4) To protect facility personnel who may be affected by wastewater and sludge in the course of their employment and the general public;
- (5) To promote reuse and recycling of industrial wastewater and sludge from the facility;
- (6) To provide for fees for the equitable distribution of the cost of operation, maintenance, and improvement of the facility; and
- (7) To enable the Owner to comply with its National Pollution Discharge Elimination System (NPDES) Permit conditions, sludge and biosolid use and disposal requirement, and any

other Federal or State industrial pretreatment rules to which the facility is subject.

In meeting these objectives, this chapter provides that all persons in the service area of the Grundy County Sewer System must have adequate wastewater treatment either in the form of a connection to the municipal wastewater treatment system or, where the system is not available, an appropriate private disposal system.

This chapter shall apply to all users inside or outside the Owner who are, by implied contract or written agreement with the Owner, dischargers of applicable wastewater to the wastewater treatment facility. Chapter 2 provides for the issuance of permits to system users, for monitoring, compliance, and enforcement activities; establishes administrative review procedures for industrial users or other users whose discharge can interfere with or cause violations to occur at the wastewater treatment facility. Chapter 2 details permitting requirements including the setting of fees for the full and equitable distribution of costs resulting from the operation, maintenance, and capital recovery of the wastewater treatment system and from other activities required by the enforcement and administrative program established herein.

102. Administrative. Except as otherwise provided herein, the Manager of the Utility Owner shall serve as the local administrative officer of the Owner and shall administer, implement, and enforce the provisions of this chapter. The Utility Board shall make up the Local Hearing Authority.

103. Definitions. Unless the context specifically indicates otherwise, the following terms and phrases, as used in this chapter, shall have the meanings hereinafter designated:

(1) "Administrator." The Administrator or the United States Environmental Protection Agency.

(2) "Act or the Act." The Federal Water Pollution Control Act, also known as the Clean Water Act, as amended and found in 33 U.S.C. § 1251, *et seq.*

(3) "Approval authority." The Tennessee Department of Environment and Conservation, Division of Water Pollution Control.

(4) "Authorized or Duly Authorized Representative of industrial user:

(a) If the user is a corporation:

(i) The president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any person who performs similar policy or decision-making functions for the corporation; or

(ii) The Manager of one or more manufacturing, production, or operating facilities, provided the Manager is authorized to make management decisions that govern the operation of the regulated facility including having the explicit or implicit duty of making major capital investment recommendations, and initiate and direct other comprehensive measures to assure long-term environmental compliance with environmental laws and regulations; can insure that the necessary systems are established or actions taken to gather complete and accurate information for individual wastewater discharge permit requirements; and where authority to sign documents has been assigned or delegated to the Manager in accordance with corporate procedures.

(b) If the user is a partnership or sole proprietorship: a general partner or proprietor, respectively.

(c) If the user is a federal, state, or local governmental agency: a director or

highest official appointed or designated to oversee the operation and performance of the activities of the governmental facility, or their designee.

(d) The individual described in paragraphs (a)-(c), above, may designate a duly authorized representative if the authorization is in writing, the authorization specifies the individual or position responsible for the overall operation of the facility from which the discharge originates or having overall responsibility for environmental matters for the company, and the written authorization is submitted to the Owner.

(5) "Best Management Practices" or "BMPs" means schedules of activities, prohibitions of practices, maintenance procedures, and other management practices to implement the prohibitions listed in Section 109 of this chapter. BMPs also include treatment requirements, operating procedures, and practices to control plant site runoff, spillage or leaks, sludge or waste disposal, or drainage from raw materials storage.

(6) "Biochemical Oxygen Demand (BOD)." The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure for five (5) days at 20 centigrade expressed in terms of weight and concentration (milligrams per liter (mg/l)).

(7) "Building sewer." A sewer conveying wastewater from the premises of a user to the publicly owned sewer collection system.

(8) "Categorical standards." The National Categorical Pretreatment Standards or Pretreatment Standard as found in 40 CFR Chapter I, Subchapter N, Parts 405-471.

(9) "Owner." The Board of Commissioners of the Grundy County Sewer System, Grundy County, Tennessee.

(10) "Commissioner." The commissioner of environment and conservation or the commissioner's duly authorized representative and, in the event of the commissioner's absence or a vacancy in the office of commissioner, the deputy commissioner.

(11) "Compatible pollutant." Shall mean BOD, suspended solids, pH, fecal coliform bacteria, and such additional pollutants as are now or may in the future be specified and controlled in the Owner's NPDES permit for its wastewater treatment works where sewer works have been designed and used to reduce or remove such pollutants.

(12) "Composite sample." A sample composed of two or more discrete samples. The aggregate sample will reflect the average water quality covering the compositing or sample period.

(13) "Control authority." The term "control authority" shall refer to the "approval authority," defined herein above; or the local hearing authority if the Owner has an approved Pretreatment Program under the provisions of 40 CFR 403.11.

(14) "Cooling water." The water discharge from any use such as air conditioning, cooling, or refrigeration, or to which the only pollutant added is heat.

(15) "Customer." Any individual, partnership, corporation, association, or group who receives sewer service from the Owner under either an express or implied contract requiring payment to the Owner for such service.

(16) "Daily Maximum." The arithmetic average of all effluent samples for a pollutant (except pH) collected during a calendar day. The daily maximum for pH is the highest value tested during a 24-hour calendar day.

(17) "Daily Maximum Limit." The maximum allowable discharge limit of a pollutant during a calendar day. Where the limit is expressed in units of mass, the limit is the maximum amount of total mass of the pollutant that can be discharged during the calendar day. Where the limit is expressed in concentration, it is the arithmetic average of all concentration measurements taken during the calendar day.

(18) "Direct discharge." The discharge of treated or untreated wastewater directly to the waters of the State of Tennessee.

(19) "Domestic wastewater." Wastewater that is generated by a single family, apartment or other dwelling unit or dwelling unit equivalent or commercial establishment containing sanitary facilities for the disposal of wastewater and used for residential or commercial purposes only.

(20) "Environmental Protection Agency, or EPA." The U. S. Environmental Protection Agency, or where appropriate, the term may also be used as a designation for the administrator or other duly authorized official of the said agency.

(21) "Garbage." Solid wastes generated from any domestic, commercial or industrial source.

(22) "Grab sample." A sample which is taken from a waste stream on a one-time basis with no regard to the flow in the waste stream and is collected over a period of time not to exceed fifteen (15) minutes. Grab sampling procedure: Where composite sampling is not an appropriate sampling technique, a grab sample(s) shall be taken to obtain influent and effluent operational data. Collection of influent grab samples should precede collection of effluent samples by approximately one detention period. The detention period is to be based on a 24-hour average daily flow value. The average daily flow used will be based upon the average of the daily flows during the same month of the previous year. Grab samples will be required, for example, where the parameters being evaluated are those, such as cyanide and phenol, which may not be held for any extended period because of biological, chemical or physical interactions which take place after sample collection and affect the results.

(23) "Grease interceptor." An interceptor whose rated flow is 50 g.p.m. (gallons per minute) or less and is generally located inside the building.

(24) "Grease trap." An interceptor whose rated flow is 50 g.p.m. or more and is located outside the building.

(25) "Holding tank waste." Any waste from holding tanks such as vessels, chemical toilets, campers, trailers, septic tanks, and vacuum-pump tank trucks.

(26) "Incompatible pollutant." Any pollutant which is not a "compatible pollutant" as defined in this section.

(27) "Indirect discharge." The introduction of pollutants into the WWF from any non-domestic source.

(28) "Industrial user." A source of indirect discharge which does not constitute a "discharge of pollutants" under regulations issued pursuant to Section 402, of the Act (33 U.S.C. §1342).

(29) "Industrial wastes." Any liquid, solid, or gaseous substance, or combination thereof, or form of energy including heat, resulting from any process of industry, manufacture, trade, food processing or preparation, or business or from the development of any natural resource.

(30) "Instantaneous limit." The maximum concentration of a pollutant allowed to be discharged at any time, determined from the analysis of any discrete or composited sample collected, independent of the industrial flow rate and the duration of the sampling event.

(31) "Interceptor." A device designed and installed to separate and retain for removal, by automatic or manual means, deleterious, hazardous or undesirable matter from normal wastes, while permitting normal sewage or waste to discharge into the drainage system by gravity.

(32) "Interference." A discharge that, alone or in conjunction with a discharge or discharges from other sources, inhibits or disrupts the WWF, its treatment processes or operations,

or its sludge processes, use or disposal, or exceeds the design capacity of the treatment works or collection system.

(33) "Local administrative officer." The chief administrative officer of the local hearing authority.

(34) "Local hearing authority." The board of commissioners or such person or persons appointed by the board to administer and enforce the provisions of this chapter and conduct hearings pursuant to Section 205.

(35) "National categorical pretreatment standard or pretreatment standard." Any regulation containing pollutant discharge limits promulgated by the EPA in accordance with Section 307(b) and (c) of the Act (33 U.S.C. § 1347) which applies to a specific category of industrial users.

(36) "NAICS, North American Industrial Classification System." A system of industrial classification jointly agreed upon by Canada, Mexico and the United States. It replaces the Standard Industrial Classification (SIC) System.

(37) "New source." (a) Any building, structure, facility or installation from which there is or may be a discharge of pollutants, the construction of which commenced after the publication of proposed Pretreatment Standards under section 307(c) of the Clean Water Act which will be applicable to such source if such Standards are thereafter promulgated in accordance with that section, provided that:

(i) The building structure, facility or installation is constructed at a site at which no other source is located; or

(ii) The building, structure, facility or installation totally replaces the process or production equipment that causes the discharge of pollutants at an existing source; or

(iii) The production or wastewater generating processes of the building, structure, facility or installation are substantially independent of an existing source at the same site. In determining whether these are substantially independent, factors such as the extent to which the new facility is engaged in the same general type of activity as the existing source should be considered.

(b) Construction on a site at which an existing source is located results in a modification rather than a new source if the construction does not create a new building, structure, facility, or installation meeting the criteria of parts (a)(ii) or (a)(iii) of this definition but otherwise alters, replaces, or adds to existing process or production equipment.

(c) Construction of a new source as defined under this paragraph has commenced if the owner or operator has:

(i) Begun, or caused to begin as part of a continuous onsite construction program:

(A) Any placement, assembly, or installation of facilities or equipment; or

(B) Significant site preparation work including cleaning, excavation or removal of existing buildings, structures, or facilities which is necessary for the placement, assembly, or installation of new source facilities or equipment; or

(ii) Entered into a binding contractual obligation for the purchase of

facilities or equipment which are intended to be used in its operation within a reasonable time. Options to purchase or contracts which can be terminated or modified without substantial loss, and contracts for feasibility, engineering, and design studies do not constitute a contractual obligation under this paragraph

(38) "NPDES (National Pollution Discharge Elimination System)." The program for issuing, conditioning, and denying permits for the discharge of pollutants from point sources into navigable waters, the contiguous zone, and the oceans pursuant to Section 402 of the Clean Water Act as amended.

(39) "Pass-through." A discharge which exits the Wastewater Facility (WWF) into waters of the State in quantities or concentrations which, alone or in conjunction with a discharge or discharges from other sources, is a cause of a violation of any requirement of the WWF's NPDES permit including an increase in the magnitude or duration of a violation.

(40) "Person." Any individual, partnership, co-partnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity or any other legal entity, or their legal representatives, agents, or assigns. The masculine gender shall include the feminine and the singular shall include the plural where indicated by the context.

(41) "pH." The logarithm (base 10) of the reciprocal of the concentration of hydrogen ions expressed in grams per liter of solution.

(42) "Pollution." The man-made or man-induced alteration of the chemical, physical, biological, and radiological integrity of water.

(43) "Pollutant." Any dredged spoil, solid waste, incinerator residue, filter backwash, sewage, garbage, sewage sludge, munitions, medical waste, chemical wastes, biological materials, radioactive materials, heat, wrecked or discharged equipment, rock, sand, cellar dirt, and industrial, municipal, and agricultural waste and certain characteristics of wastewater (e.g., pH, temperature, turbidity, color, BOD, COD, toxicity, or odor discharge into water).

(44) "Pretreatment or treatment." The reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater to a less harmful state prior to or in lieu of discharging or otherwise introducing such pollutants into a POTW. The reduction or alteration can be obtained by physical, chemical, biological processes, or process changes or other means, except through dilution as prohibited by 40 CFR Section 403.6(d).

(45) "Pretreatment coordinator." The person designated by the local administrative officer or his authorized representative to supervise the operation of the pretreatment program.

(46) "Pretreatment requirements." Any substantive or procedural requirement related to pretreatment other than a national pretreatment standard imposed on an industrial user.

(47) "Pretreatment standards or standards." A prohibited discharge standard, categorical pretreatment standard and local limit.

(48) "Publicly owned treatment works (POTW)." A treatment works as defined by Section 212 of the Act, (33 U.S.C. § 1292) which is owned in this instance by the municipality (as defined by section 502(4) of the Act). This definition includes any devices and systems used in the storage, treatment, recycling and reclamation of municipal sewage or industrial wastes of a liquid nature. It also includes sewers, pipes and other conveyances only if they convey wastewater to a POTW treatment plant. The term also means the municipality as defined in section 502(4) of the Act, which has jurisdiction over the indirect discharges to and the discharges from such a treatment works. See WWF, Wastewater Facility, found in definition number 63, below.

(49) "Shall" is mandatory; "May" is permissive.

(50) "Significant industrial user." The term significant industrial user means:

(a) All industrial users subject to categorical pretreatment standards under 40 CFR 403.6 and 40 CFR chapter I, subchapter N; and

(b) Any other industrial user that: discharges an average of 25,000 gallons per day or more of process wastewater to the WWF (excluding sanitary, non-contact cooling and boiler blowdown wastewater); contributes a process waste stream which makes up 5 percent or more of the average dry weather hydraulic or organic capacity of the POTW treatment plant; or is designated as such by the control authority as defined in 40 CFR 403.12(a) on the basis that the industrial user has a reasonable potential for adversely affecting the WWF's operation or for violating any pretreatment standard or requirement (in accordance with 40 CFR 403.8(f)(6)).

(51) "Significant noncompliance." Per 0400-4-14-.08(6)(b)8. (a) Chronic violations of wastewater discharge limits, defined here as those in which sixty-six percent or more of all of the measurements taken for each parameter taken during a six-month period exceed (by any magnitude) a numeric pretreatment standard or requirement, including instantaneous limit.

(b) Technical Review Criteria (TRC) violations, defined here as those in which thirty-three percent or more of all of the measurements for each pollutant parameter taken during a six-month period equal or exceed the product of the numeric pretreatment standard or requirement, including instantaneous limits multiplied by the applicable TRC (TRC=1.4 for BOD, TSS, fats, oils and grease, and 1.2 for all other pollutants except pH). TRC calculations for pH are not required.

(c) Any other violation of a pretreatment standard or requirement (daily maximum or longer-term average, instantaneous limit, or narrative standard) that the WWF determines has caused, alone or in combination with other discharges, interference or pass through (including endangering the health of WWF personnel or the general public).

(d) Any discharge of a pollutant that has caused imminent endangerment to human health, welfare or to the environment or has resulted in the WWF's exercise of its emergency authority under Section 205(1)(b)(i)(D), Emergency Order, to halt or prevent such a discharge.

(e) Failure to meet, within 90 days after the schedule date, a compliance schedule milestone contained in a local control mechanism or enforcement order for starting construction, completing construction, or attaining final compliance.

(f) Failure to provide, within 45 days after their due date, required reports such as baseline monitoring reports, 90-day compliance reports, periodic self-monitoring reports, and reports on compliance with compliance schedules.

(g) Failure to accurately report noncompliance.

(h) Any other violation or group of violations, which may include a violation of Best Management Practices, which the WWF determines will adversely affect the operation or implementation of the local pretreatment program.

(i) Continuously monitored pH violations that exceed limits for a time period greater than 50 minutes or exceed limits by more than 0.5 s.u. more than eight times in four hours.

(52) "Slug." Any discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch discharge, which has a reasonable potential to cause interference or pass-through, or in any other way violate the WWF's regulations, local limits, or

Permit conditions.

(53) "Standard industrial classification (SIC)." A classification pursuant to the Standard Industrial Classification Manual issued by the Executive Office of the President, Office of Management and Budget, 1972.

(54) "State." The State of Tennessee.

(55) "Storm sewer or storm drain." A pipe or conduit which carries storm and surface waters and drainage but excludes sewage and industrial wastes. It may, however, carry cooling waters and unpolluted waters, upon approval of the Manager.

(56) "Storm water." Any flow occurring during or following any form of natural precipitation and resulting therefrom.

(57) "Manager." The local administrative officer or person designated by him to supervise the operation of the publicly owned treatment works and who is charged with certain duties and responsibilities by this chapter, or his duly authorized representative.

(58) "Suspended solids." The total suspended matter that floats on the surface of, or is suspended in, water, wastewater, or other liquids and that is removable by laboratory filtering.

(59) "Toxic pollutant." Any pollutant or combination of pollutants listed as toxic in regulations published by the Administrator of the Environmental Protection Agency under the provision of CWA 307(a) or other Acts.

(60) "Twenty-four (24) hour flow proportional composite sample." A sample consisting of several sample portions collected during a 24-hour period in which the portions of a sample are proportioned to the flow and combined to form a representative sample.

(61) "User." The owner, tenant or occupant of any lot or parcel of land connected to a sanitary sewer, or for which a sanitary sewer line is available if a municipality levies a sewer charge on the basis of such availability, Tennessee Code Annotated, § 68-221-201.

(62) "Wastewater." The liquid and water-carried industrial or domestic wastes from dwellings, commercial buildings, industrial facilities, and institutions, whether treated or untreated, which is contributed into or permitted to enter the WWF.

(63) "Wastewater Facility" Any or all of the following: the collection/transmission system, treatment plant, and the reuse or disposal system, which is owned by any person. This definition includes any devices and systems used in the storage, treatment, recycling and reclamation of municipal sewage or industrial waste of a liquid nature. It also includes sewers, pipes and other conveyances only if they convey wastewater to a WWF treatment plant. The term also means the municipality as defined in section 502(4) of the Federal Clean Water Act, which has jurisdiction over the indirect discharges to and the discharges from such a treatment works. WWF was formally known as a POTW, or Publicly Owned Treatment Works.

(64) "Waters of the state." All streams, lakes, ponds, marshes, watercourses, waterways, wells, springs, reservoirs, aquifers, irrigation systems, drainage systems, and other bodies of accumulation of water, surface or underground, natural or artificial, public or private, that are contained within, flow through, or border upon the state or any portion thereof.

(65) "0400-4-14." Chapter 0400-4-14 of the Rules and Regulations of the State of Tennessee, Pretreatment Requirements.

104. Proper waste disposal required. (1) It shall be unlawful for any person to place, deposit, or permit to be deposited in any unsanitary manner on public or private property within the service area of the Owner, any human or animal excrement, garbage, or other objectionable waste.

(2) It shall be unlawful to discharge to any waters of the state within the service area of the Owner any sewage or other polluted waters, except where suitable treatment has been provided in accordance with provisions of this Resolution or Owner or state regulations.

(3) Except as herein provided, it shall be unlawful to construct or maintain any privy, privy vault, cesspool, or other facility intended or used for the disposal of sewage.

(4) Except as provided in (6) below, the owner of all houses, buildings, or properties used for human occupancy, employment, recreation, or other purposes situated within the service area in which there is now located or may in the future be located a public sanitary sewer, is hereby required at his expense to install suitable toilet facilities therein, and to connect such facilities directly with the proper private or public sewer in accordance with the provisions of this chapter. Where public sewer is available property owners shall within sixty (60) days after date of official notice to do so, connect to the public sewer. Service is considered "available" when a public sewer main is located in an easement, right-of-way, road or public access way which abuts the property.

(5) Where a public sanitary sewer is not available under the provisions of (4) above, the building sewer shall be connected to a private sewage disposal system complying with the provisions of Section 105 of this resolution.

(6) The owner of a manufacturing facility may discharge wastewater to the waters of the state provided that he obtains an NPDES permit and meets all requirements of the Federal Clean Water Act, the NPDES permit, and any other applicable local, state, or federal statutes and regulations.

105. Private domestic wastewater disposal. (1) Availability. (a) Where a public sanitary sewer is not available under the provisions of Section 104(4), the building sewer shall be connected, until the public sewer is available, to a private wastewater disposal system complying with the provisions of the applicable local and state regulations.

(b) The owner shall operate and maintain the private sewage disposal facilities in a sanitary manner at all times, at no expense to the Owner. When it becomes necessary to clean septic tanks, the sludge may be disposed of only according to applicable federal and state regulations.

(c) Where a public sewer becomes available, the building sewer shall be connected to said sewer within sixty (60) days after date of official notice from the Owner to do so.

(2) Requirements. (a) The type, capacity, location and layout of a private sewerage disposal system shall comply with all local or state regulations. Before commencement of construction of a private sewerage disposal system, the owner shall first obtain written approval from the County Health Department. The application for such approval shall be made on a form furnished by the County Health Department which the applicant shall supplement with any plans or specifications that the Department has requested.

(b) Approval of a private sewerage disposal system shall not become effective until the installation is completed to the satisfaction of the local and state authorities, who shall be allowed to inspect the work at any stage of construction.

(c) The type, capacity, location, and layout of a private sewage disposal system shall comply with all recommendations of the Tennessee Department of Environment and Conservation, and the County Health Department. No septic tank or cesspool shall be

permitted to discharge to waters of Tennessee.

(d) No statement contained in this chapter shall be construed to interfere with any additional or future requirements that may be imposed by the Owner and the county health department.

106. Connection to public sewers. (1) Application for Service. (a) There shall be two (2) classifications of service; (1) residential and (2) service to commercial, industrial and other non-residential establishments. In either case, the owner or his agent shall make application for connection on a special form furnished by the Owner. Applicants for service to commercial and industrial establishments shall be required to furnish information about all wasteproducing activities, wastewater characteristics and constituents. The application shall be supplemented by any plans, specifications or other information considered pertinent in the judgment of the Manager. Details regarding commercial and industrial permits include but are not limited to those required by this resolution. Service Connection Fees for establishing new sewer service are paid to the Owner. Industrial User Discharge Permit Fees may also apply. The receipt by the Owner of a prospective customer's application for connection shall not obligate the Owner to render the connection. If the service applied for cannot be supplied in accordance with this chapter and the Owner's rules and regulations and general practice, or state and federal requirement, the connection charge will be refunded in full, and there shall be no liability of the Owner to the applicant for such service.

(b) Users shall notify the Owner of any proposed new introduction of wastewater constituents or any proposed change in the volume or character of the wastewater being discharged to the system a minimum of sixty (60) days prior to the change. The Owner may deny or limit this new introduction or change based upon the information submitted in the notification.

(2) Prohibited connections. No person shall make connections of roof downspouts, sump pumps, basement wall seepage or floor seepage, exterior foundation drains, area way drains, or other sources of surface runoff or groundwater to a building sewer or building drain which in turn is connected directly or indirectly to a public sanitary sewer. Any such connections which already exist on the effective date of this resolution shall be completely and permanently disconnected within sixty (60) days of the effective day of this resolution. The owners of any building sewer having such connections, leaks or defects shall bear all of the costs incidental to removal of such sources. Pipes, sumps and pumps for such sources of ground water shall be separate from the sanitary sewer.

(3) Physical connection to public sewer. (a) No person shall uncover, make any connections with or opening into, use, alter, or disturb any public sewer or appurtenance thereof. The Owner shall make all connections to the public sewer upon the property owner first submitting a connection application to the Owner.

The connection application shall be supplemented by any plans, specifications or other information considered pertinent in the judgment of the Manager. A service connection fee shall be paid to the Owner at the time the application is filed.

The applicant is responsible for excavation and installation of the building sewer which is located on private property. The Owner will inspect the installation prior to backfilling and make the connection to the public sewer.

(b) All costs and expenses incident to the installation, connection, and inspection of the building sewer shall be borne by the owner including all service and connection fees. The owner shall indemnify the Owner from any loss or damage that may directly or indirectly be occasioned by the installation of the building sewer.

(c) A separate and independent building sewer shall be provided for every single family unit or commercial building; unless the sewer has been sized for multiple units; except where one building stands at the rear of another on an interior lot and no private sewer is available or can be constructed to the rear building through an adjoining alley, courtyard, or driveway, the building sewer from the front building may be extended to the rear building and the whole considered as one building sewer. Where property is subdivided and buildings use a common building sewer are now located on separate properties, the building sewers must be separated within 60 days.

(d) Old building sewers may be used in connection with new buildings only when they are found, on examination and tested by the Manager to meet all requirements of this chapter. All others may be sealed to the specifications of the Manager.

(e) Building sewers shall conform to the following requirements:

(i) The minimum size of a building sewer shall be as follows:
Conventional sewer system - Four inches (4").

(ii) The minimum depth of a building sewer shall be eighteen inches (18").

(iii) Building sewers shall be laid on the following grades: Four inch (4") sewers - 1/8 inch per foot.

Larger building sewers shall be laid on a grade that will produce a velocity when flowing full of at least 2.0 feet per second.

(iv) Building sewers shall be installed in uniform alignment at uniform slopes.

(v) Building sewers shall be constructed only of polyvinyl chloride pipe Schedule 40 or better. Joints shall be solvent welded, or compression gaskets designed for the type of pipe used. No other joints shall be acceptable.

(vi) Cleanouts shall be provided to allow cleaning in the direction of flow. A cleanout shall be located five (5) feet outside of the building, as it crosses the property line and one at each change of direction of the building sewer which is greater than 45 degrees. Additional cleanouts shall be placed not more than seventy-five (75) feet apart in horizontal building sewers of six (6) inch nominal diameter and not more than one hundred (100) feet apart for larger pipes. Cleanouts shall be extended to or above the finished grade level directly above the place where the cleanout is installed and protected from damage. A "Y" (wye) and 1/8 bend shall be used for the cleanout base. Cleanouts shall not be smaller than four (4) inches. Blockages on the property owner's side of the property line cleanout are the responsibility of the property owner.

(vii) Connections of building sewers to the public sewer system shall be made only by the Owner and shall be made at the appropriate existing wyes or tee branch using compression type couplings or collar type rubber joint with stainless steel bands. Where existing wye or tee branches are not available, connections of building services shall be made by either removing a length of pipe and replacing it with a wye or tee fitting using flexible neoprene adapters with stainless steel

bands of a type approved by the Manager. Bedding must support pipe to prevent damage or sagging. All such connections shall be made gastight and watertight.

(viii) In all buildings in which any building drain is too low to permit gravity flow to the public sewer, sanitary sewage carried by such building drain shall be lifted by an approved pump system according to Section 107 and discharged to the building sewer at the expense of the owner.

(ix) The methods to be used in excavating, placing of pipe, jointing, testing, backfilling the trench, or other activities in the construction of a building sewer which have not been described above shall conform to the requirements of the building and plumbing code or other applicable rules and regulations of the Owner or to the procedures set forth in appropriate specifications by the ASTM. Any deviation from the prescribed procedures and materials must be approved by the Manager before installation.

(x) An installed building sewer shall be gastight and watertight.

(f) All excavations for building sewer installation shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways, and other public property disturbed in the course of the work shall be restored in a manner satisfactory to the Owner.

(g) No person shall make connection of roof downspouts, exterior foundation drains, areaway drains, basement drains, sump pumps, or other sources of surface runoff or groundwater to a building directly or indirectly to a public sanitary sewer.

(h) Inspection of connections.

(i) The sewer connection and all building sewers from the building to the public sewer main line shall be inspected before the underground portion is covered, by the Manager or his authorized representative.

(ii) The applicant for discharge shall notify the Manager when the building sewer is ready for inspection and connection to the public sewer. The connection shall be made under the supervision of the Manager or his representative.

(4) Maintenance of building sewers. Each individual property owner shall be entirely responsible for the construction, maintenance, repair or replacement of the building sewer as deemed necessary by the Manager to meet specifications of the Owner. Owners failing to maintain or repair building sewers or who allow storm water or ground water to enter the sanitary sewer may face enforcement action by the Manager up to and including discontinuation of water and sewer service.

(5) Sewer extensions. All expansion or extension of the public sewer constructed by property owners or developers must follow policies and procedures developed by the Owner. In the absence of policies and procedures the expansion or extension of the public sewer must be approved in writing by the Manager of the wastewater collection system. All plans and construction must follow the latest edition of Tennessee Design Criteria for Sewerage Works, located at <http://www.state.tn.us/environment/wpc/publications/>. Contractors must provide the Manager with as-built drawing and documentation that all mandrel, pressure and vacuum tests as specified in design criteria were acceptable prior to use of the lines. Contractor's one year warranty period begins with occupancy or first permanent use of the lines. Contractors are responsible for all maintenance and repairs during the warranty period and final inspections as specified by the Manager. The Manager must give written approval to the contractor to acknowledge transfer of

ownership to the Owner. Failure to construct or repair lines to acceptable standards could result in denial or discontinuation of sewer service.

107. Septic tank effluent pump wastewater systems. When connection of building sewers to the public sewer by gravity flow lines is impossible due to elevation differences or other encumbrances, a septic tank effluent pump (STEP) system may be installed subject to the regulations of the Owner.

(1) Equipment requirements. (a) Pumps must be approved by the Owner and shall be maintained by the Owner.

(2) Installation requirements. Location of tanks, pumps, and effluent lines shall be subject to the approval of the Owner. Installation shall follow design criteria for STEP systems as provided by the Manager.

(3) Costs. STEP equipment shall be purchased and installed at the developer's, homeowner's, or business owner's expense according to the specification of the Owner and connection will be made to the Owner sewer only after inspection and approval of the Owner.

(4) Ownership and agreement. Homeowners or developers shall provide the Owner with ownership of the equipment and an agreement for access to perform necessary maintenance or repair. Access by the Owner to the STEP system must be guaranteed to operate, maintain, repair, restore service, and remove sludge. Access manholes, ports, and electrical disconnects must not be locked, obstructed or blocked by landscaping or construction.

(5) Use of STEP systems. (a) Home or business owners shall follow the STEP users guide provided by the Manager.

(b) Home or business owners shall provide an electrical connection that meets specifications and shall provide electrical power.

(c) Home or business owners shall be responsible for maintenance of drain lines from the building to the STEP tank.

(d) Prohibited uses of the STEP system.

(i) Connection of roof guttering, sump pumps or surface drains.

(ii) Disposal of toxic household substances.

(iii) Use of garbage grinders or disposers.

(iv) Discharge of pet hair, lint, or home vacuum water.

(v) Discharge of fats, grease, and oil.

(6) Additional charges. The Owner shall be responsible for maintenance of the STEP equipment. Repeat service calls for similar problems shall be billed to the homeowner or business at a rate of the actual cost of the service call.

108. Regulation of holding tank waste disposal or trucked in waste. (1) No person, firm, association or corporation shall haul in or truck into the WWF any type of domestic, commercial or industrial waste unless such person, firm, association, or corporation obtains a written approval from the Owner to perform such acts or services.

Any person, firm, association, or corporation desiring a permit to perform such services shall file an application on the prescribed form. Upon any such application, said permit shall be issued by the Manager when the conditions of this chapter have been met and providing the Manager is satisfied the applicant has adequate and proper equipment to perform the services contemplated in a safe and competent manner.

(2) Fees. For each permit issued under the provisions of this chapter the applicant shall

agree in writing by the provisions of this section and pay an annual service charge to the Owner to be set as specified in Section 207 of this resolution. Any such permit granted shall be for a specified period of time, and shall continue in full force and effect from the time issued until the expiration date, unless sooner revoked, and shall be nontransferable. The number of the permit granted hereunder shall be plainly painted in 3-inch permanent letters on each side of each motor vehicle used in the conduct of the business permitted hereunder.

(3) Designated disposal locations. The Manager shall designate approved locations for the emptying and cleansing of all equipment used in the performance of the services rendered under the permit herein provided for, and it shall be a violation hereof for any person, firm, association or corporation to empty or clean such equipment at any place other than a place so designated. The Manager may refuse to accept any truckload of waste at his discretion where it appears that the waste could interfere with the operation of the WWF.

(4) Revocation of permit. Failure to comply with all the provisions of the permit or this chapter shall be sufficient cause for the revocation of such permit by the Manager. The possession within the service area by any person of any motor vehicle equipped with a body type and accessories of a nature and design capable of serving a septic tank of wastewater or excreta disposal system cleaning unit shall be prima facie evidence that such person is engaged in the business of cleaning, draining, or flushing septic tanks or other wastewater or excreta disposal systems within the service area of the Owner.

(5) Trucked in waste. This part includes waste from trucks, railcars, barges, etc., or temporally pumped waste, all of which are prohibited without a permit issued by the Manager. This approval may require testing, flow monitoring and record keeping.

109. Discharge regulations. (1) General discharge prohibitions. No user shall contribute or cause to be contributed, directly or indirectly, any pollutant or wastewater which will pass through or interfere with the operation and performance of the WWF. These general prohibitions apply to all such users of a WWF whether or not the user is subject to national categorical pretreatment standards or any other national, state, or local pretreatment standards or requirements. Violations of these general and specific prohibitions or the provisions of this section may result in the issuance of an industrial pretreatment permit, surcharges, discontinuance of water and/or sewer service and other fines and provisions of Section 110 or 205. A user may not contribute the following substances to any WWF:

(a) Any liquids, solids, or gases which by reason of their nature or quantity are, or may be, sufficient either alone or by interaction with other substances to cause fire or explosion or be injurious in any other way to the WWF or to the operation of the WWF. Prohibited flammable materials including, but not limited to, waste streams with a closed cup flash point of less than 140⁰ F or 60⁰ C using the test methods specified in 40 CFR 261.21. Prohibited materials include, but are not limited to, gasoline, kerosene, naphtha, benzene, toluene, xylene, ethers, alcohols, ketones, aldehydes, peroxides, chlorates, perchlorates, bromate, carbides, hydrides and sulfides and any other substances which the Owner, the state or EPA has notified the user is a fire hazard or a hazard to the system.

(b) Any wastewater having a pH less than 5.5 or higher than 9.5 or wastewater having any other corrosive property capable of causing damage or hazard to structures, equipment, and/or personnel of the WWF.

(c) Solid or viscous substances which may cause obstruction to the flow in a sewer or other interference with the operation of the wastewater treatment facilities

including, but not limited to: grease, garbage with particles greater than one-half inch (1/2") in any dimension, waste from animal slaughter, ashes, cinders, sand, spent lime, stone or marble dust, metal, glass, straw, shavings, grass clippings, rags, spent grains, spent hops, waste paper, wood, plastics, mud, or glass grinding or polishing wastes.

(d) Any pollutants, including oxygen demanding pollutants (BOD, etc.) released at a flow rate and/or pollutant concentration which will cause interference to the WWF.

(e) Any wastewater having a temperature which will inhibit biological activity in the WWF treatment plant resulting in interference, but in no case wastewater with a temperature at the introduction into the WWF which exceeds 40°C (104° F) unless approved by the State of Tennessee.

(f) Petroleum oil, nonbiodegradable cutting oil, or products of mineral oil origin in amounts that will cause interference or pass through.

(g) Pollutants which result in the presence of toxic gases, vapors, or fumes within the WWF in a quantity that may cause acute worker health and safety problems.

(h) Any wastewater containing any toxic pollutants, chemical elements, or compounds in sufficient quantity, either singly or by interaction with other pollutants, to injure or interfere with any wastewater treatment process, constitute a hazard to humans, including wastewater plant and collection system operators, or animals, create a toxic effect in the receiving waters of the WWF, or to exceed the limitation set forth in a categorical pretreatment standard. A toxic pollutant shall include but not be limited to any pollutant identified pursuant to Section 307(a) of the Act.

(i) Any trucked or hauled pollutants except at discharge points designated by the WWF.

(j) Any substance which may cause the WWF's effluent or any other product of the WWF such as residues, sludges, or scums, to be unsuitable for reclamation and reuse or to interfere with the reclamation process. In no case, shall a substance discharged to the WWF cause the WWF to be in non-compliance with sludge use or disposal criteria, 40 CFR 503, guidelines, or regulations developed under Section 405 of the Act; any criteria, guidelines, or regulations affecting sludge use or disposal developed pursuant to the Solid Waste Disposal Act, the Clean Air Act, the Toxic Substances Control Act, or state criteria applicable to the sludge management method being used.

(k) Any substances which will cause the WWF to violate its NPDES Permit or the receiving water quality standards.

(l) Any wastewater causing discoloration of the wastewater treatment plant effluent to the extent that the receiving stream water quality requirements would be violated, such as, but not limited to, dye wastes and vegetable tanning solutions.

(m) Any waters or wastes causing an unusual volume of flow or concentration of waste constituting "slug" as defined herein.

(n) Any waters containing any radioactive wastes or isotopes of such half-life or concentration as may exceed limits established by the Manager in compliance with applicable state or federal regulations.

(o) Any wastewater which causes a hazard to human life or creates a public nuisance.

(p) Any waters or wastes containing animal or vegetable fats, wax, grease, or oil, whether emulsified or not, which cause accumulations of solidified fat in pipes, lift

stations and pumping equipment, or interfere at the treatment plant.

(q) Detergents, surfactants, surface-acting agents or other substances which may cause excessive foaming at the WWF or pass through of foam.

(r) Wastewater causing, alone or in conjunction with other sources, the WWF to fail toxicity tests.

(s) Any stormwater, surface water, groundwater, roof runoff, subsurface drainage, uncontaminated cooling water, or unpolluted industrial process waters to any sanitary sewer. Stormwater and all other unpolluted drainage shall be discharged to such sewers as are specifically designated as storm sewers, or to a natural outlet approved by the Manager and the Tennessee Department of Environment and Conservation. Industrial cooling water or unpolluted process waters may be discharged on approval of the Manager and the Tennessee Department of Environment and Conservation, to a storm sewer or natural outlet.

(2) Local Limits. In addition to the general and specific prohibitions listed in this section, users permitted according to Chapter 2 may be subject to numeric and best management practices as additional restrictions to their wastewater discharge in order to protect the WWF from interference or protect the receiving waters from pass through contamination.

(3) Restrictions on wastewater strength. No person or user shall discharge wastewater which exceeds the set of standards provided in Table A - Plant Protection Criteria, unless specifically allowed by their discharge permit according to Chapter 2 of this resolution. Dilution of any wastewater discharge for the purpose of satisfying these requirements shall be considered in violation of this chapter.

Table A – Plant Protection Criteria

Parameter	Maximum Concentration (mg/l)	Average Monthly Concentration (mg/l)
Benzene	0.026	0.013
Cadmium	0.500	0.250
Carbon Tetrachloride	3.00	1.50
Chloroform	0.500	0.250
Chromium VI	0.500	0.250
Chromium III	0.500	0.250
Chromium (total)	0.500	0.250
Copper	0.530	0.265
Cyanide	0.200	0.100
Ethylbenzene	0.080	0.040
Lead	0.200	0.100
Mercury	0.0026	0.0013
Methylene Chloride	0.192	0.961
Naphthalene	0.0250	0.0125
Nickel	0.500	0.250
Phenol, Total	0.908	0.454
Silver	0.0588	0.0294

Parameter	Maximum Concentration (mg/l)	Average Monthly Concentration (mg/l)
Tetrachloroethylene	0.277	0.1388
Toluene	0.0428	0.0214
Total Phthalate	0.338	0.169
Trichlorethylene	0.200	0.100
1,1,1-Trichloroethane	0.500	0.250
1,2 Transdichloroethylene	0.0150	0.0075
Zinc	0.580	0.290

(4) Fats, oils and grease traps and interceptors.

(a) Fat, Oil, and Grease (FOG), waste food, and sand interceptors. FOG, waste food and sand interceptors shall be installed when, in the opinion of the Manager, they are necessary for the proper handling of liquid wastes containing fats, oils, and grease, any flammable wastes, ground food waste, sand, soil, and solids, or other harmful ingredients in excessive amount which impact the wastewater collection system. Such interceptors shall not be required for single family residences, but may be required on multiple family residences. All interceptors shall be of a type and capacity approved by the Manager, and shall be located as to be readily and easily accessible for cleaning and inspection.

(b) Fat, oil, grease, and food waste. (i) New construction and renovation. Upon construction or renovation, all restaurants, cafeterias, hotels, motels, hospitals, nursing homes, schools, grocery stores, prisons, jails, churches, camps, caterers, manufacturing plants and any other sewer users who discharge applicable waste shall submit a FOG and food waste control plan that will effectively control the discharge of FOG and food waste.

(ii) Existing structures. All existing restaurants, cafeterias, hotels, motels, hospitals, nursing homes, schools, grocery stores, prisons, jails, churches, camps, caterers, manufacturing plants and any other sewer users who discharge applicable waste shall be required to submit a plan for control of FOG and food waste, if and when the Manager determines that FOG and food waste are causing excessive loading, plugging, damage or potential problems to structures or equipment in the public sewer system.

(iii) Implementation of plan. After approval of the FOG plan by the Manager the sewer user must:

(A) Implement the plan within a reasonable amount of time;

(B) Service and maintain the equipment in order to prevent impact upon the sewer collection system and treatment facility. If in the opinion of the Manager the user continues to impact the collection system and treatment plan, additional pretreatment may be required, including a requirement to meet numeric limits and have surcharges applied.

(c) Sand, soil, and oil interceptors. All car washes, truck washes, garages, service stations and other sources of sand, soil, and oil shall install effective sand, soil, and oil interceptors. These interceptors shall be sized to effectively remove sand, soil, and oil at the expected flow rates. The interceptors shall be cleaned on a regular basis to prevent impact upon the wastewater collection and treatment system. Owners whose interceptors

are deemed to be ineffective by the Manager may be asked to change the cleaning frequency or to increase the size of the interceptors. Owners or operators of washing facilities will prevent the inflow of rainwater into the sanitary sewers.

(d) Laundries. Commercial laundries shall be equipped with an interceptor with a wire basket or similar device, removable for cleaning, that prevents passage into the sewer system of solids 1/2 inch or larger in size such as strings, rags, buttons, or other solids detrimental to the system.

(e) Control equipment. The equipment of facilities installed to control FOG, food waste, sand and soil, must be designed in accordance with the Tennessee Department of Environment and Conservation engineering standards or applicable Owner guidelines. Underground equipment shall be tightly sealed to prevent inflow of rainwater and easily accessible to allow regular maintenance. Control equipment shall be maintained by the owner or operator of the facility so as to prevent a stoppage of the public sewer, and the accumulation of FOG in the lines, pump stations and treatment plant. If the Owner is required to clean out the public sewer lines as a result of a stoppage resulting from poorly maintained control equipment, the property owner shall be required to refund the labor, equipment, materials and overhead costs to the Owner. Nothing in this subsection shall be construed to prohibit or restrict any other remedy the Owner has under this chapter, or state or federal law. The Owner retains the right to inspect and approve installation of control equipment.

(f). Solvents Prohibited. The use of degreasing or line cleaning products containing petroleum based solvents is prohibited. The use of other products for the purpose of keeping FOG dissolved or suspended until it has traveled into the collection system of the Owner is prohibited.

(g) The Manager may use industrial wastewater discharge permits under 202 to regulate the discharge of fat, oil and grease.

110. Enforcement and abatement. Violators of these Wastewater Regulations may be cited to city court, general sessions court, chancery court, or other court of competent jurisdiction face fines, have sewer service terminated or the Owner may seek further remedies as needed to protect the collection system, treatment plant, receiving stream and public health including the issuance of discharge permits according to Chapter 2. Repeated or continuous violation of this resolution is declared to be a public nuisance and may result in legal action against the property owner and/or occupant and the service line disconnected from sewer main. Upon notice by the Manager that a violation has or is occurring, the user shall immediately take steps to stop or correct the violation. The Owner may take any or all the following remedies:

(1) Cite the user to city or general sessions court, where each day of violation shall constitute a separate offense.

(2) In an emergency situation where the Manager has determined that immediate action is needed to protect the public health, safety or welfare, a public water supply or the facilities of the sewerage system, the Manager may discontinue water service or disconnect sewer service.

(3) File a lawsuit in chancery court or any other court of competent jurisdiction seeking damages against the user, and further seeking an injunction prohibiting further violations by user.

(4) Seek further remedies as needed to protect the public health, safety or welfare, the public water supply or the facilities of the sewerage system.

CHAPTER 2

INDUSTRIAL/COMMERCIAL WASTEWATER REGULATIONS

SECTION

- 201. Industrial pretreatment.
- 202. Discharge permits.
- 203. Industrial user additional requirements.
- 204. Reporting requirements.
- 205. Enforcement and abatement, complaints and orders.
- 206. Enforcement response guide table.
- 207. Fees and billing.
- 208. Validity.

201. Industrial pretreatment. In order to comply with Federal Industrial Pretreatment Rules 40 CFR 403 and Tennessee Pretreatment Rules 0400-4-14 and to fulfill the Purpose and Policy of this resolution the following regulations are adopted.

(1) User discharge restrictions. All system users must follow the General and Specific discharge regulations specified in Section 109 of this resolution.

(2) Users wishing to discharge pollutants at higher concentrations than Table A Plant Protection Criteria of Section 109, or those dischargers who are classified as Significant Industrial Users will be required to meet the requirements of this Chapter. Users who discharge waste which falls under the criteria specified in this Chapter and who fail to or refuse to follow the provisions shall face termination of service and/or enforcement action specified in Section 205.

(3) Discharge regulation. Discharges to the sewer system shall be regulated through use of a permitting system. The permitting system may include any or all of the following activities: completion of survey/application forms, issuance of permits, oversight of users monitoring and permit compliance, use of compliance schedules, inspections of industrial processes, wastewater processing, and chemical storage, public notice of permit system changes and public notice of users found in significant noncompliance.

(4) Discharge Permits shall limit concentrations of discharge pollutants to those levels that are established as Local Limits, Table B or other applicable State and Federal pretreatment rules which may take effect after the passage of this resolution.

Table B – Local Limits

Pollutant	Daily Maximum Concentration (mg/l)	Monthly Average Concentration (mg/l)
Benzene	0.226	0.113
Cadmium	0.590	0.295
Carbon Tetrachloride	26.900	13.495
Chloroform	3.984	1.992
Chromium VI	4.418	2.209
Chromium III	4.418	2.209

Pollutant	Daily Maximum Concentration (mg/l)	Monthly Average Concentration (mg/l)
Chromium (total)	4.338	2.169
Copper	4.560	2.280
Cyanide	1.758	0.879
Ethylbenzene	0.710	0.355
Lead	1.782	0.891
Mercury	0.0238	0.0119
Methylene chloride	1.690	0.845
Naphthalene	0.184	0.092
Nickel	4.442	2.221
Phenols, Total	6.396	3.198
Silver	0.520	0.260
Tetrachloroethylene	2.490	1.245
Toluene	3.848	1.924
Total Phthalates	2.568	1.284
Trichlorethylene	1.790	0.895
1,1,1-Trichloroethane	4.490	2.245
1,2 Transdichloroethylene	0.126	0.063
Zinc	4.204	2.102
BOD	600	--
Total Suspended Solids	600	--

(5) Surcharge limits and maximum concentrations. Dischargers of high strength waste may be subject to surcharges based on the following surcharge limits. Maximum concentrations may also be established for some users.

Table C-Surcharge and Maximum Limits

<u>Parameter</u>	<u>Surcharge Limit</u>	<u>Maximum Concentration</u>
BOD	350 mg/ L	600mg/L
Total Suspended Solids	350 mg/ L	600mg/L

(6) Protection of treatment plant influent. The pretreatment coordinator shall monitor the treatment works influent for each parameter in Table A - Plant Protection Criteria. Industrial users shall be subject to reporting and monitoring requirements regarding these parameters as set forth in this chapter. In the event that the influent at the WWF reaches or exceeds the levels established by Table A or subsequent criteria calculated as a result of changes in pass through limits issued by the Tennessee Department of Environment and Conservation, the pretreatment coordinator shall initiate technical studies to determine the cause of the influent violation and shall recommend to the Owner the necessary remedial measures, including, but not limited to, recommending the establishment of new or revised local limits, best management practices, or other criteria used to protect the WWF. The pretreatment coordinator shall also recommend

changes to any of these criteria in the event that: the WWF effluent standards are changed, there are changes in any applicable law or regulation affecting same, or changes are needed for more effective operation of the WWF.

(7) User inventory. The Manager will maintain an up-to-date inventory of users whose waste does or may fall into the requirements of this Chapter, and will notify the users of their status.

(8) Right to establish more restrictive criteria. No statement in this chapter is intended or may be construed to prohibit the pretreatment coordinator from establishing specific wastewater discharge criteria which are more restrictive when wastes are determined to be harmful or destructive to the facilities of the WWF or to create a public nuisance, or to cause the discharge of the WWF to violate effluent or stream quality standards, or to interfere with the use or handling of sludge, or to pass through the WWF resulting in a violation of the NPDES permit, or to exceed industrial pretreatment standards for discharge to municipal wastewater treatment systems as imposed or as may be imposed by the Tennessee Department of Environment and Conservation and/or the United States Environmental Protection Agency.

202. Discharge permits. (1) Application for discharge of commercial or industrial wastewater. All users or prospective users which generate commercial or industrial wastewater shall make application to the Manager for connection to the municipal wastewater treatment system. It may be determined through the application that a user needs a discharge permit according to the provisions of federal and state laws and regulations. Applications shall be required from all new dischargers as well as for any existing discharger desiring additional service or where there is a planned change in the industrial or wastewater treatment process. Connection to the Owner sewer or changes in the industrial process or wastewater treatment process shall not be made until the application is received and approved by the Manager, the building sewer is installed in accordance with section 106 of this resolution and an inspection has been performed by the Manager or his representative.

The receipt by the Owner of a prospective customer's application for connection shall not obligate the Owner to render the connection. If the service applied for cannot be supplied in accordance with this chapter and the Owner's rules and regulations and general practice, the connection charge will be refunded in full, and there shall be no liability of the Owner to the applicant for such service.

(2) Industrial wastewater discharge permits. (a) General requirements. All industrial users proposing to connect to or to contribute to the WWF shall apply for service and apply for a discharge permit before connecting to or contributing to the WWF. All existing industrial users connected to or contributing to the WWF may be required to apply for a permit within 180 days after the effective date of this chapter.

(b) Applications. Applications for wastewater discharge permits shall be required as follows:

(i) Users required by the Manager to obtain a wastewater discharge permit shall complete and file with the pretreatment coordinator, an application on a prescribed form accompanied by the appropriate fee.

(ii) The application shall be in the prescribed form of the Owner and shall include, but not be limited to the following information: name, address, and SIC/NAICS number of applicant; wastewater volume; wastewater constituents and characteristic, including but not limited to those mentioned in Section 109 and 201

discharge variations -- daily, monthly, seasonal and 30 minute peaks; a description of all chemicals handled on the premises, each product produced by type, amount, process or processes and rate of production, type and amount of raw materials, number and type of employees, hours of operation, site plans, floor plans, mechanical and plumbing plans and details showing all sewers and appurtenances by size, location and elevation; a description of existing and proposed pretreatment and/or equalization facilities and any other information deemed necessary by the pretreatment coordinator.

(iii) Any user who elects or is required to construct new or additional facilities for pretreatment shall as part of the application for wastewater discharge permit submit plans, specifications and other pertinent information relative to the proposed construction to the pretreatment coordinator for approval. A wastewater discharge permit shall not be issued until such plans and specifications are approved. Approval of such plans and specifications shall in no way relieve the user from the responsibility of modifying the facility as necessary to produce an effluent acceptable to the Owner under the provisions of this chapter. (iv) If additional pretreatment and/or operations and maintenance will be required to meet the pretreatment standards, the application shall include the shortest schedule by which the user will provide such additional pretreatment. The completion date in this schedule shall not be later than the compliance date established for the applicable pretreatment standard. For the purpose of this paragraph, "pretreatment standard," shall include either a national pretreatment standard or a pretreatment standard imposed by this chapter.

(iv) The Owner will evaluate the data furnished by the user and may require additional information. After evaluation and acceptance of the data furnished, the Owner may issue a wastewater discharge permit subject to terms and conditions provided herein.

(v) The receipt by the Owner of a prospective customer's application for wastewater discharge permit shall not obligate the Owner to render the wastewater collection and treatment service. If the service applied for cannot be supplied in accordance with this chapter or the Owner's rules and regulations and general practice, the application shall be rejected and there shall be no liability of the Owner to the applicant of such service.

(vi) The pretreatment coordinator will act only on applications containing all the information required in this section. Persons who have filed incomplete applications will be notified by the pretreatment coordinator that the application is deficient and the nature of such deficiency and will be given thirty (30) days to correct the deficiency. If the deficiency is not corrected within thirty (30) days or within such extended period as allowed by the local administrative officer, the local administrative officer shall deny the application and notify the applicant in writing of such action.

(vii) Applications shall be signed by the duly authorized representative.

(c) Permit conditions. Wastewater discharge permits shall be expressly subject to all provisions of this chapter and all other applicable regulations, user charges and fees established by the Owner.

(i) Permits shall contain the following:

- (A) Statement of duration;
- (B) Provisions of transfer;
- (C) Effluent limits, including best management practices, based on applicable pretreatment standards in this Chapter, State Rules, categorical pretreatment standards, local, state, and federal laws.

- (D) Self monitoring, sampling, reporting, notification, and record-keeping requirements. These requirements shall include an identification of pollutants (or best management practice) to be monitored, sampling location, sampling frequency, and sample type based on Federal, State, and local law;

- (E) Statement of applicable civil and criminal penalties for violations of pretreatment standards and the requirements of any applicable compliance schedule. Such schedules shall not extend the compliance date beyond the applicable federal deadlines;

- (F) Requirements to control slug discharges, if determined by the WWF to be necessary;

- (G) Requirement to notify the WWF immediately if changes in the users processes affect the potential for a slug discharge.

- (ii) Additionally, permits may contain the following:

- (A) The unit charge or schedule of user charges and fees for the wastewater to be discharged to a community sewer;

- (B) Requirements for installation and maintenance of inspection and sampling facilities;

- (C) Compliance schedules;

- (D) Requirements for submission of technical reports or discharge reports;

- (E) Requirements for maintaining and retaining plant records relating to wastewater discharge as specified by the Owner, and affording Owner access thereto;

- (F) Requirements for notification of the Owner sixty (60) days prior to implementing any substantial change in the volume or character of the wastewater constituents being introduced into the wastewater treatment system, and of any changes in industrial processes that would affect wastewater quality or quantity;

- (G) Prohibition of bypassing pretreatment or pretreatment equipment;

- (H) Effluent mass loading restrictions;

- (I) Other conditions as deemed appropriate by the Owner to ensure compliance with this chapter.

(d) Permit modification. The terms and conditions of the permit may be subject to modification by the pretreatment coordinator during the term of the permit as limitations or requirements are modified or other just cause exists. The user shall be informed of any proposed changes in this permit at least 60 days prior to the effective date of change. Except in the case where federal deadlines are shorter, in which case the federal rule must be followed. Any changes or new conditions in the permit shall include a reasonable time schedule for compliance.

(e) Permit duration. Permits shall be issued for a specified time period, not to exceed five (5) years. A permit may be issued for a period less than a year or may be stated to expire on a specific date. The user shall apply for permit renewal a minimum of 180 days prior to the expiration of the user's existing permit.

(f) Permit transfer. Wastewater discharge permits are issued to a specific user for a specific operation. A wastewater discharge permit shall not be reassigned or transferred or sold to a new owner, new user, different premises, or a new or changed operation without the written approval of the Owner. Any succeeding owner or user shall also comply with the terms and conditions of the existing permit. The permit holder must provide the new owner with a copy of the current permit.

(g) Revocation of permit. Any permit issued under the provisions of this chapter is subject to be modified, suspended, or revoked in whole or in part during its term for cause including, but not limited to, the following:

(i) Violation of any terms or conditions of the wastewater discharge permit or other applicable federal, state, or local law or regulation.

(ii) Obtaining a permit by misrepresentation or failure to disclose fully all relevant facts.

(iii) A change in:

(A) Any condition that requires either a temporary or permanent reduction or elimination of the permitted discharge;

(B) Strength, volume, or timing of discharges;

(C) Addition or change in process lines generating wastewater.

(iv) Intentional failure of a user to accurately report the discharge constituents and characteristics or to report significant changes in plant operations or wastewater characteristics.

(3) Confidential information. All information and data on a user obtained from reports, questionnaires, permit applications, permits and monitoring programs and from inspection shall be available to the public or any governmental agency without restriction unless the user specifically requests and is able to demonstrate to the satisfaction of the pretreatment coordinator that the release of such information would divulge information, processes, or methods of production entitled to protection as trade secrets of the users.

When requested by the person furnishing the report, the portions of a report which might disclose trade secrets or secret processes shall not be made available for inspection by the public, but shall be made available to governmental agencies for use; related to this chapter or the Owner's or user's NPDES permit. Provided, however, that such portions of a report shall be available for use by the state or any state agency in judicial review or enforcement proceedings involving the person furnishing the report. Wastewater constituents and characteristics will not be recognized as confidential information.

Information accepted by the pretreatment coordinator as confidential shall not be transmitted to any governmental agency or to the general public by the pretreatment coordinator until and unless prior and adequate notification is given to the user.

203. Industrial user additional requirements. (1) Monitoring facilities. The installation of a monitoring facility shall be required for all industrial users. A monitoring facility shall be a manhole or other suitable facility approved by the pretreatment coordinator.

When in the judgment of the pretreatment coordinator, there is a significant difference in

wastewater constituents and characteristics produced by different operations of a single user the pretreatment coordinator may require that separate monitoring facilities be installed for each separate source of discharge.

Monitoring facilities that are required to be installed shall be constructed and maintained at the user's expense. The purpose of the facility is to enable inspection, sampling and flow measurement of wastewater produced by a user. If sampling or metering equipment is also required by the pretreatment coordinator, it shall be provided and installed at the user's expense.

The monitoring facility will normally be required to be located on the user's premises outside of the building. The pretreatment coordinator may, however, when such a location would be impractical or cause undue hardship on the user, allow the facility to be constructed in the public street right-of-way with the approval of the public agency having jurisdiction of that right-of-way and located so that it will not be obstructed by landscaping or parked vehicles.

There shall be ample room in or near such sampling manhole or facility to allow accurate sampling and preparation of samples for analysis. The facility, sampling, and measuring equipment shall be maintained at all times in a safe and proper operating condition at the expenses of the user.

(2) Sample methods. All samples collected and analyzed pursuant to this regulation shall be conducted using protocols (including appropriate preservation) specified in the current edition of 40 CFR 136 and appropriate EPA guidance. Multiple grab samples collected during a 24 hour period may be composited prior to the analysis as follows: For cyanide, total phenol, and sulfide the samples may be composited in the laboratory or in the field; for volatile organics and oil & grease the samples may be composited in the laboratory. Composite samples for other parameters unaffected by the compositing procedures as documented in approved EPA methodologies may be authorized by the control authority, as appropriate.

(3) Representative sampling and housekeeping. All wastewater samples must be representative of the User's discharge. Wastewater monitoring and flow measuring facilities shall be properly operated, kept clean, and in good working order at all times. The failure of the User to keep its monitoring facilities in good working order shall not be grounds for the User to claim that sample results are unrepresentative of its discharge.

(4) Proper operation and maintenance. The user shall at all times properly operate and maintain the equipment and facilities associated with spill control, wastewater collection, treatment, sampling and discharge. Proper operation and maintenance includes adequate process control as well as adequate testing and monitoring quality assurance.

(5) Inspection and sampling. The Owner may inspect the facilities of any user to ascertain whether the purpose of this chapter is being met and all requirements are being complied with. Persons or occupants of premises where wastewater is created or discharged shall allow the Owner or its representative ready access at all reasonable times to all parts of the premises for the purpose of inspection, sampling, records examination and copying or in the performance of any of its duties. The Owner, approval authority and EPA shall have the right to set up on the user's property such devices as are necessary to conduct sampling inspection, compliance monitoring and/or metering operations. The Owner will utilize qualified Owner personnel or a private laboratory to conduct compliance monitoring. Where a user has security measures in force which would require proper identification and clearance before entry into their premises, the user shall make necessary arrangements with their security guards so that upon presentation of suitable identification, personnel from the Owner, approval authority and EPA will be permitted to enter, without delay, for the purposes of performing their specific responsibility.

(6) Safety. While performing the necessary work on private properties, the pretreatment coordinator or duly authorized employees of the Owner shall observe all safety rules applicable to the premises established by the company and the company shall be held harmless for injury or death to the Owner employees and the Owner shall indemnify the company against loss or damage to its property by Owner employees and against liability claims and demands for personal injury or property damage asserted against the company and growing out of the monitoring and sampling operation, except as such may be caused by negligence or failure of the company to maintain safe conditions.

(7) New sources. New sources of discharges to the WWF shall have in full operation all pollution control equipment at start up of the industrial process and be in full compliance of effluent standards within 90 days of start up of the industrial process.

(8) Slug discharge evaluations. Evaluations will be conducted of each significant industrial user according to the state and federal regulations. Where it is determined that a slug discharge control plan is needed, the user shall prepare that plan according to the appropriate regulatory guidance

(9) Accidental discharges or slug discharges. (a) Protection from accidental or slug discharge. All industrial users shall provide such facilities and institute such procedures as are reasonably necessary to prevent or minimize the potential for accidental or slug discharge into the WWF of waste regulated by this chapter from liquid or raw material storage areas, from truck and rail car loading and unloading areas, from in-plant transfer or processing and materials handling areas, and from diked areas or holding ponds of any waste regulated by this chapter. Detailed plans showing the facilities and operating procedures shall be submitted to the pretreatment coordinator before the facility is constructed.

The review and approval of such plans and operating procedures will in no way relieve the user from the responsibility of modifying the facility to provide the protection necessary to meet the requirements of this chapter.

(b) Notification of accidental discharge or slug discharge. Any person causing or suffering from any accidental discharge or slug discharge shall immediately notify the pretreatment coordinator in person, or by the telephone to enable countermeasures to be taken by the pretreatment coordinator to minimize damage to the WWF, the health and welfare of the public, and the environment.

This notification shall be followed, within five (5) days of the date of occurrence, by a detailed written statement describing the cause of the accidental discharge and the measures being taken to prevent future occurrence.

Such notification shall not relieve the user of liability for any expense, loss, or damage to the WWF, fish kills, or any other damage to person or property; nor shall such notification relieve the user of any fines, civil penalties, or other liability which may be imposed by this chapter or state or federal law.

(c) Notice to employees. A notice shall be permanently posted on the user's bulletin board or other prominent place advising employees whom to call in the event of a dangerous discharge. Employers shall ensure that all employees who may cause or suffer such a dangerous discharge to occur are advised of the emergency notification procedure.

204. Reporting requirements. Users, whether permitted or non-permitted may be required to submit reports detailing the nature and characteristics of their discharges according to

the following subsections. Failure to make a requested report in the specified time is a violation subject to enforcement actions under Section 205.

(1) Baseline monitoring report. (a) Within either one hundred eighty (180) days after the effective date of a categorical pretreatment standard, or the final administrative decision on a category determination under Tennessee Rule 0400-4-14-.06(1)(d), whichever is later, existing categorical industrial users currently discharging to or scheduled to discharge to the WWF shall submit to the Manager a report which contains the information listed in paragraph B, below. At least ninety (90) days prior to commencement of their discharge, New Sources, and sources that become categorical industrial users subsequent to the promulgation of an applicable categorical Standard, shall submit to the Manager a report which contains the information listed in paragraph (b), below. A new source shall report the method of pretreatment it intends to use to meet applicable categorical standards. A new source also shall give estimates of its anticipated flow and quantity of pollutants to be discharged.

(b) Users described above shall submit the information set forth below.

(i) Identifying Information. The user name, address of the facility including the name of operators and owners.

(ii) Permit Information. A listing of any environmental control permits held by or for the facility.

(iii) Description of operations. A brief description of the nature, average rate of production (including each product produced by type, amount, processes, and rate of production), and standard industrial classifications of the operation(s) carried out by such User. This description should include a schematic process diagram, which indicates points of discharge to the WWF from the regulated processes.

(iv) Flow measurement. Information showing the measured average daily and maximum daily flow, in gallons per day, to the POTW from regulated process streams and other streams, as necessary, to allow use of the combined wastestream formula.

(v) Measurement of pollutants.

(A) The categorical pretreatment standards applicable to each regulated process and any new categorically regulated processes for existing sources.

(B) The results of sampling and analysis identifying the nature and concentration, and/or mass, where required by the standard or by the Manager, of regulated pollutants in the discharge from each regulated process.

(C) Instantaneous, daily maximum, and long-term average concentrations, or mass, where required, shall be reported.

(D) The sample shall be representative of daily operations and shall be analyzed in accordance with procedures set out in 40 CFR 136 and amendments, unless otherwise specified in an applicable categorical standard. Where the standard requires compliance with a BMP or pollution prevention alternative, the user shall submit documentation as required by the Manager or the applicable standards to determine compliance with the standard.

(E) The user shall take a minimum of one representative sample to compile that data necessary to comply with the requirements of this paragraph.

(F) Samples should be taken immediately downstream from pretreatment facilities if such exist or immediately downstream from the regulated process if no pretreatment exists. If other wastewaters are mixed with the regulated wastewater prior to pretreatment the User should measure the flows and concentrations necessary to allow use of the combined wastestream formula to evaluate compliance with the pretreatment standards

(G) Sampling and analysis shall be performed in accordance with 40 CFR 136 or other approved methods;

(H) The Manager may allow the submission of a baseline report which utilizes only historical data so long as the data provides information sufficient to determine the need for industrial pretreatment measures;

(I) The baseline report shall indicate the time, date and place of sampling and methods of analysis, and shall certify that such sampling and analysis is representative of normal work cycles and expected pollutant discharges to the WWF.

(c) Compliance certification. A statement, reviewed by the user's duly authorized representative and certified by a qualified professional, indicating whether pretreatment standards are being met on a consistent basis, and, if not, whether additional operation and maintenance (O&M) and/or additional pretreatment is required to meet the Pretreatment Standards and Requirements.

(d) Compliance schedule. If additional pretreatment and/or O&M will be required to meet the Pretreatment Standards, the shortest schedule by which the user will provide such additional pretreatment and/or O&M must be provided. The completion date in this schedule shall not be later than the compliance date established for the applicable pretreatment standard. A compliance schedule pursuant to this Section must meet the requirements set out in Section 204(2) of this resolution.

(e) Signature and report certification. All baseline monitoring reports must be certified in accordance with section 204(14) of this resolution and signed by the duly authorized representative.

(2) Compliance schedule progress reports. The following conditions shall apply to the compliance schedule required by section 204(1)(d) of this resolution:

(a) The schedule shall contain progress increments in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the User to meet the applicable pretreatment standards (such events include, but are not limited to, hiring an engineer, completing preliminary and final plans, executing contracts for major components, commencing and completing construction, and beginning and conducting routine operation)

(b) No increment referred to above shall exceed nine (9) months,

(c) The user shall submit a progress report to the Manager no later than fourteen (14) days following each date in the schedule and the final date of compliance including, at a minimum, whether or not it complied with the increment of progress, the reason for any delay, and, if appropriate, the steps being taken by the user to return to the established

schedule,

(d) In no event shall more than nine (9) months elapse between such progress reports to the Manager.

(3) Reports on compliance with categorical pretreatment standard deadline. Within ninety (90) days following the date for final compliance with applicable categorical pretreatment standards, or in the case of a new source following commencement of the introduction of wastewater into the WWF, any user subject to such pretreatment standards and requirements shall submit to the Manager a report containing the information described in section 204(1)(b)(iv) and (v) of this resolution. For all other users subject to categorical pretreatment standards expressed in terms of allowable pollutant discharge per unit of production (or other measure of operation), this report shall include the user's actual production during the appropriate sampling period. All compliance reports must be signed and certified in accordance with subsection 14 of this section. All sampling will be done in conformance with subsection 11.

(4) Periodic compliance reports. (a) All significant industrial users must, at a frequency determined by the Manager submit no less than twice per year (April 15 and October 15) reports indicating the nature, concentration of pollutants in the discharge which are limited by pretreatment standards and the measured or estimated average and maximum daily flows for the reporting period. In cases where the pretreatment standard requires compliance with a Best Management Practice (BMP) or pollution prevention alternative, the user must submit documentation required by the Manager or the pretreatment standard necessary to determine the compliance status of the user.

(b) All periodic compliance reports must be signed and certified in accordance with this resolution.

(c) All wastewater samples must be representative of the User's discharge. Wastewater monitoring and flow measurement facilities shall be properly operated, kept clean, and maintained in good working order at all times. The failure of a User to keep its monitoring facility in good working order shall not be grounds for the User to claim that sample results are unrepresentative of its discharge.

(d) If a User subject to the reporting requirement in this section monitors any regulated pollutant at the appropriate sampling location more frequently than required by the Manager, using the procedures prescribed in subsection 11 of this section, the results of this monitoring shall be included in the report

(5) Reports of changed conditions. Each user must notify the Manager of any significant changes to the user's operations or system which might alter the nature, quality, or volume of its wastewater at least 60 days before the change.

(a) The Manager may require the user to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of a wastewater discharge permit application under section 201 of this chapter.

(b) The Manager may issue an individual wastewater discharge permit under section 202 of this chapter or modify an existing wastewater discharge permit under section 202 of this chapter in response to changed conditions or anticipated changed conditions.

(6) Report of potential problems. (a) In the case of any discharge, including, but not

limited to, accidental discharges, discharges of a nonroutine, episodic nature, a noncustomary batch discharge, a slug discharge or slug load, that might cause potential problems for the POTW, the User shall immediately telephone and notify the Manager of the incident. This notification shall include the location of the discharge, type of waste, concentration and volume, if known, and corrective actions taken by the user.

(b) Within five (5) days following such discharge, the user shall, unless waived by the Manager, submit a detailed written report describing the cause(s) of the discharge and the measures to be taken by the user to prevent similar future occurrences. Such notification shall not relieve the user of any expense, loss, damage, or other liability which might be incurred as a result of damage to the WWF, natural resources, or any other damage to person or property; nor shall such notification relieve the user of any fines, penalties, or other liability which may be imposed pursuant to this resolution.

(c) A notice shall be permanently posted on the user's bulletin board or other prominent place advising employees who to call in the event of a discharge described in paragraph (a), above. Employers shall ensure that all employees, who could cause such a discharge to occur, are advised of the emergency notification procedure.

(d) Significant industrial users are required to notify the Manager immediately of any changes at its facility affecting the potential for a slug discharge.

(7) Reports from unpermitted users. All Users not required to obtain an individual wastewater discharge permit shall provide appropriate reports to the Manager as the Manager may require to determine users status as non-permitted.

(8) Notice of violations/repeat sampling and reporting. Where a violation has occurred, another sample shall be conducted within 30 days of becoming aware of the violation, either a repeat sample or a regularly scheduled sample that falls within the required time frame. If sampling performed by a user indicates a violation, the user must notify the Manager within twenty-four (24) hours of becoming aware of the violation. The user shall also repeat the sampling and analysis and submit the results of the repeat analysis to the Manager within thirty (30) days after becoming aware of the violation. Resampling by the industrial user is not required if the Owner performs sampling at the user's facility at least once a month, or if the Owner performs sampling at the user's facility between the time when the initial sampling was conducted and the time when the user or the Owner receives the results of this sampling, or if the Owner has performed the sampling and analysis in lieu of the industrial user.

(9) Notification of the discharge of hazardous waste. (a) Any user who commences the discharge of hazardous waste shall notify the POTW, the EPA Regional Waste Management Division Director, and state hazardous waste authorities, in writing, of any discharge into the POTW of a substance which, if otherwise disposed of, would be a hazardous waste under 40 CFR Part 261. Such notification must include the name of the hazardous waste as set forth in 40 CFR Part 261, the EPA hazardous waste number, and the type of discharge (continuous, batch, or other). If the user discharges more than one hundred (100) kilograms of such waste per calendar month to the POTW, the notification also shall contain the following information to the extent such information is known and readily available to the user: an identification of the hazardous constituents contained in

the wastes, an estimation of the mass and concentration of such constituents in the wastestream discharged during that calendar month, and an estimation of the mass of constituents in the wastestream expected to be discharged during the following twelve (12) months. All notifications must take place no later than one hundred and eighty (180) days after the discharge commences. Any notification under this paragraph need be submitted only once for each hazardous waste discharged. However, notifications of changed conditions must be submitted under section 204(5) of this resolution. The notification requirement in this Section does not apply to pollutants already reported by users subject to categorical pretreatment standards under the self-monitoring requirements of Sections 204(1), 204(3), and 204(4) of this chapter.

(b) Dischargers are exempt from the requirements of paragraph (a), above, during a calendar month in which they discharge no more than fifteen (15) kilograms of hazardous wastes, unless the wastes are acute hazardous wastes as specified in 40 CFR 261.30(d) and 261.33(e). Discharge of more than fifteen (15) kilograms of nonacute hazardous wastes in a calendar month, or of any quantity of acute hazardous wastes as specified in 40 CFR 261.30(d) and 261.33(e), requires a one-time notification. Subsequent months during which the user discharges more than such quantities of any hazardous waste do not require additional notification.

(c) In the case of any new regulations under Section 3001 of RCRA identifying additional characteristics of hazardous waste or listing any additional substance as a hazardous waste, the user must notify the Manager, the EPA Regional Waste Management Waste Division Director, and state hazardous waste authorities of the discharge of such substance within ninety (90) days of the effective date of such regulations.

(d) In the case of any notification made under this section, the user shall certify that it has a program in place to reduce the volume and toxicity of hazardous wastes generated to the degree it has determined to be economically practical.

(e) This provision does not create a right to discharge any substance not otherwise permitted to be discharged by this resolution, a permit issued there under, or any applicable federal or state law.

(10) Analytical requirements. All pollutant analyses, including sampling techniques, to be submitted as part of a wastewater discharge permit application or report shall be performed in accordance with the techniques prescribed in 40 CFR Part 136 and amendments thereto, unless otherwise specified in an applicable categorical Pretreatment Standard. If 40 CFR Part 136 does not contain sampling or analytical techniques for the pollutant in question, or where the EPA determines that the Part 136 sampling and analytical techniques are inappropriate for the pollutant in question, sampling and analyses shall be performed by using validated analytical methods or any other applicable sampling and analytical procedures, including procedures suggested by the Manager or other parties approved by EPA.

(11) Sample collection. Samples collected to satisfy reporting requirements must be based on data obtained through appropriate sampling and analysis performed during the period covered by the report, based on data that is representative of conditions occurring during the reporting period.

(a) Except as indicated in sections (b) and (c) below, the user must collect wastewater samples using 24-hour flow-proportional composite sampling techniques, unless time-proportional composite sampling or grab sampling is authorized by the Manager. Where time-proportional composite sampling or grab sampling is authorized by

the Owner, the samples must be representative of the discharge. Using protocols (including appropriate preservation) specified in 40 CFR Part 136 and appropriate EPA guidance, multiple grab samples collected during a 24-hour period may be composited prior to the analysis as follows: for cyanide, total phenols, and sulfides the samples may be composited in the laboratory or in the field; for volatile organics and oil and grease, the samples may be composited in the laboratory. Composite samples for other parameters unaffected by the compositing procedures as documented in approved EPA methodologies may be authorized by the Owner, as appropriate. In addition, grab samples may be required to show compliance with instantaneous limits

(b) Samples for oil and grease, temperature, pH, cyanide, total phenols, sulfides, and volatile organic compounds must be obtained using grab collection techniques.

(c) For sampling required in support of baseline monitoring and 90-day compliance reports required in Subsections (1) and (3) of this section, a minimum of four (4) grab samples must be used for pH, cyanide, total phenols, oil and grease, sulfide and volatile organic compounds for facilities for which historical sampling data do not exist; for facilities for which historical sampling data are available, the Manager may authorize a lower minimum. For the reports required by subsection (4) of this section, the industrial user is required to collect the number of grab samples necessary to assess and assure compliance with applicable pretreatment standards and requirements.

(12) Date of receipt of reports. Written reports will be deemed to have been submitted on the date postmarked. For reports, which are not mailed, the date of receipt of the report shall govern.

(13) Recordkeeping. Users subject to the reporting requirements of this resolution shall retain, and make available for inspection and copying, all records of information obtained pursuant to any monitoring activities required by this resolution, any additional records of information obtained pursuant to monitoring activities undertaken by the user independent of such requirements, and documentation associated with best management practices established under section 208. Records shall include the date, exact place, method, and time of sampling, and the name of the person(s) taking the samples; the dates analyses were performed; who performed the analyses; the analytical techniques or methods used; and the results of such analyses. These records shall remain available for a period of at least three (3) years. This period shall be automatically extended for the duration of any litigation concerning the user or the Owner, or where the user has been specifically notified of a longer retention period by the Manager.

(14) Certification statements. Signature and certification. All reports associated with compliance with the pretreatment program shall be signed by the duly authorized representative and shall have the following certification statement attached:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Reports required to have signatures and certification statement include, permit applications, periodic reports, compliance schedules, baseline monitoring, reports of accidental or

slug discharges, and any other written report that may be used to determine water quality and compliance with local, state, and federal requirements.

205. Enforcement and abatement, complaints and orders. Under the authority of Tennessee Code Annotated, § 69-3-123 et. seq.

(1) Complaints; notification of violation; orders. (a) (I) Whenever the local administrative officer has reason to believe that a violation of any provision of the Grundy County Sewer System Wastewater Regulations, pretreatment program, or of orders of the local hearing authority issued under it has occurred, is occurring, or is about to occur, the local administrative officer may cause a written complaint to be served upon the alleged violator or violators.

(ii) The complaint shall specify the provision or provisions of the pretreatment program or order alleged to be violated or about to be violated and the facts alleged to constitute a violation, may order that necessary corrective action be taken within a reasonable time to be prescribed in the order, and shall inform the violators of the opportunity for a hearing before the local hearing authority.

(iii) Any such order shall become final and not subject to review unless the alleged violators request by written petition a hearing before the local hearing authority as provided in section 205(2), no later than thirty (30) days after the date the order is served; provided, that the local hearing authority may review the final order as provided in Tennessee Code Annotated, 69-3-123(a)(3).

(iv) Notification of violation. Notwithstanding the provisions of subsections (i) through (iii), whenever the pretreatment coordinator finds that any user has violated or is violating this chapter, a wastewater discharge permit or order issued hereunder, or any other pretreatment requirements, the Owner or its agent may serve upon the user a written notice of violation. Within fifteen (15) days of the receipt of this notice, the user shall submit to the pretreatment coordinator an explanation of the violation and a plan for its satisfactory correction and prevention including specific actions. Submission of this plan in no way relieves the user of liability for any violations occurring before or after receipt of the notice of violation. Nothing in this section limits the authority of the Owner to take any action, including emergency actions or any other enforcement action, without first issuing a notice of violation.

(b) (i) When the local administrative officer finds that a user has violated or continues to violate this chapter, wastewater discharge permits, any order issued hereunder, or any other pretreatment standard or requirement, he may issue one of the following orders. These orders are not prerequisite to taking any other action against the user.

(A) Compliance order. An order to the user responsible for the discharge directing that the user come into compliance within a specified time. If the user does not come into compliance within the specified time, sewer service shall be discontinued unless adequate treatment facilities, devices, or other related appurtenances are installed and properly operated. Compliance orders may also contain other requirements to address the noncompliance, including additional self-monitoring, and management practices designed to minimize the amount of pollutants discharged to the

sewer. A compliance order may not extend the deadline for compliance established for a federal pretreatment standard or requirement, nor does a compliance order release the user of liability for any violation, including any continuing violation.

(B) Cease and desist order. An order to the user directing it to cease all such violations and directing it to immediately comply with all requirements and take needed remedial or preventive action to properly address a continuing or threatened violation, including halting operations and/or terminating the discharge.

(C) Consent order. Assurances of voluntary compliance, or other documents establishing an agreement with the user responsible for noncompliance, including specific action to be taken by the user to correct the noncompliance within a time period specified in the order.

(D) Emergency order. (1) Whenever the local administrative officer finds that an emergency exists imperatively requiring immediate action to protect the public health, safety, or welfare, the health of animals, fish or aquatic life, a public water supply, or the facilities of the WWF, the local administrative officer may, without prior notice, issue an order reciting the existence of such an emergency and requiring that any action be taken as the local administrative officer deems necessary to meet the emergency.

(2) If the violator fails to respond or is unable to respond to the order, the local administrative officer may take any emergency action as the local administrative officer deems necessary, or contract with a qualified person or persons to carry out the emergency measures. The local administrative officer may assess the person or persons responsible for the emergency condition for actual costs incurred by the Owner in meeting the emergency.

(ii) Appeals from orders of the local administrative officer.

(A) Any user affected by any order of the local administrative officer in interpreting or implementing the provisions of this chapter may file with the local administrative officer a written request for reconsideration within thirty (30) days of the order, setting forth in detail the facts supporting the user's request for reconsideration.

(B) If the ruling made by the local administrative officer is unsatisfactory to the person requesting reconsideration, he may, within thirty (30) days, file a written petition with the local hearing authority as provided in subsection (2). The local administrative officer's order shall remain in effect during the period of reconsideration.

(c) Except as otherwise expressly provided, any notice, complaint, order, or other instrument issued by or under authority of this section may be served on any named person personally, by the local administrative officer or any person designated by the local administrative officer, or service may be made in accordance with Tennessee statutes authorizing service of process in civil action. Proof of service shall be filed in the office of the local administrative officer.

(2) Hearings. (a) Any hearing or rehearing brought before the local hearing authority shall be conducted in accordance with the following:

(i) Upon receipt of a written petition from the alleged violator pursuant to this subsection, the local administrative officer shall give the petitioner thirty (30) days' written notice of the time and place of the hearing, but in no case shall the hearing be held more than sixty (60) days from the receipt of the written petition, unless the local administrative officer and the petitioner agree to a postponement;

(ii) The hearing may be conducted by the local hearing authority at a regular or special meeting. A quorum of the local hearing authority must be present at the regular or special meeting to conduct the hearing;

(iii) A verbatim record of the proceedings of the hearings shall be taken and filed with the local hearing authority, together with the findings of fact and conclusions of law made under subdivision (a)(vi). The recorded transcript shall be made available to the petitioner or any party to a hearing upon payment of a charge set by the local administrative officer to cover the costs of preparation;

(iv) In connection with the hearing, the chair shall issue subpoenas in response to any reasonable request by any party to the hearing requiring the attendance and testimony of witnesses and the production of evidence relevant to any matter involved in the hearing. In case of contumacy or refusal to obey a notice of hearing or subpoena issued under this section, the chancery court of Grundy County has jurisdiction upon the application of the local hearing authority or the local administrative officer to issue an order requiring the person to appear and testify or produce evidence as the case may require, and any failure to obey an order of the court may be punished by such court as contempt;

(v) Any member of the local hearing authority may administer oaths and examine witnesses;

(vi) On the basis of the evidence produced at the hearing, the local hearing authority shall make findings of fact and conclusions of law and enter decisions and orders that, in its opinion, will best further the purposes of the pretreatment program. It shall provide written notice of its decisions and orders to the alleged violator. The order issued under this subsection shall be issued by the person or persons designated by the chair no later than thirty (30) days following the close of the hearing;

(vii) The decision of the local hearing authority becomes final and binding on all parties unless appealed to the courts as provided in subsection (b).

(viii) Any person to whom an emergency order is directed under 205(1)(b)(i)(D) shall comply immediately, but on petition to the local hearing authority will be afforded a hearing as soon as possible. In no case will the hearing be held later than three (3) days from the receipt of the petition by the local hearing authority.

(b) An appeal may be taken from any final order or other final determination of the local hearing authority by any party who is or may be adversely affected, including the pretreatment agency. Appeal must be made to the chancery court under the common law writ of certiorari set out in Tennessee Code Annotated, § 27-8-101, et seq. within sixty (60) days from the date the order or determination is made.

(c) Show cause hearing. Notwithstanding the provisions of subsections (a) or

(b), the pretreatment coordinator may order any user that causes or contributes to violation(s) of this chapter, wastewater discharge permits, or orders issued hereunder, or any other pretreatment standard or requirements, to appear before the local administrative officer and show cause why a proposed enforcement action should not be taken. Notice shall be served on the user specifying the time and place for the meeting, the proposed enforcement action, the reasons for the action, and a request that the user show cause why the proposed enforcement action should be taken. The notice of the meeting shall be served personally or by registered or certified mail (return receipt requested) at least ten (10) days prior to the hearing. The notice may be served on any authorized representative of the user. Whether or not the user appears as ordered, immediate enforcement action may be pursued following the hearing date. A show cause hearing shall not be prerequisite for taking any other action against the user. A show cause hearing may be requested by the discharger prior to revocation of a discharge permit or termination of service.

(3) Violations, Administrative civil penalty. Under the authority of Tennessee Code Annotated, § 69-3-125.

(a) (i) Any person including, but not limited to, industrial users, who does any of the following acts or omissions is subject to a civil penalty of up to ten thousand dollars (\$10,000.00) per day for each day during which the act or omission continues or occurs:

- (A) Unauthorized discharge, discharging without a permit;
- (B) Violates an effluent standard or limitation;
- (C) Violates the terms or conditions of a permit;
- (D) Fails to complete a filing requirement;
- (E) Fails to allow or perform an entry, inspection, monitoring or reporting requirement;
- (F) Fails to pay user or cost recovery charges; or
- (G) Violates a final determination or order of the local hearing authority or the local administrative officer.

(ii) Any administrative civil penalty must be assessed in the following manner:

- (A) The local administrative officer may issue an assessment against any person or industrial user responsible for the violation;
- (B) Any person or industrial user against whom an assessment has been issued may secure a review of the assessment by filing with the local administrative officer a written petition setting forth the grounds and reasons for the violator's objections and asking for a hearing in the matter involved before the local hearing authority and, if a petition for review of the assessment is not filed within thirty (30) days after the date the assessment is served, the violator is deemed to have consented to the assessment and it becomes final;
- (C) Whenever any assessment has become final because of a person's failure to appeal the assessment, the local administrative officer may apply to the appropriate court for a judgment and seek execution of the judgment, and the court, in such proceedings, shall treat a failure to appeal the assessment as a confession of judgment in the amount of the assessment;
- (D) In assessing the civil penalty the local administrative officer

may consider the following factors:

(1) Whether the civil penalty imposed will be a substantial economic deterrent to the illegal activity;

(2) Damages to the pretreatment agency, including compensation for the damage or destruction of the facilities of the publicly owned treatment works, and also including any penalties, costs and attorneys' fees incurred by the pretreatment agency as the result of the illegal activity, as well as the expenses involved in enforcing this section and the costs involved in rectifying any damages;

(3) Cause of the discharge or violation;

(4) The severity of the discharge and its effect upon the facilities of the publicly owned treatment works and upon the quality and quantity of the receiving waters;

(5) Effectiveness of action taken by the violator to cease the violation;

(6) The technical and economic reasonableness of reducing or eliminating the discharge; and

(7) The economic benefit gained by the violator.

(E) The local administrative officer may institute proceedings for assessment in the chancery court of the county in which all or part of the pollution or violation occurred, in the name of the pretreatment agency.

(iii) The local hearing authority may establish by regulation a schedule of the amount of civil penalty which can be assessed by the local administrative officer for certain specific violations or categories of violations.

(iv) Assessments may be added to the user's next scheduled sewer service charge and the local administrative officer shall have such other collection remedies as may be available for other service charges and fees.

(b) Any civil penalty assessed to a violator pursuant to this section may be in addition to any civil penalty assessed by the commissioner for violations of Tennessee Code Annotated, § 69-3-115(a)(1)(F). However, the sum of penalties imposed by this section and by Tennessee Code Annotated, § 69-3-115(a) shall not exceed ten thousand dollars (\$10,000) per day for each day during which the act or omission continues or occurs.

(4) Assessment for noncompliance with program permits or orders. (a) The local administrative officer may assess the liability of any polluter or violator for damages to the Owner resulting from any person's or industrial user's pollution or violation, failure, or neglect in complying with any permits or orders issued pursuant to the provisions of the pretreatment program or this section.

(b) If an appeal from such assessment is not made to the local hearing authority by the polluter or violator within thirty (30) days of notification of such assessment, the polluter or violator shall be deemed to have consented to the assessment, and it shall become final.

(c) Damages may include any expenses incurred in investigating and enforcing the pretreatment program of this section, in removing, correcting, and terminating any

pollution, and also compensation for any actual damages caused by the pollution or violation.

(d) Whenever any assessment has become final because of a person's failure to appeal within the time provided, the local administrative officer may apply to the appropriate court for a judgment, and seek execution on the judgment. The court, in its proceedings, shall treat the failure to appeal the assessment as a confession of judgment in the amount of the assessment.

(5) Judicial proceedings and relief. The local administrative officer may initiate proceedings in the chancery court of the county in which the activities occurred against any person or industrial user who is alleged to have violated or is about to violate the pretreatment program, this section, or orders of the local hearing authority or local administrative officer. In the action, the local administrative officer may seek, and the court may grant, injunctive relief and any other relief available in law or equity.

(6) Termination of discharge. In addition to the revocation of permit provisions in 202(2)(g) of this chapter, users are subject to termination of their wastewater discharge for violations of a wastewater discharge permits, or orders issued hereunder, or for any of the following conditions:

- (a) Violation of wastewater discharge permit conditions.
- (b) Failure to accurately report the wastewater constituents and characteristics of its discharge.
- (c) Failure to report significant changes in operations or wastewater volume, constituents and characteristics prior to discharge.
- (d) Refusal of reasonable access to the user's premises for the purpose of inspection, monitoring or sampling.
- (e) Violation of the pretreatment standards in the general discharge prohibitions in Section 109 of chapter 1.
- (f) Failure to properly submit an industrial waste survey when requested by the pretreatment coordination Manager.

The user will be notified of the proposed termination of its discharge and be offered an opportunity to show cause, as provided in subsection (2)(c) above, why the proposed action should not be taken.

(7) Disposition of damage payments and penalties--special fund. All damages and/or penalties assessed and collected under the provisions of this section shall be placed in a special fund by the pretreatment agency and allocated and appropriated for the administration of its wastewater fund or combined water and wastewater fund.

(8) Levels of non-compliance (a) Insignificant non-compliance: For the purpose of this guide, insignificant non-compliance is considered a relatively minor infrequent violation of pretreatment standards or requirements. These will usually be responded to informally with a phone call or site visit but may include a Notice of Violation (NOV).

(b) "Significant noncompliance." Per 0400-4-14-.08(6)(b)8.

(i) Chronic violations of wastewater discharge limits, defined here as those in which sixty-six percent or more of all of the measurements taken for each parameter taken during a six-month period exceed (by any magnitude) a numeric pretreatment standard or requirement, including instantaneous limit.

(ii) Technical Review Criteria (TRC) violations, defined here as those in which thirty-three percent or more of all of the measurements for each pollutant parameter taken during a six-month period equal or exceed the product of the numeric pretreatment standard or requirement, including instantaneous limits multiplied by the applicable TRC (TRC=1.4 for BOD, TSS, fats, oils and grease, and 1.2 for all other pollutants except pH). TRC calculations for pH are not required.

(iii) Any other violation of a pretreatment standard or requirement (daily maximum of longer-term average, instantaneous limit, or narrative standard) that the WWF determines has caused, alone or in combination with other discharges, interference or pass through (including endangering the health of POTW personnel or the general public).

(iv) Any discharge of a pollutant that has caused imminent endangerment to human health, welfare or to the environment or has resulted in the WWF's exercise of its emergency authority under 205(1)(b)(i)(D), Emergency Order, to halt or prevent such a discharge.

(v) Failure to meet, within 90 days after the schedule date, a compliance schedule milestone contained in a local control mechanism or enforcement order for starting construction, completing construction, or attaining final compliance.

(vi) Failure to provide, within 45 days after their due date, required reports such as baseline monitoring reports, 90-day compliance reports, periodic self-monitoring reports, and reports on compliance with compliance schedules.

(vii) Failure to accurately report noncompliance.

(viii) Any other violation or group of violations, which may include a violation of Best Management Practices, which the WWF determines will adversely affect the operation of implementation of the local pretreatment program.

(ix) Continuously monitored pH violations that exceed limits for a time period greater than 50 minutes or exceed limits by more than 0.5 s.u. more than eight times in four hours.

Any significant non-compliance violations will be responded to according to the Enforcement Response Plan.

(9.) Public Notice of the significant violations. The Manager shall publish annually, in a newspaper of general circulation that provides meaningful public notice within the jurisdictions served by the WWF, a list of the users which, at any time during the previous twelve (12) months, were in significant noncompliance with applicable pretreatment standards and requirements. The term significant noncompliance shall be applicable to all significant industrial users (or any other industrial user that violates paragraphs (C), (D) or (H) of this section) and shall mean:

(a) Chronic violations of wastewater discharge limits, defined here as those in which sixty-six percent (66%) or more of all the measurements taken for the same pollutant parameter taken during a six (6) month period exceed (by any magnitude) a numeric Pretreatment Standard or Requirement, including Instantaneous Limits;

(b) Technical Review Criteria (TRC) violations, defined here as those in which thirty-three percent (33%) or more of wastewater measurements taken for each pollutant parameter during a six (6) month period equals or exceeds the product of the numeric Pretreatment Standard or Requirement including Instantaneous Limits, multiplied by the applicable criteria (1.4 for BOD, TSS, fats, oils and grease, and 1.2 for all other pollutants

except pH), TRC calculations for pH are not required;

(c) Any other violation of a pretreatment standard or requirement as defined by section 207 (daily maximum, long-term average, instantaneous limit, or narrative standard) that the Manager determines has caused, alone or in combination with other discharges, interference or pass through, including endangering the health of WWF personnel or the general public;

(d) Any discharge of a pollutant that has caused imminent endangerment to the public or to the environment, or has resulted in the Manager's exercise of its emergency authority to halt or prevent such a discharge;

(e) Failure to meet, within ninety (90) days of the scheduled date, a compliance schedule milestone contained in an individual wastewater discharge permit or enforcement order for starting construction, completing construction, or attaining final compliance;

(g) Failure to accurately report noncompliance; or

(h) Any other violation(s), which may include a violation of best management practices, which the Manager determines will adversely affect the operation or implementation of the local pretreatment program.

(10) Criminal Penalties. In addition to civil penalties imposed by the local administrative officer and the State of Tennessee, any person who willfully and negligently violates permit conditions is subject to criminal penalties imposed by the State of Tennessee and the United States.

206. Enforcement response guide table. (1) Purpose. The purpose of this chapter is to provide for the consistent and equitable enforcement of the provisions of this resolution.

(2) Enforcement Response Guide Table. The applicable officer shall use the schedule found in the GCSS Enforcement Response Plan, to impose sanctions or penalties for the violation of this resolution.

207. Fees and billing. (1) Purpose. It is the purpose of this chapter to provide for the equitable recovery of costs from users of the Owner's wastewater treatment system including costs of operation, maintenance, administration, bond service costs, capital improvements, depreciation, and equitable cost recovery of EPA administered federal wastewater grants.

(2) Types of charges and fees. The charges and fees as established in the Owner's schedule of charges and fees may include but are not limited to:

(a) Inspection fee and user fee;

(b) Fees for applications for discharge;

(c) Sewer use charges;

(d) Surcharge fees (see GCSS Enforcement Response Plan and/or GCSS Rate Schedule);

(e) Waste Hauler Permit;

(f) Industrial wastewater discharge permit fees;

(g) Fees for industrial discharge monitoring; and

(h) Other fees as the Owner may deem necessary.

(3) Fees for application for discharge. A fee may be charged when a user or prospective user makes application for discharge as required by §202 of this chapter.

(4) Inspection fee and tapping fee. An inspection fee and tapping fee for a building sewer installation shall be paid to the Owner's sewer department at the time the application is filed.

(5) Sewer user charges.¹ The board of commissioners shall establish monthly rates and charges for the use of the wastewater system and for the services supplied by the wastewater system.

(6) Industrial wastewater discharge permit fees. A fee may be charged for the issuance of an industrial wastewater discharge fee in accordance with § 207 of this chapter.

(7) Fees for industrial discharge monitoring. Fees may be collected from industrial users having pretreatment or other discharge requirements to compensate the Owner for the necessary compliance monitoring and other administrative duties of the pretreatment program.

(8) Administrative civil penalties. Administrative civil penalties shall be issued according to the Enforcement Response Plan. Violations are categorized in the Enforcement Response Guide Table. The local administrative officer may assess said penalty as per the Guide Table. Penalty assessments are to be assessed per violation per day unless otherwise noted.

208. Validity. This chapter and its provisions shall be valid for all service areas, regions, and sewage works under the jurisdiction of the UTILITY OWNER.

BE IT FURTHER RESOLVED that the Officers of the Owner be and are hereby authorized to certify the resolution to the Department of Environment and Conservation of the State of Tennessee and to execute such other documents as may be necessary for the completion of Pre-Treatment Streamlining Program (40 CFR 403).

BE IT FURTHER RESOLVED that all rules, regulations, resolutions, not in conflict with this resolution which revises the Existing Industrial Pre-Treatment Plan, Enforcement Response Plan, and/or the Sewer Use Resolution, shall remain in full force and effect. All rules, definitions, regulations, or resolutions in conflict with this resolution are hereby repealed and/or rescinded.

¹Such rates are reflected in administrative ordinances or resolutions, which are of record in the GCSS office.

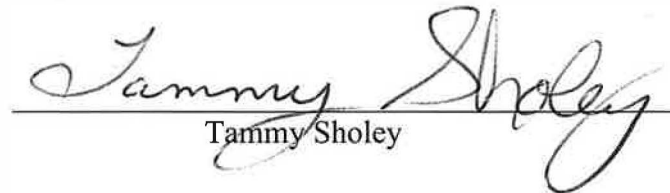
BE IT FURTHER RESOLVED that this resolution shall take effect upon its adoption, the public welfare requiring it.

ADOPTED: This 26th Day of August 2026.

Mayor:


Michael Brady

Attest:


Tammy Sholey

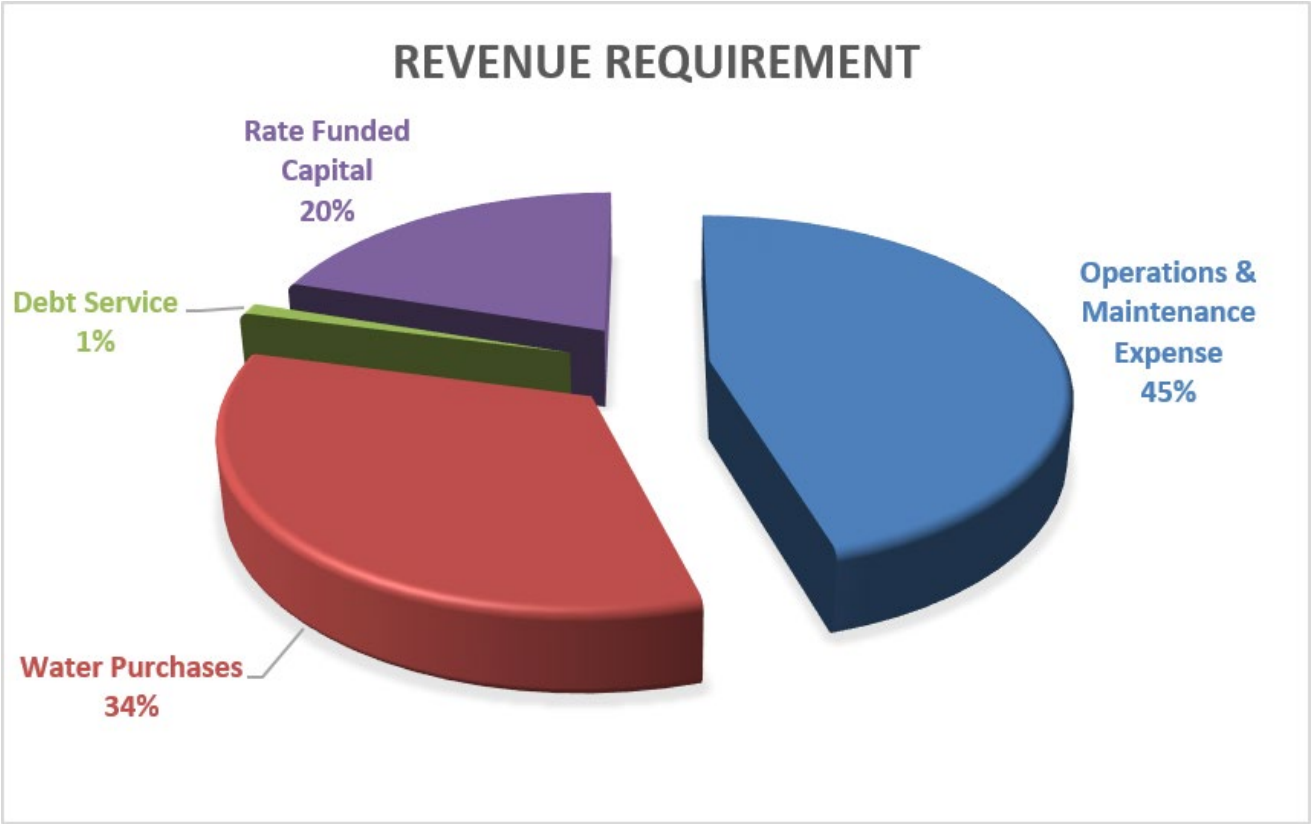
Hillsville Utility District
2026 Water Cost of Service Study
12 Months Ending December 2025
Presented on August 26, 2026

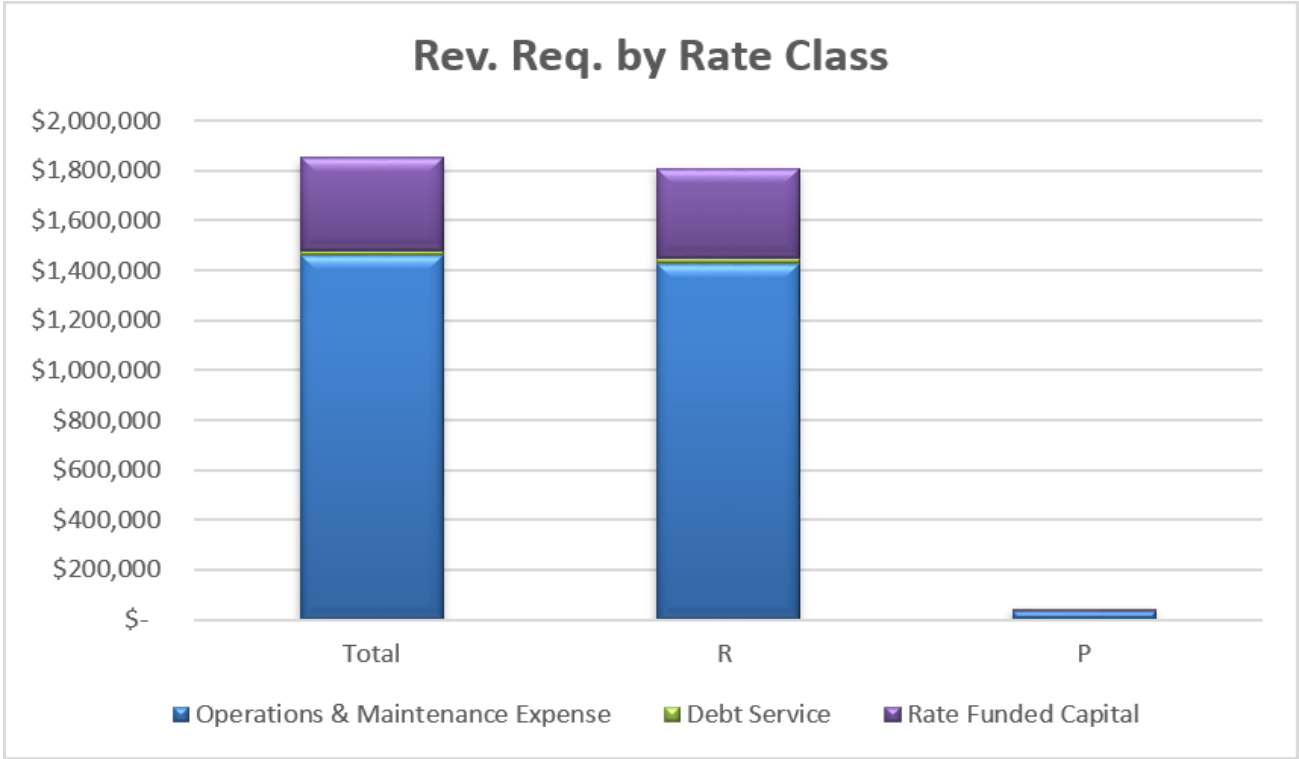


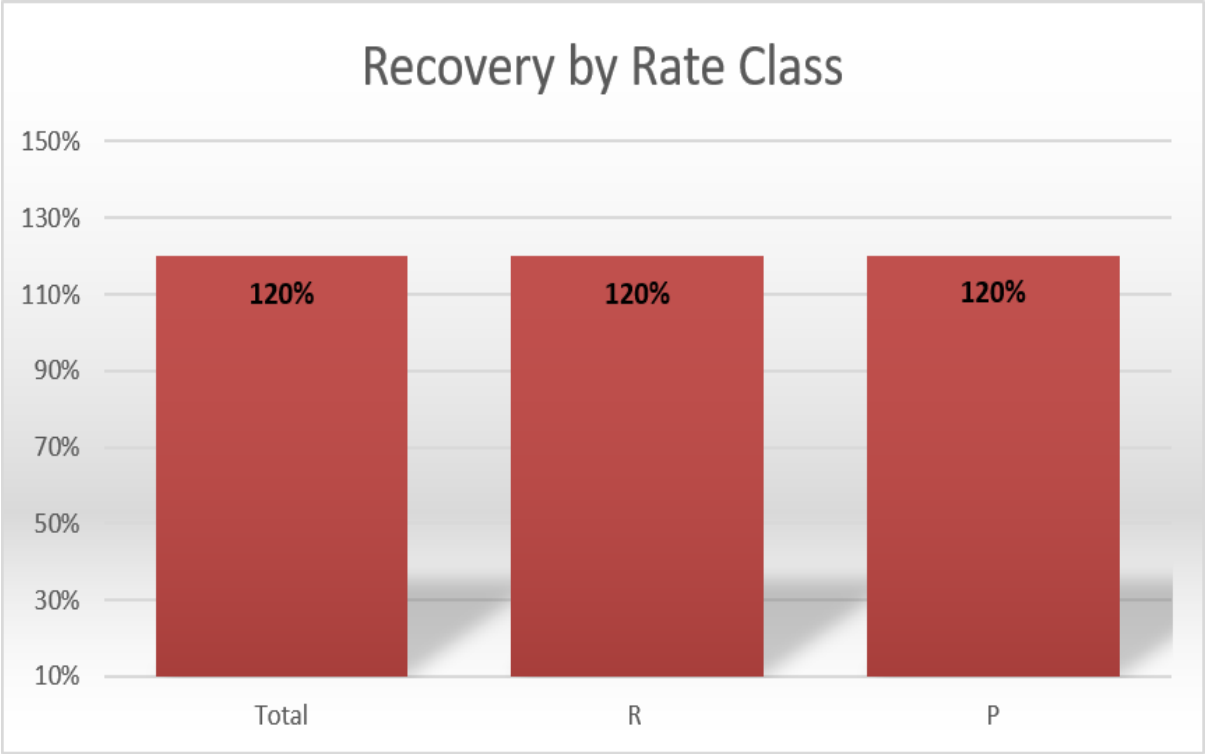
1. Revenue Stability and Sufficiency
2. Fairness and Equity
 - Fair is related to cross subsidies
 - Equity is related to $\text{Price} = \text{Cost}$
3. Ability to Pay
4. Simplicity (Admin & Cust Understanding)
5. Defensible

1. Determine Revenue Requirements
 - How much does the system need to operate?
2. Develop Revenue Requirements by Rate Class
 - How much does the system need to recover by rate class?
3. Develop COS Rates and Design Acceptable Rates
 - How does the system best recover the needed revenues?
4. Implement Rate Changes

TOTAL REV. REQ.	
Operations & Maintenance	\$ 841,088
Water Purchases	\$ 620,983
Plus: Debt Service	\$ 18,816
Plus: Rate Funded Capital	\$ 370,360
Total Revenue Requirement	<u>\$ 1,851,247</u>
Less: Other Revenue	<u>\$ 243,179</u>
Rate Requirement	<u>\$ 1,608,068</u>



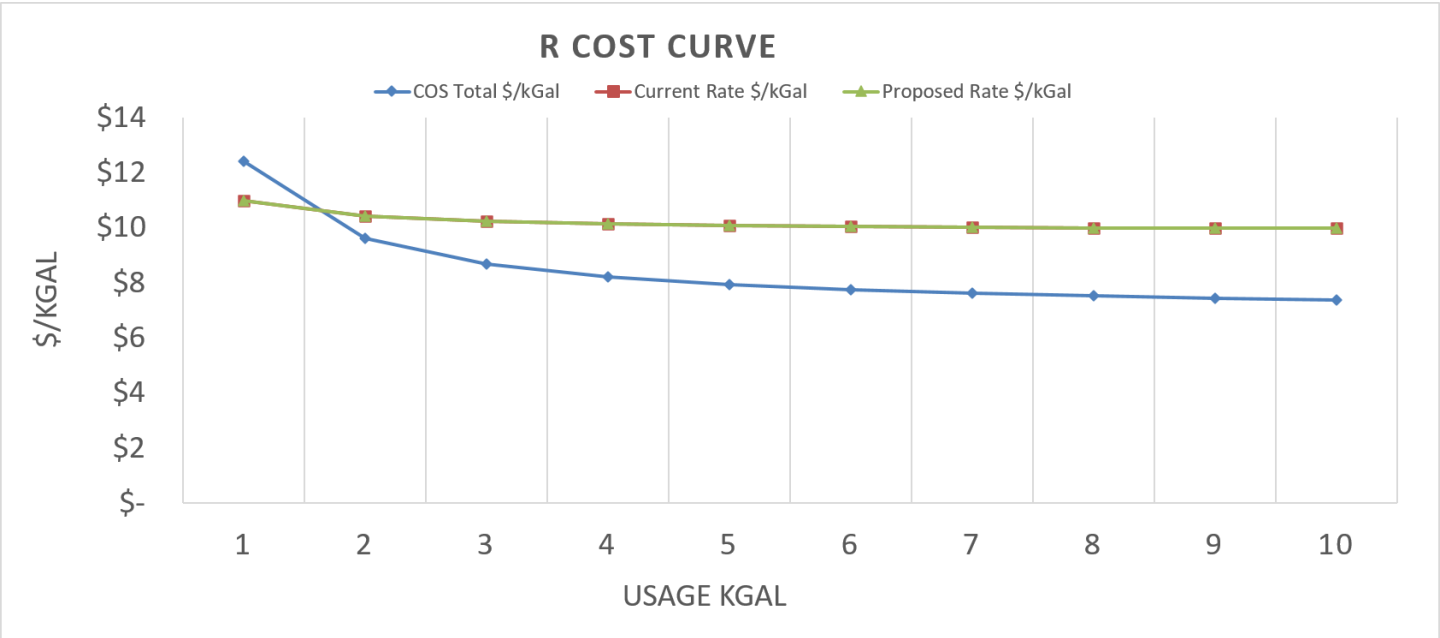




- For the test period, the Water system was over-recovered by \$370,000 on a \$1,851,000 revenue requirement.

Water –R Rate Curve

	<u>Cost of Service</u>	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Difference</u>
Customer Charge (0-900 Gallons)	\$ 5.57	\$ 10.00	\$ 10.00	\$ -
901 - 10,000 Gallons	\$ 6.82	\$ 9.85	\$ 9.85	\$ -
Next 10,001 - 20,000 Gallons		\$ 8.05	\$ 8.05	\$ -
All Over 20,000 Gallons		\$ 7.19	\$ 7.19	\$ -



Usage		COS Rates	Current Rates	Proposed Rates	Monthly Change	Daily Change	Current \$/kGal	Proposed \$/kGal
	1	\$ 12.39	\$ 10.99	\$ 10.99	\$ -	\$ -	\$ 10.99	\$ 10.99
	2	\$ 19.21	\$ 20.84	\$ 20.84	\$ -	\$ -	\$ 10.42	\$ 10.42
	3	\$ 26.03	\$ 30.69	\$ 30.69	\$ -	\$ -	\$ 10.23	\$ 10.23
	4	\$ 32.85	\$ 40.54	\$ 40.54	\$ -	\$ -	\$ 10.13	\$ 10.13
	5	\$ 39.67	\$ 50.39	\$ 50.39	\$ -	\$ -	\$ 10.08	\$ 10.08
	6	\$ 46.49	\$ 60.24	\$ 60.24	\$ -	\$ -	\$ 10.04	\$ 10.04
	7	\$ 53.31	\$ 70.09	\$ 70.09	\$ -	\$ -	\$ 10.01	\$ 10.01
	8	\$ 60.13	\$ 79.94	\$ 79.94	\$ -	\$ -	\$ 9.99	\$ 9.99
	9	\$ 66.95	\$ 89.79	\$ 89.79	\$ -	\$ -	\$ 9.98	\$ 9.98
	10	\$ 73.77	\$ 99.64	\$ 99.64	\$ -	\$ -	\$ 9.96	\$ 9.96
Average Usage			3,882					



2685 SR 50

Pelham, TN 37366

7.30.26

To whom it may concern,

Benchmark Tool & Machine has plans to connect to the sewer system running along highway 50 through Pelham Tennessee. Benchmark currently has 80 employees with a forecast to hire approximately 20 more within 2-3 months.

Best Regards

Robbie Dickerson

931-235-8496

[Mosaic Recovery Center]
[HWY 58]
Pelham, TN
[9313085221] | [KENNY@CITYLIGHTCHURCH.CC]

[8/14/26]

To Whom It May Concern / State of Tennessee

Letter of Intent — Tie-In to Commercial Tank and Sewer (Pelham, TN off Highway 58)

The Mosaic Recovery Center ("Mosaic Recovery Center") hereby submits this Letter of Intent to the ****State of Tennessee**** and any relevant reviewing authorities regarding wastewater service.

Mosaic Recovery Center intends to connect (tie into) the existing commercial tank and sewer system located in Pelham, Tennessee, off Highway 58, in order to serve our Mosaic Recovery Center.

This letter is intended to document our good-faith intent to proceed with the appropriate permitting, coordination, and construction activities required for this connection, subject to all required approvals and compliance with applicable local, state, and federal regulations.

If you require additional information or documentation, please contact me using the information below.

Sincerely,

Founder and President of Mosaic Recovery Center



Kenny Green



LETTER OF INTENT TO CONNECT TO GRUNDY COUNTY SEWER SYSTEM

To Whom It May Concern,

On behalf of Mountain Valley Equip ("Business"), I hereby affirm our intent to connect the commercial property located at the address listed above to the Grundy County Sewer System as soon as sewer service is available and the sewer line serving the property has been placed into active operation.

The Business understands the benefits of public sewer service upon completion of the required connection. We agree to complete the connection in accordance with all applicable requirements, ordinances, and utility regulations established by Grundy County and the wastewater operator.

The Business acknowledges that connection to the sewer system is contingent upon the sewer line being operational and all necessary permits and approvals being obtained. Upon activation of service, we intend to proceed with the connection by 9-26-26.

This Letter of Intent is voluntarily provided to demonstrate the Business's commitment to becoming a customer of the Grundy County Sewer System upon availability of service.

Sincerely,

Date: 8-19-26

Business Name: Mountain Valley Equip

Business Owner/Authorized Representative: Wade Brown

Property Address: 1075 US HWY 50
Pelham TN 37366

LETTER OF INTENT TO CONNECT TO GRUNDY COUNTY SEWER SYSTEM

To Whom It May Concern,

On behalf of PELHAM EXPRESS ("Business"), I hereby affirm our intent to connect the commercial property located at the address listed above to the Grundy County Sewer System as soon as sewer service is available and the sewer line serving the property has been placed into active operation.

The Business understands the benefits of public sewer service upon completion of the required connection. We agree to complete the connection in accordance with all applicable requirements, ordinances, and utility regulations established by Grundy County and the wastewater operator.

The Business acknowledges that connection to the sewer system is contingent upon the sewer line being operational and all necessary permits and approvals being obtained. Upon activation of service, we intend to proceed with the connection by 9-28-2026.

This Letter of Intent is voluntarily provided to demonstrate the Business's commitment to becoming a customer of the Grundy County Sewer System upon availability of service.

Sincerely,

Date: 8-20-26

Business Name: PELHAM EXPRESS

Business Owner/Authorized Representative: Owner [Signature]

Property Address: 1156 S 12 50

PELHAM TN 37366

LETTER OF INTENT TO CONNECT TO GRUNDY COUNTY SEWER SYSTEM

To Whom It May Concern,

On behalf of PELHAM Station ("Business"), I hereby affirm our intent to connect the commercial property located at the address listed above to the Grundy County Sewer System as soon as sewer service is available and the sewer line serving the property has been placed into active operation.

The Business understands the benefits of public sewer service upon completion of the required connection. We agree to complete the connection in accordance with all applicable requirements, ordinances, and utility regulations established by Grundy County and the wastewater operator.

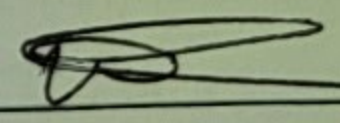
The Business acknowledges that connection to the sewer system is contingent upon the sewer line being operational and all necessary permits and approvals being obtained. Upon activation of service, we intend to proceed with the connection by 9-28-26.

This Letter of Intent is voluntarily provided to demonstrate the Business's commitment to becoming a customer of the Grundy County Sewer System upon availability of service.

Sincerely,

Date: 8-20-2026

Business Name: PELHAM Station

Business Owner/Authorized Representative: owner 

Property Address: 1112 SR 50
PELHAM TN 37366

To Whom it may concern

8.4.26

Simply Southern intends to utilize the new Septic tank that has been installed and will tie in to the new tank when weather permits and the sewer system goes online.

Thank you,



Anna Gilliam

PELHAM MEDICAL

Pelham Medical, LLC
100 Pelham Medical Dr
Pelham, TN 37366

26 August, 2026

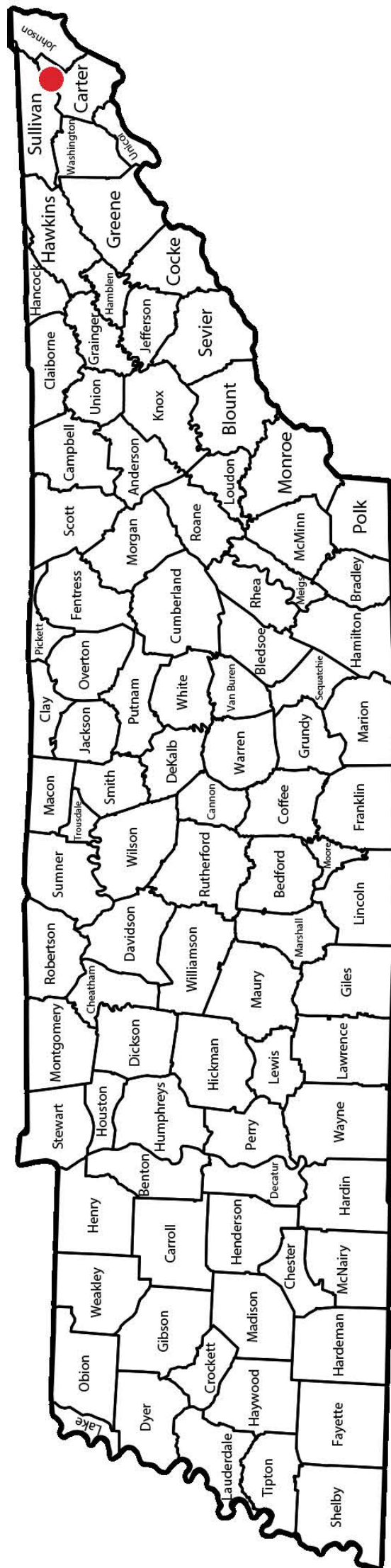
To Whom It May Concern,

Pelham Medical, a multispecialty medical clinic being built in Grundy County, TN, anticipates that the public sewer system being installed in Pelham would likely be the preferred utility option for our facility if the system meets all regulatory requirements, including environmental obligations, and if costs associated with the operation, maintenance, or long-term sustainability of the system are structured in a manner that does not place an undue financial burden on community members.

Thank you for your commitment to care and serve the citizens of Pelham Valley.

Sincerely,

Dr Lydia White and Dr. Lisa White Griffith, Pelham Medical, LLC



South Fork Utility District



JASON E. MUMPOWER
Comptroller

South Fork Utility District

Staff Summary

The Tennessee Board of Utility Regulation previously considered regionalization of the South Fork Utility District (“SFUD”) through a merger with the Bristol-Bluff City Utility District (“BBCUD”). The Board initially ordered the districts to merge, but SFUD voted to contest the merger. In October 2025, based in part on SFUD’s opposition and what the Board described as at least nominal financial stability, the Board withdrew the compulsory merger order. The withdrawal set the merger aside at that time but did not constitute a finding that merger lacked merit. The order continued to state that the evidence supported merger and that the proposed arrangement would have provided SFUD customers an immediate five-percent rate reduction.

The Board reviewed the District again in October 2025. In its November 13, 2025 order, the Board noted that SFUD had been before it for financial distress for several years, that much of the District’s recent improvement had been attributed to experienced and steady management, and that the management change raised renewed questions regarding SFUD’s financial and managerial stability. The Board therefore required SFUD to provide quarterly reports addressing management, financial condition, environmental compliance, and other material changes until the Board determines that the reporting requirement is no longer necessary. In March 2026, the Board amended the reporting schedule so that reports would be due one month after the close of each quarter.

SFUD subsequently reported that it entered into a five-year operation, maintenance, and management agreement with Inframark, LLC, effective January 1, 2026. Under that agreement, Inframark assumed responsibility for managing, operating, and maintaining the District’s facilities and distribution system. SFUD also hired a new office manager in February 2026.

For the first quarter of 2026, SFUD reported approximately \$555,600 in revenue and \$489,300 in expenses, producing an apparent quarterly operating surplus of approximately \$66,300. Reported cash on hand was approximately \$1.24 million at March 31. SFUD also reported that it had received no environmental violations or citations. The detailed March statement, however, included approximately \$179,500 in consulting expense and approximately \$21,400 in engineering expense, which caused March ordinary operations alone to show a loss of approximately \$99,400. That loss was offset in the reported net result by project-related grant revenue.

For the second quarter, SFUD reported approximately \$517,200 in revenue and \$791,900 in expenses, resulting in an apparent operating shortfall of approximately \$274,700. Reported cash on hand decreased to approximately \$1.13 million in April but recovered to approximately \$1.22



JASON E. MUMPOWER
Comptroller

million by the end of June, approximately two percent below the March balance. The second-quarter expense total included a \$250,126 USDA Rural Development project entry in May, accompanied by an equal project-loan receipt recorded as other income. Excluding only that matched project entry reduces the apparent second-quarter operating gap to approximately \$24,600.

The June year-to-date statement reports approximately \$427,400 in consulting expenses, with those costs recorded unevenly among the first six months of the year. The quarterly reports do not fully explain the nature of those consulting expenses or their relationship to the Inframark management agreement. The results are also materially affected by grant, loan, and project-related entries. Accordingly, the interim submissions indicate that SFUD has maintained liquidity and may be operating near break-even after identifiable project activity is separated, but they do not conclusively establish that the District is financially sustainable on a recurring, audited basis. SFUD continued to report that no environmental violations or citations had been issued.

Most importantly, SFUD's failure to submit its most recent annual audit by the applicable deadline is an additional concern. Timely audited financial information is particularly important because the Board's decision to withdraw the compulsory merger order rested, in part, on SFUD's then-existing financial stability and compliance with state requirements, while the November 2025 order made clear that the District would remain under close review following its management transition. Without timely audited results, the Board has a limited basis for determining whether the improvements previously reported by SFUD have continued under the new management arrangement. The prior merger effort with BBCUD therefore remains relevant as a possible alternative should the District be unable to demonstrate sustainable financial and managerial performance. Board staff raises concerns with SFUD's continued managerial capacity.

Staff Recommendation

Board staff recommends that the Board discuss SFUD's current financial and managerial status and appropriate next steps with representatives of the District. Following that discussion, the Board should determine whether continued monitoring, additional action, or renewed consideration of regionalization or merger with BBCUD is warranted.

BEFORE THE TENNESSEE BOARD OF UTILITY REGULATION

IN THE MATTER OF:

SOUTH FORK UTILITY DISTRICT

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TENN. CODE ANN. § 7-82-701, *et seq*

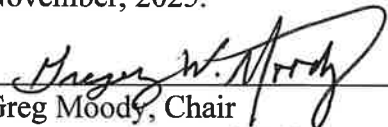
ORDER

On October 17, 2025, the Tennessee Board of Utility Regulation (“the Board”) reviewed the South Fork Utility District (“SFUD”) pursuant to Tenn. Code Ann. § 7-82-701, *et seq*. SFUD has been before the Board for financial distress for a number of years. SFUD’s governing body remains adamantly opposed to a merger with the Bristol-Bluff City Utility District, a merger which would have further stabilized the system and lowered customer rates. Recent changes in management call into question SFUD’s continued financial and managerial stability. Given the extent to which SFUD’s improvements were attributable to the experienced and steady leadership of its manager, a sudden change in management warrants further monitoring until the Board can be confident that the district will maintain a positive trajectory.

Accordingly, the Board orders SFUD to provide Board staff with quarterly reports advising the Board and staff of changes in management, SFUD’s financial condition, environmental violations or concerns (including, but not limited to, citations or violations noted by the Tennessee Department of Environment and Conservation), and any other financial or managerial changes which occur. Board staff will provide a form for SFUD’s convenience and may request additional

information as needed. The reports must be submitted by the first business day of January, April, July, and October, until the Board releases SFUD from this requirement.

ENTERED on this, the 13 day of November, 2025.



Greg Moody, Chair
Tennessee Board of Utility Regulation

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served via first class mail and email to the following on this, the 13 day of November, 2025:

South Fork Utility District
2800 Highway 421 #5
Bristol, TN 37620

ereecher@elliottlawson.com

A handwritten signature in black ink, appearing to read "J. Seth May", is written over a horizontal line.

J. Seth May
Assistant General Counsel

Tennessee Board of Utility Regulation

Quarterly Reporting Form

Complete the following form and email the completed form to Utilities@cot.tn.gov.

Entity Information

Enter Entity Name → South Fork Utility District

Management Information

Please Enter All Current Board Members

Name (First & Last)	Title	Phone Number
Jason Webb	President	423-366-7454
Josh Hayes	Secretary	423-398-0342
Robert Bebbber	Commissioner	423-647-2085
Josh Barrett	Commissioner	423-383-7846
Daniel Pickel	Commissioner	423-383-7846

Please Enter Current General Manager (or equivalent)

Name (First & Last)	Title	Phone Number

Please describe, in detail, any changes in management (this includes general manager, board members, finance staff, water operators, or contract labor filling managerial roles).

SFUD entered into a five-year Water Distribution System Operation, Maintenance, and Management Agreement with Inframark, LLC on January 1, 2026. Pursuant to that Agreement, Inframark is managing, operating, and maintaining SFUD's facilities and water distribution system..

SFUD hired a new office manager, Kayla Townsend, February 9, 2026.

Tennessee Board of Utility Regulation
Quarterly Reporting Form

Financial Information				
Please enter the following financial information for the 3 months that make up the current quarter (for example Q4 would be October, November, December).				
	Month 1	Month 2	Month 3	Quarter
Revenues	169041	194075	192485	555601
Expenses	91550	105327	292467	489344
Non-Operating Revenues (Expenses)				
Statutory Change in Net Position				
Capital Contributions				
Grants				
Transfers				
Change in Net Position				
Cash on Hand	\$ 1,238,972	\$ 1,325,178	\$ 1,241,039	
Please describe any events, or other relevant information, that may impact the financial position of the utility (debt issuances, rate changes etc.).				

Tennessee Board of Utility Regulation
Quarterly Reporting Form

Environmental Information

Please list any and all environmental violations or concerns (including, but not limited to citations or violations noted by the Tennessee Department of Environment and Conservation

No violations or citations have been issued.

Attachments

Please attach the following documents to your submission

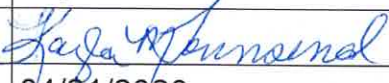
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Current Organizational Chart

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Current Adopted Rate Structure

Signatures

	Authorized Representative	Preparer
Name →	Kayla Townsend	Kayla Townsend
Signature →		
Date →	04/21/2026	04/21/2026

Balance Sheet

As of January 31, 2026

	Jan 31, 26
ASSETS	
Current Assets	
Checking/Savings	
First Bank & Trust - Equip 7268	59,141.92
FIRST BANK & TRUST - DEPRE 7250	328,441.77
First Bank & Trust - 7034	546,136.33
First Bank & Trust MM - 0618	304,051.57
Petty Cash	1,200.00
Total Checking/Savings	1,238,971.59
Other Current Assets	
Grant Receivable	31,896.00
Due from BBCUD	7,216.10
A/R	214,246.90
Allowance for Doubtful Accounts	-9,055.65
Prepaid Insurance	3,935.00
Inventory Asset	144,128.19
Total Other Current Assets	392,366.54
Total Current Assets	1,631,338.13
Fixed Assets	
Meters	749,977.03
Water Works System	3,737,659.36
Land	138,646.00
Vehicles	312,626.65
Office Buildout	143,595.66
Other Equipment	334,393.99
Accumulated Depreciation	-2,956,331.19
CIP - ARP Weaver Pike Lines	1,355,271.80
Total Fixed Assets	3,815,839.30
TOTAL ASSETS	5,447,177.43
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	42,847.10
Total Accounts Payable	42,847.10
Other Current Liabilities	
Accrued Bond Interest	764.06
Customer Deposits	825.00
Sales Tax Payable	14,214.71
Direct Deposit Liabilities	247.85
Payroll Liabilities	-5,483.60
Total Other Current Liabilities	10,568.02
Total Current Liabilities	53,415.12
Long Term Liabilities	
Water Works Revenue	
Bond 1991 - 02	724,799.84
Bond 1991 - 05	77,333.39
Total Water Works Revenue	802,133.23
Total Long Term Liabilities	802,133.23
Total Liabilities	855,548.35

South Fork Utility District
Balance Sheet
As of January 31, 2026

	Jan 31, 26
Equity	
Net Investment in Capital Asset	1,876,448.20
Unrestricted Net Assets	2,486,807.88
Net Income	228,373.00
Total Equity	4,591,629.08
TOTAL LIABILITIES & EQUITY	5,447,177.43

South Fork Utility District
Statement of Financial Income and Expense
January 2026

	Unclassified	TOTAL
Ordinary Income/Expense		
Income		
Water Revenue		
Water Sales	161,119.76	161,119.76
Penalties & Fees	1,607.95	1,607.95
Connection	550.00	550.00
Refunds & Returned Checks	-729.59	-729.59
Servline	6,492.58	6,492.58
Total Water Revenue	169,040.70	169,040.70
Total Income	169,040.70	169,040.70
Gross Profit	169,040.70	169,040.70
Expense		
Wages & Salaries	22,933.92	22,933.92
Payroll Taxes	1,733.32	1,733.32
Bank Service Charges	1,326.25	1,326.25
Computer Services & Software	4,234.48	4,234.48
Insurance Expense		
Servline Cost	6,022.00	6,022.00
Health	151.52	151.52
Workers Comp/Liability	699.57	699.57
Insurance Expense - Other	4,481.92	4,481.92
Total Insurance Expense	11,355.01	11,355.01
Materials & Supplies	303.63	303.63
Pension Expense	318.50	318.50
Professional Fees	987.50	987.50
Utilities		
Telephone	1,645.58	1,645.58
Electricity	4,379.64	4,379.64
Total Utilities	6,025.22	6,025.22
Water Purchased - BBCUD	41,880.30	41,880.30
Water Purchased - Bristol	451.70	451.70
Total Expense	91,549.83	91,549.83
Net Ordinary Income	77,490.87	77,490.87
Other Income/Expense		
Other Income		
ARPA Grant Revenue	153,618.80	153,618.80
Interest Income	266.33	266.33
Total Other Income	153,885.13	153,885.13
Other Expense		
Interest Expense	3,003.00	3,003.00
Total Other Expense	3,003.00	3,003.00
Net Other Income	150,882.13	150,882.13
Net Income	228,373.00	228,373.00

Balance Sheet

As of February 28, 2026

Feb 28, 26

ASSETS	
Current Assets	
Checking/Savings	
First Bank & Trust - Equip 7268	59,141.92
FIRST BANK & TRUST - DEPRE 7250	328,441.77
First Bank & Trust - 7034	632,343.17
First Bank & Trust MM - 0618	304,051.57
Petty Cash	1,200.00
Total Checking/Savings	1,325,178.43
Other Current Assets	
Grant Receivable	31,896.00
Due from BBCUD	7,216.10
A/R	214,246.90
Allowance for Doubtful Accounts	-9,055.65
Prepaid Insurance	3,935.00
Inventory Asset	144,128.19
Total Other Current Assets	392,366.54
Total Current Assets	1,717,544.97
Fixed Assets	
Meters	749,977.03
Water Works System	3,737,659.36
Land	138,646.00
Vehicles	312,626.65
Office Buildout	143,595.66
Other Equipment	334,393.99
Accumulated Depreciation	-2,956,331.19
CIP - ARP Weaver Pike Lines	1,473,019.06
Total Fixed Assets	3,933,586.56
TOTAL ASSETS	5,651,131.53
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	42,847.10
Total Accounts Payable	42,847.10
Other Current Liabilities	
Accrued Bond Interest	764.06
Customer Deposits	1,621.32
Sales Tax Payable	17,291.52
Direct Deposit Liabilities	247.85
Payroll Liabilities	-4,994.27
Total Other Current Liabilities	14,930.48
Total Current Liabilities	57,777.58
Long Term Liabilities	
Water Works Revenue	
Bond 1991 - 02	722,028.84
Bond 1991 - 05	77,333.39
Total Water Works Revenue	799,362.23
Total Long Term Liabilities	799,362.23
Total Liabilities	857,139.81

Balance Sheet

As of February 28, 2026

	Feb 28, 26
Equity	
Net Investment in Capital Asset	1,876,448.20
Unrestricted Net Assets	2,486,807.88
Net Income	430,735.64
Total Equity	4,793,991.72
TOTAL LIABILITIES & EQUITY	5,651,131.53

South Fork Utility District

Statement of Financial Income and Expense

February 2026

	Unclassified	TOTAL
Ordinary Income/Expense		
Income		
Water Revenue		
Water Sales	182,628.81	182,628.81
Connection	750.00	750.00
Refunds & Returned Checks	-609.72	-609.72
Servline	6,679.74	6,679.74
Total Water Revenue	189,448.83	189,448.83
Other Revenue	4,625.88	4,625.88
Total Income	194,074.71	194,074.71
Gross Profit	194,074.71	194,074.71
Expense		
Wages & Salaries	14,763.66	14,763.66
Payroll Taxes	1,086.53	1,086.53
Bank Service Charges	211.22	211.22
Computer Services & Software	1,162.86	1,162.86
Equipment Rental	9.49	9.49
Insurance Expense		
Bond	1,000.00	1,000.00
Health	8,144.08	8,144.08
Workers Comp/Liability	519.57	519.57
Insurance Expense - Other	4,481.92	4,481.92
Total Insurance Expense	14,145.57	14,145.57
Lab Fees	1,000.00	1,000.00
Materials & Supplies	7,570.93	7,570.93
Miscellaneous	1,419.89	1,419.89
Pension Expense	0.00	0.00
Postage & Postage Machine	1,967.84	1,967.84
Printing	494.25	494.25
Professional Fees		
Accounting & Audit	3,000.00	3,000.00
Legal	5,256.68	5,256.68
Total Professional Fees	8,256.68	8,256.68
Truck Expense		
Repairs/Maint.-Truck/Equipment	2,460.90	2,460.90
Total Truck Expense	2,460.90	2,460.90
Utilities		
Telephone	1,645.57	1,645.57
Trash	280.00	280.00
Electricity	4,015.72	4,015.72
Utilities - Other	1,327.45	1,327.45
Total Utilities	7,268.74	7,268.74
Water Purchased - BBCUD	43,507.38	43,507.38
Water Purchased - Bristol	1.39	1.39
Total Expense	105,327.33	105,327.33
Net Ordinary Income	88,747.38	88,747.38
Other Income/Expense		
Other Income		
ARPA Grant Revenue	117,747.26	117,747.26
Total Other Income	117,747.26	117,747.26

South Fork Utility District
Statement of Financial Income and Expense
February 2026

	Unclassified	TOTAL
Other Expense		
Interest Expense	4,132.00	4,132.00
Total Other Expense	4,132.00	4,132.00
Net Other Income	113,615.26	113,615.26
Net Income	202,362.64	202,362.64

South Fork Utility District

Balance Sheet

As of March 31, 2026

	Mar 31, 26
ASSETS	
Current Assets	
Checking/Savings	
First Bank & Trust - Equip 7268	59,141.92
FIRST BANK & TRUST - DEPRE 7250	328,441.77
First Bank & Trust - 7034	548,204.20
First Bank & Trust MM - 0618	304,051.57
Petty Cash	1,200.00
Total Checking/Savings	1,241,039.46
Other Current Assets	
Grant Receivable	31,896.00
Due from BBCUD	7,216.10
A/R	214,246.90
Allowance for Doubtful Accounts	-9,055.65
Prepaid Insurance	3,935.00
Inventory Asset	144,128.19
Total Other Current Assets	392,366.54
Total Current Assets	1,633,406.00
Fixed Assets	
Meters	749,977.03
Water Works System	3,737,659.36
Land	138,646.00
Vehicles	312,626.65
Office Buildout	143,595.66
Other Equipment	334,393.99
Accumulated Depreciation	-2,956,331.19
CIP - ARP Weaver Pike Lines	1,640,995.93
Total Fixed Assets	4,101,563.43
TOTAL ASSETS	5,734,969.43
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	45,333.08
Total Accounts Payable	45,333.08
Other Current Liabilities	
Accrued Bond Interest	764.06
Customer Deposits	2,296.32
Sales Tax Payable	15,654.72
Direct Deposit Liabilities	247.85
Payroll Liabilities	-5,835.59
Total Other Current Liabilities	13,127.36
Total Current Liabilities	58,460.44
Long Term Liabilities	
Water Works Revenue	
Bond 1991 - 02	719,257.84
Bond 1991 - 05	76,581.39
Total Water Works Revenue	795,839.23
Total Long Term Liabilities	795,839.23
Total Liabilities	854,299.67

South Fork Utility District
Balance Sheet
As of March 31, 2026

	Mar 31, 26
Equity	
Net Investment in Capital Asset	1,876,448.20
Unrestricted Net Assets	2,486,807.88
Net Income	517,413.68
Total Equity	4,880,669.76
TOTAL LIABILITIES & EQUITY	5,734,969.43

South Fork Utility District

Statement of Financial Income and Expense

March 2026

	Unclassified	TOTAL
Ordinary Income/Expense		
Income		
Water Revenue		
Water Sales	185,637.64	185,637.64
Penalties & Fees	421.54	421.54
Connection	800.00	800.00
Tap Fee	50.00	50.00
Refunds & Returned Checks	-1,260.09	-1,260.09
Servline	6,836.17	6,836.17
Total Water Revenue	192,485.26	192,485.26
Other Revenue	630.00	630.00
Total Income	193,115.26	193,115.26
Gross Profit	193,115.26	193,115.26
Expense		
Consulting	179,477.67	179,477.67
Wages & Salaries	12,740.63	12,740.63
Payroll Taxes	874.66	874.66
Bank Service Charges	170.11	170.11
Computer Services & Software	4,214.47	4,214.47
Insurance Expense		
Health	269.60	269.60
Workers Comp/Liability	519.57	519.57
Insurance Expense - Other	6,506.99	6,506.99
Total Insurance Expense	7,296.16	7,296.16
Miscellaneous	6.00	6.00
Postage & Postage Machine	1,986.93	1,986.93
Printing	499.05	499.05
Professional Fees		
Engineering	21,433.22	21,433.22
Total Professional Fees	21,433.22	21,433.22
Truck Expense		
Fuel	3,259.77	3,259.77
Total Truck Expense	3,259.77	3,259.77
Utilities		
Telephone	1,645.57	1,645.57
Electricity	5,508.40	5,508.40
Total Utilities	7,153.97	7,153.97
Water Purchased - BBCUD	51,276.06	51,276.06
Water Purchased - Bristol	2,078.61	2,078.61
Total Expense	292,467.31	292,467.31
Net Ordinary Income	-99,352.05	-99,352.05
Other Income/Expense		
Other Income		
ARPA Grant Revenue	189,410.09	189,410.09
Total Other Income	189,410.09	189,410.09

South Fork Utility District
Statement of Financial Income and Expense
March 2026

	Unclassified	TOTAL
Other Expense		
Interest Expense	3,380.00	3,380.00
Total Other Expense	3,380.00	3,380.00
Net Other Income	186,030.09	186,030.09
Net Income	86,678.04	86,678.04



SOUTH FORK UTILITY DISTRICT

Customer Rates, Fees, and Charges - Revised 12/17/24

Water Rates:	\$ 21.05Availability Fee + \$ 1.95 (tax) \$ 2.00 Servline (Residential) (Commercial \$5.00) \$ 9.45 + tax Per 1000 gallons
Tap Fees:	\$1500.00 Residential 3/4 \$2000.001 Inch \$5000.002 Inch Commercial and Industrial 1" & Larger are quoted as cost plus jobs. Boring fee and/ or rock clause is not included. Customer will be responsible for those fees.
Service Fees:	\$50.00New Service \$25.00 Trip Charge (Will check meter only 1 time from Jan.1-Dec.31 without charging \$25.00 trip charge.) \$25.00Meter Trimble Report (Will check meter only 1 time from Jan.1-Dec.31 without charging \$25.00 trip charge.) \$350.001" & Larger Commercial and Industrial Meter Testing
Payment Fees:	\$100.00Past Due Fee (at 7am on the 7 th of the month) \$125.00After Hours Turn on Fee (After 5:30 Late fee \$100.00+ \$25.00 trip fee) \$30.00Returned Check Fee There is a 10% Late Fee automatically put on bill on the 24 th .
Theft of Service, and Tampering Violation Fees:	\$150.00 to \$300.00 Tampering Violation \$300.00 Meter replacement \$25.00 Meter Lock \$50.00 Setter Valve \$250.00 Unauthorized Use of Service (per occurrence) \$1,000.00 Illegal System Connection (per connection)
Fire Hydrants:	Quoted as cost plus jobs.
Public Records:	Refer to "Public Records Request Policy".

Tennessee Board of Utility Regulation

Quarterly Reporting Form

Complete the following form and email the completed form to Utilities@cot.tn.gov.

Entity Information

Enter Entity Name → South Fork Utility District

Management Information

Please Enter All Current Board Members

Name (First & Last)	Title	Phone Number
Jason Webb	President	4233667454
Josh Hayes	Secretary	4233980342
Josh Barrett	Commissioner	4236472085
Robert Bebber	Commissioner	4233837846
Daniel Pickel	Commissioner	4232137034

Please Enter Current General Manager (or equivalent)

Name (First & Last)	Title	Phone Number

Please describe, in detail, any changes in management (this includes general manager, board members, finance staff, water operators, or contract labor filling managerial roles).

Financial Information				
Please enter the following financial information for the 3 months that make up the current quarter (for example Q4 would be October, November, December).				
	Month 1	Month 2	Month 3	Quarter
Revenues	\$ 181,907	\$ 151,125	\$ 184,197	\$ 517,229
Expenses	\$ 269,201	\$ 337,972	\$ 184,747	\$ 791,920
Non-Operating Revenues (Expenses)				
Statutory Change in Net Position				
Capital Contributions				
Grants	\$ 174,098	\$ 250,126	\$ 140,517	\$ 564,741
Transfers				
Change in Net Position				
Cash on Hand	\$ 1,133,589	\$ 1,206,577	\$ 1,219,205	
Please describe any events, or other relevant information, that may impact the financial position of the utility (debt issuances, rate changes etc.).				

Environmental Information

Please list any and all environmental violations or concerns (including, but not limited to citations or violations noted by the Tennessee Department of Environment and Conservation

No violations or citations have been issued.

Attachments

Please attach the following documents to your submission

☐

Current Organizational Chart

☒

Current Adopted Rate Structure

Signatures

	Authorized Representative	Preparer
Name →	Kayla M. Townsend	Kayla M. Townsend
Signature →	<i>Kayla Townsend</i>	<i>Kayla Townsend</i>
Date →	7/16/2026	7/16/2026

South Fork Utility District

Statement of Income and Expenses

April 2026

	Apr 26	Jan - Apr 26
Ordinary Income/Expense		
Income		
Water Revenue		
Water Sales	172,760.65	702,146.86
Penalties & Fees	2,096.18	4,125.67
Connection	750.00	2,850.00
Tap Fee	1,500.00	1,550.00
Refunds & Returned Checks	-163.16	-2,762.56
Servline	4,962.89	24,971.38
Total Water Revenue	181,906.56	732,881.35
Other Revenue	0.00	5,255.88
Total Income	181,906.56	738,137.23
Gross Profit	181,906.56	738,137.23
Expense		
Consulting	165,311.10	344,788.77
Wages & Salaries	16,680.83	67,119.04
Payroll Taxes	1,137.50	4,832.01
Bank Service Charges	391.19	2,098.77
Computer Services & Software	3,872.43	13,588.27
Equipment Rental	0.00	9.49
Insurance Expense		
Servline Cost	0.00	24,103.00
Bond	0.00	1,000.00
Health	1,394.47	9,959.67
Workers Comp/Liability	519.57	2,258.28
Insurance Expense - Other	2,025.08	17,495.91
Total Insurance Expense	3,939.12	54,816.86
Lab Fees	550.00	1,550.00
Materials & Supplies	0.00	7,874.56
Miscellaneous	0.00	1,425.89
Office Supplies	3,011.18	3,011.18
Pension Expense	2,492.06	2,810.56
Postage & Postage Machine	2,124.49	6,079.26
Printing	607.35	1,600.65
Professional Fees		
Accounting & Audit	400.00	3,400.00
Engineering	0.00	21,433.22
Legal	3,745.24	9,001.92
Professional Fees - Other	187.50	1,175.00
Total Professional Fees	4,332.74	35,010.14
Truck Expense		
Fuel	0.00	3,259.77
Repairs/Maint.-Truck/Equipment	0.00	2,460.90
Total Truck Expense	0.00	5,720.67
Utilities		
Telephone	2,509.55	7,446.27
Trash	280.00	560.00
Electricity	4,080.23	17,983.99
Utilities - Other	681.79	2,009.24
Total Utilities	7,551.57	27,999.50

South Fork Utility District
Statement of Income and Expenses
April 2026

	Apr 26	Jan - Apr 26
Water Purchased - BBCUD	42,994.05	179,657.79
Water Purchased - Bristol	14,205.02	16,736.72
Total Expense	269,200.63	776,730.13
Net Ordinary Income	-87,294.07	-38,592.90
Other Income/Expense		
Other Income		
USDA RD Project Loan	174,097.57	634,873.72
Interest Income	0.00	266.33
Total Other Income	174,097.57	635,140.05
Other Expense		
Interest Expense	3,380.00	13,895.00
Total Other Expense	3,380.00	13,895.00
Net Other Income	170,717.57	621,245.05
Net Income	83,423.50	582,652.15

South Fork Utility District

Statement of Income and Expenses

May 2026

	May 26	Jan - May 26
Ordinary Income/Expense		
Income		
Water Revenue		
Water Sales	140,813.41	842,960.27
Penalties & Fees	2,322.65	6,448.32
Connection	750.00	3,600.00
Tap Fee	0.00	1,550.00
Refunds & Returned Checks	-440.45	-3,203.01
Servline	1,124.18	26,095.56
BBCUD - Maintenance Fees	6,555.00	6,555.00
Total Water Revenue	151,124.79	884,006.14
Other Revenue	0.00	5,255.88
Total Income	151,124.79	889,262.02
Gross Profit	151,124.79	889,262.02
Expense		
USDA RD	250,126.45	250,126.45
Consulting	0.00	344,788.77
Wages & Salaries	13,378.23	80,497.27
Payroll Taxes	915.40	5,747.41
Bank Service Charges	692.83	2,791.60
Computer Services & Software	2,849.70	16,437.97
Equipment Rental	0.00	9.49
Insurance Expense		
Servline Cost	6,009.40	30,112.40
Bond	0.00	1,000.00
Health	2,176.07	12,135.74
Workers Comp/Liability	519.57	2,777.85
Insurance Expense - Other	2,025.08	19,520.99
Total Insurance Expense	10,730.12	65,546.98
Lab Fees	0.00	1,550.00
Materials & Supplies	141.55	8,016.11
Miscellaneous	375.00	1,800.89
Office Supplies	0.00	3,011.18
Pension Expense	0.63	2,811.19
Postage & Postage Machine	0.00	6,079.26
Printing	0.00	1,600.65
Professional Fees		
Accounting & Audit	0.00	3,400.00
Engineering	0.00	21,433.22
Legal	812.93	9,814.85
Professional Fees - Other	375.00	1,550.00
Total Professional Fees	1,187.93	36,198.07
Truck Expense		
Fuel	0.00	3,259.77
Repairs/Maint.-Truck/Equipment	0.00	2,460.90
Total Truck Expense	0.00	5,720.67
Utilities		
Telephone	1,193.69	8,639.96
Trash	0.00	560.00
Electricity	3,055.60	21,039.59
Utilities - Other	0.00	2,009.24
Total Utilities	4,249.29	32,248.79

South Fork Utility District
Statement of Income and Expenses
May 2026

	May 26	Jan - May 26
Water Purchased - BBCUD	48,330.27	227,988.06
Water Purchased - Bristol	4,994.15	21,730.87
Total Expense	337,971.55	1,114,701.68
Net Ordinary Income	-186,846.76	-225,439.66
Other Income/Expense		
Other Income		
USDA RD Project Loan	250,126.45	885,000.17
Interest Income	837.50	1,103.83
Total Other Income	250,963.95	886,104.00
Other Expense		
Interest Expense	3,449.00	17,344.00
Total Other Expense	3,449.00	17,344.00
Net Other Income	247,514.95	868,760.00
Net Income	60,668.19	643,320.34

South Fork Utility District

Statement of Income and Expenses

June 2026

	Jun 26	Jan - Jun 26
Ordinary Income/Expense		
Income		
Water Revenue		
Water Sales	164,713.15	1,007,673.42
Penalties & Fees	1,780.64	8,228.96
Connection	750.00	4,350.00
Tap Fee	2,000.00	3,550.00
Refunds & Returned Checks	-641.24	-3,844.25
Servline	6,714.36	32,809.92
BBCUD - Maintenance Fees	5,099.00	11,654.00
Water Revenue - Other	-19.24	-19.24
Total Water Revenue	180,396.67	1,064,402.81
Other Revenue	3,800.00	9,055.88
Total Income	184,196.67	1,073,458.69
Gross Profit	184,196.67	1,073,458.69
Expense		
USDA RD	0.00	250,126.45
Consulting	82,655.50	427,444.27
Wages & Salaries	12,342.63	92,839.90
Payroll Taxes	879.93	6,627.34
Bank Service Charges	245.54	3,037.14
Computer Services & Software	0.00	16,437.97
Equipment Rental	0.00	9.49
Insurance Expense		
General	6,224.00	6,224.00
Servline Cost	5,975.20	36,087.60
Bond	0.00	1,000.00
Health	3,406.20	15,541.94
Workers Comp/Liability	1,775.01	4,552.86
Insurance Expense - Other	2,025.08	21,546.07
Total Insurance Expense	19,405.49	84,952.47
Lab Fees	0.00	1,550.00
Materials & Supplies	4,845.00	12,861.11
Miscellaneous	0.00	1,800.89
Office Supplies	0.00	3,011.18
Pension Expense	0.00	2,811.19
Postage & Postage Machine	1,993.43	8,072.69
Printing	575.55	2,176.20
Professional Fees		
Accounting & Audit	0.00	3,400.00
Engineering	0.00	21,433.22
Legal	0.00	9,814.85
Professional Fees - Other	90.62	1,640.62
Total Professional Fees	90.62	36,288.69
Truck Expense		
Fuel	0.00	3,259.77
Repairs/Maint.-Truck/Equipment	0.00	2,460.90
Total Truck Expense	0.00	5,720.67
Utilities		
Telephone	1,426.84	10,066.80
Trash	140.00	700.00
Electricity	3,866.81	24,906.40
Utilities - Other	0.00	2,009.24
Total Utilities	5,433.65	37,682.44

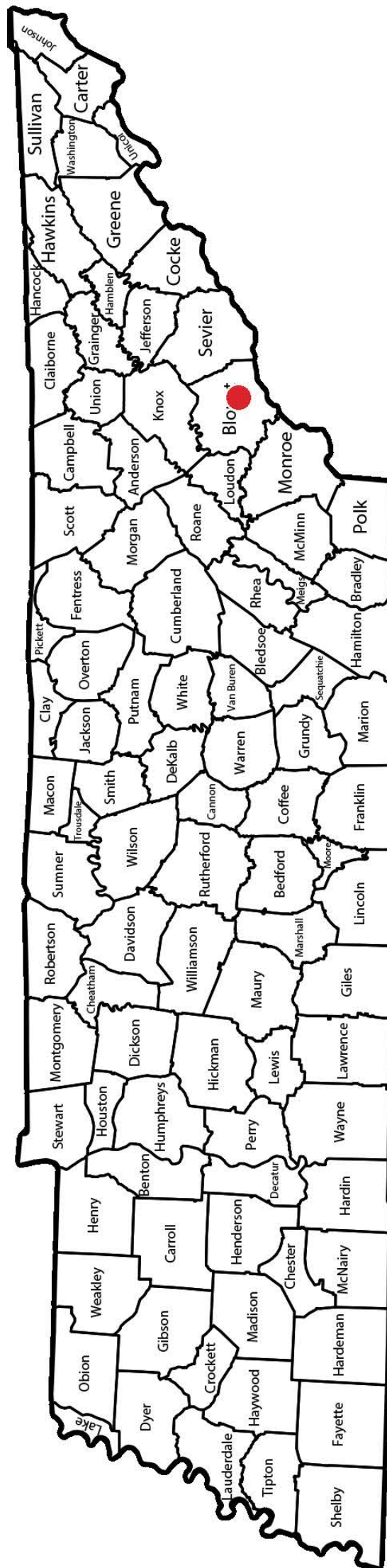
South Fork Utility District
Statement of Income and Expenses
June 2026

	Jun 26	Jan - Jun 26
Water Purchased - BBCUD	44,941.57	272,929.63
Water Purchased - Bristol	11,338.19	33,069.06
Total Expense	184,747.10	1,299,448.78
Net Ordinary Income	-550.43	-225,990.09
Other Income/Expense		
Other Income		
USDA RD Project Loan	140,516.60	1,025,516.77
Interest Income	1,197.64	2,301.47
Total Other Income	141,714.24	1,027,818.24
Other Expense		
Weaver Pike Division 2	140,516.60	140,516.60
Interest Expense	2,884.00	20,228.00
Total Other Expense	143,400.60	160,744.60
Net Other Income	-1,686.36	867,073.64
Net Income	-2,236.79	641,083.55



Customer Rates, Fees, and Charges - Revised 12/17/24

Water Rates:	\$ 21.05Availability Fee + \$ 1.95 (tax) \$ 2.00 Servline (Residential) (Commercial \$5.00) \$ 9.45 + tax Per 1000 gallons
Tap Fees:	\$1500.00 Residential 3/4 \$2000.001 Inch \$5000.002 Inch Commercial and Industrial 1" & Larger are quoted as cost plus jobs. Boring fee and/ or rock clause is not included. Customer will be responsible for those fees.
Service Fees:	\$50.00New Service \$25.00 Trip Charge (Will check meter only 1 time from Jan.1-Dec.31 without charging \$25.00 trip charge.) \$25.00Meter Trimble Report (Will check meter only 1 time from Jan.1-Dec.31 without charging \$25.00 trip charge.) \$350.001" & Larger Commercial and Industrial Meter Testing
Payment Fees:	\$100.00Past Due Fee (at 7am on the 7 th of the month) \$125.00After Hours Turn on Fee (After 5:30 Late fee \$100.00+ \$25.00 trip fee) \$30.00Returned Check Fee There is a 10% Late Fee automatically put on bill on the 24 th .
Theft of Service, and Tampering Violation Fees:	\$150.00 to \$300.00 Tampering Violation \$300.00 Meter replacement \$25.00 Meter Lock \$50.00 Setter Valve \$250.00 Unauthorized Use of Service (per occurrence) \$1,000.00 Illegal System Connection (per connection)
Fire Hydrants:	Quoted as cost plus jobs.
Public Records:	Refer to "Public Records Request Policy".



Friendsville



Jason E. Mumpower
Comptroller

Entity Referred: **City of Friendsville**
 Referral Reason: **Decrease In Net Position**
 Utility Type: **Sewer**
 Referred: County: **Blount**

Staff Summary:

The City of Friendsville ("the Utility") has been referred to the Tennessee Board of Utility Regulation ("the Board") for financial distress since 2026. The utility operates a sewer system that reported a negative statutory net position for Fiscal Year 2025 and Fiscal Year 2024. The utility reported that the sewer system is made up of 95 customers and the Utility's role is limited to a collection system only. Sewage is pumped to a treatment facility owned by Tellico Area Service System. The utility reported that regionalization could be feasible but would require additional evaluation.

Board staff believes that the utility should carry out a rate study that will determine sustainable rates for the sewer system.

Staff Recommendation:

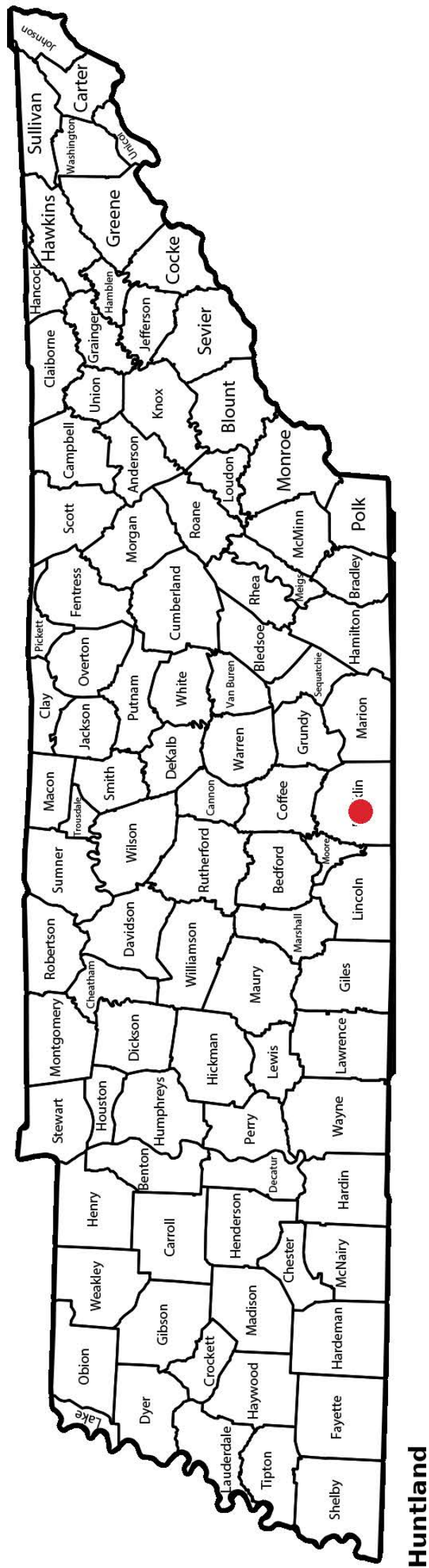
The Board shall order the following:

1. The Utility shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following:
 - a. a review of the capitalization policy, including any recommended modifications;
 - b. a review of the debt management policy, including any recommended modifications;
 - c. the creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;
 - d. a review of relevant utility fees including but not limited to connection or tap fees, including any recommended modifications;
 - e. verification that all governing body members of the utility are in compliance with all relevant training requirements;
2. By December 31, 2026 the Utility shall send Board staff a copy of the contract between the Utility and the qualified expert who is to perform the tasks in paragraph 1.
3. By April 30, 2027 the Utility shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementation.
4. Board staff is given the authority to grant up to two extensions of up to six months of the foregoing deadlines upon a showing of good cause by the Utility.

Friendsville - Category: Sewer - County: Blount

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Fiscal Line Item	2022	2023	2024	2025
Net Assets	\$1,031,627.00	\$995,935.00	\$1,016,479.00	\$1,740,238.00
Deferred Outflow Resources	\$3,925.00	\$67.00	\$67.00	\$67.00
Net Liabilities	\$312,564.00	\$263,683.00	\$264,082.00	\$607,166.00
Deferred Inflow Resources	\$4,064.00	\$359.00	\$359.00	\$359.00
Total Net Position	\$718,924.00	\$731,960.00	\$752,105.00	\$1,132,780.00
Operating Revenues	\$20,000.00	\$41,396.00	\$30,124.00	\$28,828.00
Net Sales	\$20,000.00	\$12,081.00	\$30,124.00	\$28,828.00
Operating Expenses	\$1,154.00	\$19,323.00	\$39,721.00	\$33,379.00
Depreciation Expenses	\$0.00	\$4,080.00	\$16,582.00	\$17,313.00
Non Operating Revenues	\$12,496.00	-\$6,423.00	-\$6,036.00	\$810.00
Capital Contributions	\$92,141.00	\$0.00	\$35,778.00	\$386,226.00
Transfers In	\$0.00	\$0.00	\$0.00	\$0.00
Transfers Out	\$0.00	-\$2,614.00	\$0.00	-\$1,810.00
GAAP Change In Net Position	\$123,483.00	\$13,036.00	\$20,145.00	\$380,675.00
Statutory Change In Net Position	\$31,342.00	\$13,036.00	-\$15,633.00	-\$5,551.00





Jason E. Mumpower
Comptroller

Entity Referred: **Town of Huntland**
Referral Reason: **Administrative Review**
Utility Type Referred: **Water And Sewer**
County: **Franklin**

Staff Summary:

On October 17, 2025, the Board ordered the Town of Huntland to complete a feasibility study evaluating the potential for regionalization with surrounding utility systems. Huntland complied with that directive and submitted a Regionalization Opportunities Assessment prepared by Water Finance Exchange. The assessment evaluated the Belvidere Rural Utility District, the City of Winchester, and the Lincoln County Board of Public Utilities. While all three utilities expressed a willingness to discuss regionalization strategies with Huntland, the assessment identifies the City of Winchester as the most suitable regionalization partner for Huntland's wastewater system because Winchester is the only nearby utility with the operational capacity and experience necessary to manage and operate Huntland's wastewater system. The assessment specifically recommends that Huntland meet with the City of Winchester to evaluate the feasibility of contracted operations or consolidation of the wastewater system.

Since completion of the assessment, Board staff has met with representatives of the Town of Huntland and the City of Winchester on multiple occasions regarding potential regionalization. Those discussions have been productive, and both utilities have expressed a willingness to continue negotiations. Based on the feasibility study and subsequent discussions, Board staff believes that regionalization discussions between Huntland and the City of Winchester should continue to correct the deficiencies of the Town's utility. The Town's decision of starting a water system highlights concerns of managerial deficiencies due to the nature of burdening ratepayers with costs that are not affordable for the community.

Huntland has 640 active water connections and only 258 wastewater connections. The WFX assessment classifies all 258 wastewater connections as residential. The assessment lists two full-time employees and one part-time employee and states that the Town relies on outside providers for operator-in-charge services, information technology, leak replacement, and new tap installation.

The limited wastewater customer base is central to the Town's long-term problem. The costs of administration, certified operation, regulatory compliance, maintenance, debt service, depreciation, and eventual replacement of wastewater assets must be recovered from only 258 accounts. Increasing rates can produce additional revenue, but it does not expand the customer base or add the managerial depth needed to operate a specialized wastewater system over the long term.

The Town's rate ordinance establishes a residential sewer minimum of \$72.50 per month for the first 2,000 gallons, with an additional charge of \$10.88 for every 1,000 gallons above the minimum. Residential property with an available sewer line that is not connected to the system is charged a \$50 monthly availability fee. The ordinance also schedules additional sewer-rate increases through fiscal year 2029. The minimum residential sewer charge alone is \$870 per year. A residential property paying the availability charge without receiving sewer service pays \$600 per year. For an inside-city residential customer using no more than 2,000 gallons, the minimum water and sewer charges total \$104.28 per month before the Town's \$2 monthly billing surcharge. The resulting minimum bill appears to be \$106.28 when the surcharge is applied once to the combined utility bill.

The feasibility study also identifies several managerial and financial-capacity concerns:

- The Town has limited segregation of financial duties because of its small administrative staff.
- Accounts receivable represented approximately 59 days of revenue, nearly twice WFX's recommended 30-day threshold.
- The combined water and sewer operation had a quick ratio of 0.96 and a current ratio of 0.27, both below recommended thresholds cited.
- The utility lacks a comprehensive written customer-service policy.
- The Town did not have a completed asset-management plan at the time of the assessment.

These findings show that Huntland's wastewater problem involves more than setting a sufficient rate. The Town has a small administrative and operational staff, relies on contractors for essential functions, has weak liquidity measures, has an extended receivables cycle, and lacks completed management documents needed for long-term asset and customer-service planning. The same small group of customers must fund each attempt to address those deficiencies.

Staff Recommendation:

1. The Board designates the Town of Huntland an "ailing utility system" as defined in Tenn. Code Ann. § 7-82-704(a)(2)(C) due to its inability to correct an oversight in its operational management due to staffing limitations, lack of a completed asset-management plan, and reliance on outside contractors for essential functions leading to repeated harm to the utility system.
2. The Board finds that the April 17, 2026 WFX Regionalization Opportunities Assessment, when considered with the prior rate study and the findings made during the Town of Huntland's administrative review, favors further consideration of a merger or consolidation of the Town of Huntland's wastewater system with the City of Winchester.
3. Pursuant to Tenn. Code Ann. § 7-82-704(b)(2), Board staff, acting as a representative of the Board, shall schedule and conduct a public hearing within the service area of the Town of Huntland's wastewater system. The purpose of the hearing shall be to notify customers of the potential merger or consolidation and to receive comments from customers, local officials, the City of Winchester, and other affected parties.
4. Board staff may obtain additional information from the Town of Huntland, the City of Winchester, and other appropriate parties concerning customer rates, outstanding indebtedness, assets and liabilities, staffing, operations, capital needs, and the anticipated effect of a merger on the customers of both utility systems.
5. Following the public hearing, Board staff shall report the comments received and any supplemental evidence to the Board so that the Board may conduct the informal hearing and make the determinations required by Tenn. Code Ann. § 7-82-704(c)-(f).

Town of Huntland
Regionalization Opportunities Assessment

April 17, 2026



Prepared by

Tommy Ricks, Community Support Director, WFX

Jackson Parr, Programs and Community Support Manager, WFX

Marcia Reuben, Senior Advisor, WFX



4/17/2026

Town of Huntland
 Mayor Dolton Steele
 100 Banks Street
 PO Drawer H
 Huntland, TN 37345

Re: Regionalization Opportunities Assessment Executive Summary

Dear Mayor Steele:

The Water Finance Exchange (“WFX”) is pleased to present the opportunities and challenges related to Town of Huntland to implement regionalization strategies with nearby public utilities in Franklin County. This report should be submitted by Town of Huntland to the Tennessee Board of Utility Regulation (“TBOUR”) no later than April 26th, 2026 as ordered by TBOUR on Nov. 13th, 2025.

In summarizing this report, WFX acquired information from other utilities in the area by means of researching available public information and through interviews with staff and/or officials from 3 public utilities including: Belvidere Rural Utility District, City of Winchester, Lincoln County Board of Public Utilities. Information researched and presented in this report includes these utilities’ user rates, compliance information including Safe Drinking Water Act and National Pollutant Discharge Elimination System regulatory compliance information and the detection of any water contaminants, and the current design capacity of these other utilities. Additionally, common regionalization strategies including these utilities’ ability to: consolidate governance and ownership; shared services including cooperative purchasing agreements, contracted operations and / or maintenance agreements, and contracted administrative operations; a review and summary of any available professional engineering hydraulic surveys related to physical interconnections by these other utilities to the Town of Huntland system.

Findings for Regionalization Opportunities:

The following regionalization opportunities for Town of Huntland to consider include the following:

- **Governance / Ownership Consolidation Opportunities:** All three systems evaluated in this assessment stated a willingness to discuss consolidation with the Town of Huntland. Primary concerns were the financial stability and infrastructure condition of the Town of Huntland. Additionally, the Belvidere Rural Utility District and Lincoln County Board of Public Utilities would not be positioned to take on ownership or operation of the wastewater system in Huntland.
- **Shared Services Opportunities:**
 - **Cooperative Purchasing Agreements:** City of Winchester, Lincoln County Board of Public Utilities.
 - **Contract Operations and Maintenance:** Belvidere Rural Utility District, City of Winchester, Lincoln County Board of Public Utilities.
 - **Contract Administrative Services:** Belvidere Rural Utility District, Lincoln County Board of Public Utilities.

- Presentation of Hydraulic Interconnections: The Town of Huntland maintains hydraulic interconnects with Belvidere Rural Utility District that it can purchase water from on an emergency basis. Belvidere believes there is potential to provide 100% of Huntland's drinking water capacity on a continuous basis. Lincoln County Board of Public Utilities is open to discussing the construction of a hydraulic interconnect to provide water to Huntland on an emergency or continuous basis.

WFX recommends that the Town of Huntland Council pursue the following regionalization strategies:

1. Meet with the Belvidere Rural Utility District to evaluate whether Huntland may reduce water system operational expenses by purchasing 100% of the drinking water supply from Belvidere instead of operating its own water treatment plant.
2. Meet with the Belvidere Rural Utility District to discuss consolidation of administrative services given the current use of similar billing systems and other software.
3. Evaluate the feasibility of developing a hydraulic interconnection with the Lincoln County Board of Public Utilities to improve water system redundancy and develop additional supply capacity if needed.
4. Meet with the City of Winchester to evaluate the feasibility and cost associated with contracted operations or consolidation of the wastewater system in the Town of Huntland.

We appreciate the opportunity to work with Town of Huntland and the trust in which you have demonstrated in WFX to conduct this regionalization opportunities assessment. If you have any follow-up concerns including additional information sought by TBOUR related to this report, please let us know.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Tommy Ricks', with a stylized flourish at the end.

Tommy Ricks
Community Support Director, Water Finance Exchange

CC: Jackson Parr, Programs and Community Support Manager, WFX

Marcia Reuben, Senior Advisor, WFX

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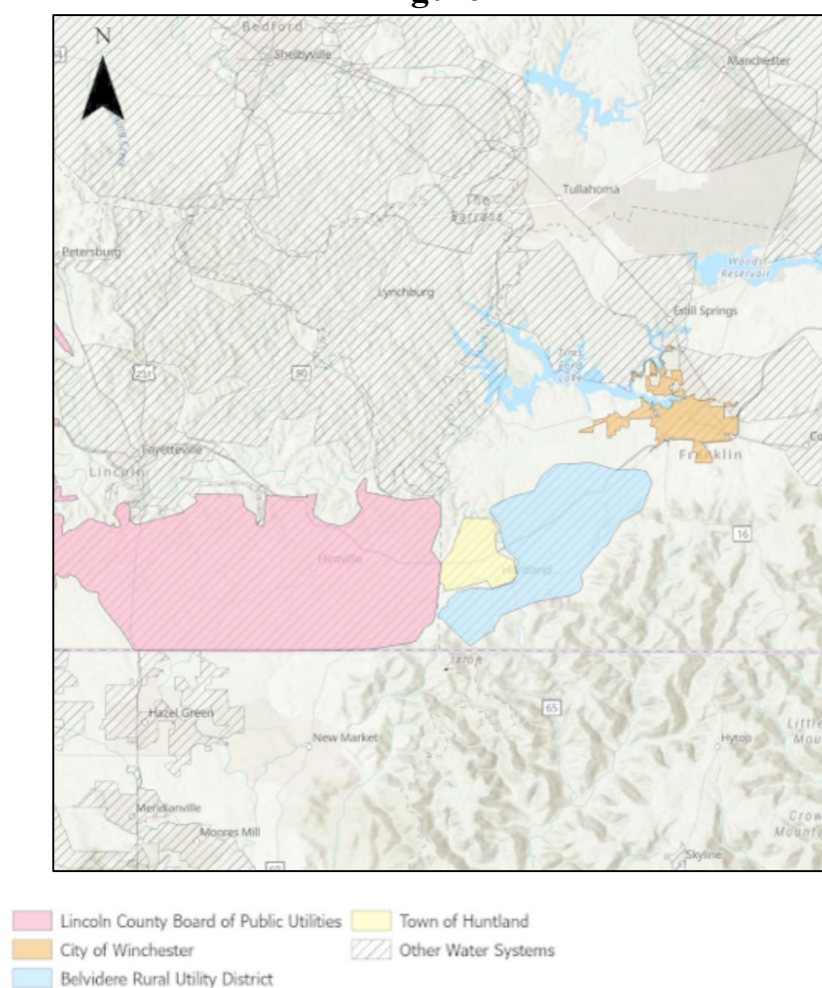
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Franklin County Overview

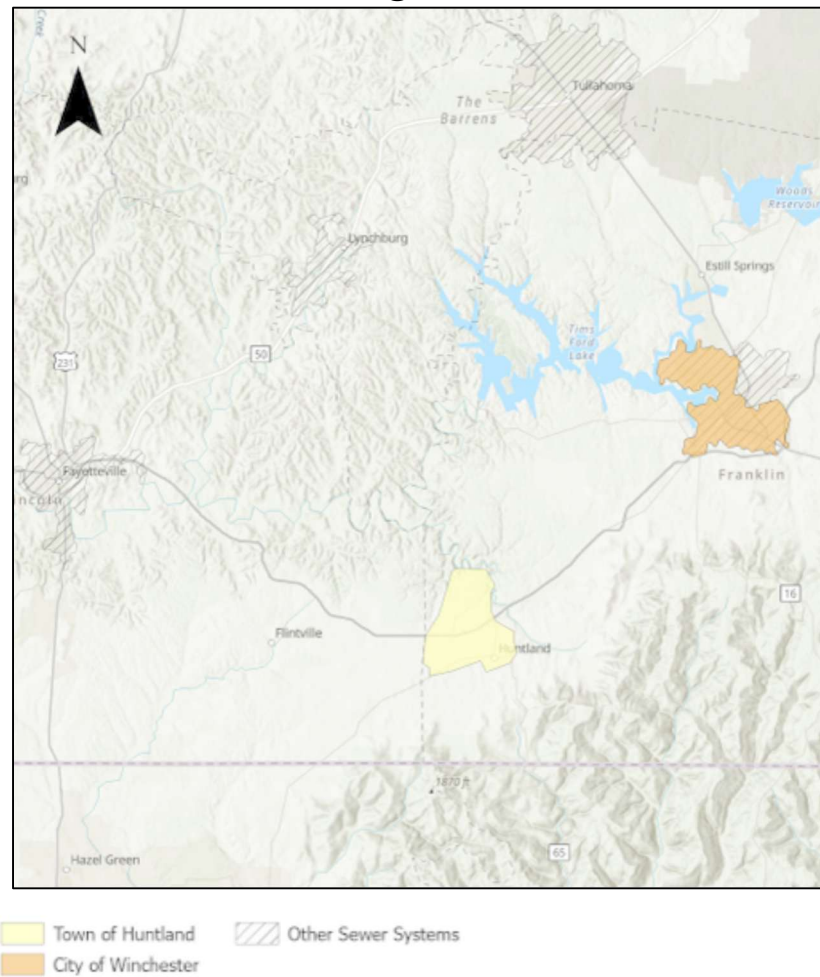
Franklin County is located in the south central region of Tennessee. Franklin County encompasses an area of 554 square miles with a population of 45,137 pursuant to the 2024 U.S. Censusⁱ. Frankling County is served by 8 Community Water Systems and 1 Non-Community Water Systems (NCWS)ⁱⁱ. This Regionalization Opportunities Assessment is limited to focusing only on Community Water Systems. Franklin County residents are served by 5 Publicly Owned Treatment Works (Systems) with National Pollutant Discharge Elimination System (NPDES) permitsⁱⁱⁱ. Note that Tennessee provides State Operating Permits for sewage treatment systems that do not have a direct discharge to any surface or subsurface waters, such as the system used in the Town of Huntland. These facilities with State Operating Permits are not includes in the 5 systems in Franklin County with NPDES permits. Figure 1 shows the approximate location of the service boundaries of these systems.

Figure 1



Map of Selected Water Systems^{iv}

Note: This map represents the public water system boundaries based on modeled EPA data. These areas may not accurately reflect the water service boundaries and are meant to represent the approximately location of utility services.

Figure 2

Map of Selected Sewersheds^v

Note: This map represents the sewer system boundaries based on modeled EPA data. These areas may not accurately reflect the service boundaries and are meant to represent the approximately location of utility services.

Town of Huntland Characteristics

Drinking Water

The Town of Huntland currently produces, treats, and distributes potable drinking water to 640 active consumer connections in the southwest area of Franklin County. These connections include 569 residential connections, 28 commercial connections, 13 agricultural connections, 7 government connections and 9 industrial connections^{vi}.

Wastewater

The Town of Huntland currently collects, treats, and discharges effluent for 258 consumer connections in the southwest area of Franklin County^{vii}. All wastewater connections are residential.

The Town of Huntland is currently staffed by employees 2 full-time employees and 1 part-time employee^{viii}. Full-time employees include 1 certified treatment and distribution operator, and 1 clerk. The part-time employee is a water plant operator. The Town of Huntland also contracts three additional service providers, including an Operator in Charge, Information Technology (IT), and leak replacement and new tap installation.

Current Infrastructure Needs and Capacity Challenges

As a component of this assessment, WFX conducted an Infrastructure, Financial, Managerial, and Technical (IFMT) Capacity Needs Survey for the Town of Huntland. This IFMT Capacity Needs Survey is included in the Appendix section of this report. A Scope of Technical Assistance to be provided by WFX to the Town of Huntland which addresses technical assistance tasks which remedies the needs and challenges detailed in the IFMT Capacity Needs Survey is also included in the Appendix section of this report. Outlined below is a summary of the needs and challenges identified through the IFMT Capacity Needs Survey:

Infrastructure Needs

Drinking Water System

The Town of Huntland has limited infrastructure development needs on either its drinking water system. Hathcoat Davis Engineering has an ongoing professional engineering engagement with the town which entails ongoing consulting, as needed assessment of infrastructure needs, and the corresponding recommendation of infrastructure improvements and upgrades to the town's water system.

While no critical infrastructure needs currently exist for the water system, there are portions of the 27 miles of the water distribution system that consists of cast iron, ductile, and steel water mains – all of which are subject to corrosion, increased pressure friction loss, discoloration of water, and elevated levels of iron contamination in the drinking water. Currently, none of these aforementioned possible challenges have occurred with the town's water distribution system.

The only current drinking water system upgrade / rehabilitation need is for the replacement of the old electrical controls at the water treatment plant.

Wastewater

The only current potential infrastructure need of the Town of Huntland's decentralized STEP sewer system is the fact that none of the small diameter effluent forced mains have not been pressure tested and as a result, the condition and potential sanitary sewer overflow as a result of any leakage has not been assessed.

Financial Capacity Challenges

The Town of Huntland has the following Financial Capacity Challenges:

- *There are limited financial segregation of duties given the limited number of administrative staffing at the Town of Huntland. While this has not poised any known issues, the lack of segregation of duties is a financial internal control issue which potentially could lead to financial misfeasance or malfeasance.*
- *The most recent (FY 2024) Town of Huntland financial audit revealed an Accounts Receivable Ratio of 0.16. This translates into an AR balance equivalent to 59 days which is nearly double the recommended 30-day AR threshold balance and is indicative of either a need for a more robust customer late collection policy, a more aggressive service disconnection policy, or the need for the town to write off bad-debt for customer accounts with arrears of over 90 days.*
- *The 2024 Statement of Position for the Water and Sewer Operations reveal a Quick Ratio (QR) of 0.96. Cash and cash equivalents should exceed currently liabilities by a minimum of 10% (QR ratio of 1.10). A deficient QR may be indicative for the need to increase cash through the increase of utility customer rates or the decrease of current liabilities including reducing Accounts Payable (amount owed by the Town of Huntland to vendors for services and goods by making timely disbursements). Given the fact that the Town of Huntland's Operating Ratio (OR) is 1.53 (Operating Revenues exceed Operating Expenses by 53%) which is significantly higher than the minimum OR threshold of 1.10, the need to increase utility customer rates is probably not necessary.*
- *The Town of Huntland's Current Ratio (CR) which is measured by the Current Assets divided by the Current Liabilities is significantly low at 0.27. The CR threshold should normally equal or exceed 1.2 (20% more Current Assets than Current Liabilities. To improve the CR, the Town of Huntland should take steps to decrease its Current Liabilities including reducing Accounts Payable through the more timely disbursement of payments for current obligations.*

Managerial Capacity Challenges

The Town of Huntland has the following Managerial Capacity Challenges:

- *The Town of Huntland utility department lacks a comprehensive written Customer Service Policy that articulates the policy for service connections, subdivision / development, late charges, service disconnection for nonpayment, and the corresponding reconnection policy. Although each of these individual customer service standards are codified by local ordinance, a comprehensive consolidated Customer Service Policy is recommended.*
- *The Town of Huntland does not have a current Asset Management Plan (AMP) for its water and wastewater utility. An AMP is critical to managing and planning the replacement of critical water and sewer system assets. The town's consulting engineering firm, Heathcoat Davis Engineering, is currently working on developing an AMP for the Town of Huntland's water and wastewater utility.*

Technical Capacity Challenges

The Town of Huntland has only one identified Technical Capacity Challenge:

- *The Town of Huntland lacks an alternative off-grid power source (generator, solar, wind, etc) to provide energy during electrical outages to the systems wells, treatment processes, pumps, and controls. However, the water distribution system is hydraulically interconnected with Belvidere Rural Utility District that has the capacity to provide limited drinking water service to Huntland during emergency outages.*

Efficiency and Rate Information

The Town of Huntland audit for the year ending June 30th, 2024 (the most recent available) indicates total operating expenses of \$377,435, including depreciation^{ix}. The audit separates expenses for water and sewer operations, but does not allocate administrative expenses to the water and sewer system separately. Therefore, when considering the total operating expenses of water and sewer services independently for this section of the assessment, total administration expenses of \$140,176 will be allocated as 50% to water and 50% to sewer.

Drinking Water

Cost of Sales

The Town of Huntland maintains operating expenses (not including depreciation) of \$196,227^x across 640 active connections, based on the most recent available audit for the year ending Jun 30th, 2024. Water production in the previous 12 month period was 38,307,260 gallons^{xi}. Therefore, the Town of Huntland produces, treats, and distributes water at a cost of \$5.12 per 1,000 gallons, or \$25.55 per connection per month. The Town of Huntland purchases water from Belvidere Rural Utility District on an as-needed basis at a contracted cost of \$1.15 per 1,000 gallons^{xii}.

Unaccounted Water Loss

The Town of Huntland produced and purchased a total of 38,307,260 gallons of water in the previous 12-month period^{xiii}. During this same period, the Town of Huntland sold 32,018,791 gallons^{xiv}. This represents an unaccounted water loss of 16% percent, which translates into a gross cost of \$32,196.

Town of Huntland Current Water User Rates

The Town of Huntland Mayor and Council will be implementing the following rate structure for the 2027 fiscal year^{xv}:

Table 1
Inside City Limits Water Customers

Minimum Rate	Minimum Volume Allowance	Volumetric Rate Step 1	Volumetric Rate Step 2
\$31.78	2,000 Gals	\$9.06 per 1,000 Gals between 1,000 and 8,000 Gals	\$11.05 per 1,000 Gals for all usage above 10,000 Gals

Table 2
Outside City Limits Water Customers

Minimum Rate	Minimum Volume Allowance	Volumetric Rate Step 1	Volumetric Rate Step 2
\$37.45	2,000 Gals	\$9.06 per 1,000 Gals between 1,000 and 8,000 Gals	\$11.05 per 1,000 Gals for all usage above 10,000 Gals

Wastewater

Cost of Service

The Town of Huntland has annual operating expenses (not including depreciation) of \$110,202^{xvi} across 258 customer connections, resulting in an average monthly operating cost per customer of \$35.59.

Inflow and Infiltration

The Town of Huntland does not have any known issues with inflow and infiltration^{xvii}.

Town of Huntland Current Wastewater User Rates

The Town of Huntland Mayor and Council will be implementing the following rate structure for the 2027 fiscal year:

Table 4
Residential Wastewater Customers

Minimum Rate	Minimum Volume Allowance	Volumetric Rate Step 1
\$72.50	2,000 Gals	\$10.88 per 1,000 Gals for all over minimum

Table 5
Commercial Wastewater Customers

Minimum Rate	Minimum Volume Allowance	Volumetric Rate Step 1
\$94.25	2,000 Gals	\$16.68 per 1,000 Gals for all over minimum

Water Source, Treatment, Storage, and Distribution Information

Drinking Water

Town of Huntland Water Source

The Town of Huntland sources its water from 2 active ground water wells under direct influence of surface water and maintains a hydraulic interconnection with Belvidere Rural Utility District where it can purchase water on an as-needed basis. The combined capacity of these water wells is 280 gallons per minute (403,200 gallons per day). Last year, the Town of Huntland produced 38,307,260 gallons of water (104,951 gallons per day average or .104 MGD). This represents roughly 25% of Huntland's well yield capacity.

Town of Huntland Water Treatment

The Town of Huntland water treatment plant is designated as a Grade 3 by the Tennessee Department of Environment and Conservation. The distribution system is a Grade 1. Raw water is treated with a coagulant (Alum) and disinfected with chlorine. It goes through two sand filters into the clearwell. The water is also treated with Sodium Hydroxide for pH adjustment and AquaMag for corrosion control. Water is pumped to the town's reservoirs. Filters are backwashed as needed.

Town of Huntland Water Storage

Finished water storage for the Town of Huntland water system consists of 3 elevated water storage tanks. They consist of 75,000, 100,000, and 300,000 gallon storage tanks, resulting in a total storage capacity of 475,000 gallons.

Town of Huntland Water Distribution System

The water distribution system for the Town of Huntland consists of approximately 27 miles of water mains. These mains are consist of cast iron, ductile, PVC and steel. There are approximately 215 gate valves to isolate sections of the distribution system, including 91 for fire hydrants. There are 725 service connections (640 active/85 inactive) on the Town of Huntland's water distribution system. These service connections consist of copper, PVC, and cross-linked polyethylene (PEX). Water consumption is metered by AMR Neptune ultrasonic meters that are read monthly. Last year, Huntland produced 38.3 million gallons (.104 MGD) and sold 32 million gallons (.087 MGD) which represents a gross 16.4% water loss (not accounting for flushing, backwashing, or other required non-revenue potable water discharges).^{xviii}

Wastewater

Town of Huntland Collection System

The Town of Huntland operates a septic tank effluent pump (STEP) system for wastewater service. The Town of Huntland collects untreated wastewater from 258 active STEP tanks as service connections. The collection system consists of 13 miles of collection lines, all of which are forced mains. Pipe material includes PVC and PEX. The collection system does not have any lift stations. The collection system requires an operator with a Grade I Collection System certification to supervise the system.

Town of Huntland Wastewater Treatment and Discharge

The Town of Huntland operates 1 wastewater treatment facility. The facility is a septic tank effluent pump (STEP) Orenco system, with a fixed growth treatment plant, filtration, UV disinfection, and drip disposal on 18 acres of suitable soil in Franklin County. The facility operates under a state operating permit SOP-19014. The treatment facility is required to be operated under the supervision of a Biological Natural System certified wastewater treatment plant operator. The design capacity of the system is 0.08MGD.

Effluent quality is monitored on a routine basis, including^{xix}:

- Flow: Measured daily
- BOD₅: Measured once per year, Daily Maximum of 45mg/l
- Ammonia as N: Measured one per quarter
- *E. Coli*: Measured one per quarter, Daily Maximum of 941 colonias per 100ml

Regulatory Compliance

Drinking Water

The Town of Huntland has a 5-year compliance history of two Safe Drinking Water Act (SDWA) violations including one monitoring violation and one reporting violation of the CCR Rule. There were no regulated contaminant occurrence violations.^{xx} There is currently no active or pending SDWA enforcement by the U.S. EPA or TDEC for the Town of Huntland water system.

The most recent Sanitary Survey conducted on October 8, 2024, noted deficiencies for needed fence and gate repairs, and for incomplete line repair logs that were missing dates, disinfection procedures, chlorine residuals, and flushing records.

The Town of Huntland Water Treatment Plant operates under a General Permit for discharges of filter backwash and sedimentation basis wastewater. The most recent Compliance Evaluation Inspection (CEI) occurred on October 22, 2024. The CEI report indicated there had been no discharges and no violations of permit parameters.

Based on the most recent 2024 Consumer Confidence Report contaminant data of the Town of Huntland water system, the following table lists the detected contaminants, the measurement of these contaminants, and the Maximum Contaminant Level (MCL) or Action Level (AL) of these contaminants. In the CCR year, there were no contaminants of the Town of Huntland water system that exceeded and MCL/AL.

Table 5
2024 Town of Huntland Contaminant Data

Contaminant Name	Unit of Measurement	Maximum Contaminant Level (or AL)	Reported Occurrence in 2024 CCR	Range of Detections	Violation (Yes / No)
Total Coliform Bacteria (RTCR)	Present/Absent	TT Trigger	0		No
Turbidity ¹	NTU	TT	0.30	0.03-.30	No
Copper*	ppm	AL=1.3	90 th %= 0.129	0.0115-0.176	No
Lead*	ppb	AL=15	90 th %= 1.0	1.0	No
Nitrate (as Nitrogen)	ppm	10	3.88		No
Sodium	ppm	N/A	15.3		No
Atrazine	ppb	<10	3	3	No
TTHM ⁶ (Total trihalomethanes)	ppb	80	7.08 Avg	2.49-16.7	No
HAA5 Haloacetic Acids	ppb	60	4.29 Avg	1.12-8.80	No
Total Organic Carbon ²	ppm	TT	0.51 Avg		No
Chlorine	ppm	MRDL=4	1.94 Avg.	0.8-2.7	No
Alachor	ppb		0.17		No

¹ 100% of Huntland's water samples were below the turbidity limit.

* During the most recent round of Lead and Copper testing, 0 out of 10 households sampled contained concentrations exceeding the action level.

² Huntland met all treatment technique requirements for Total Organic Carbon removal.

Wastewater

The Town of Huntland has no reported violations of their State Operating Permit. There is currently no active or pending enforcement action by the U.S. EPA or TDEC for the Town of Huntland wastewater system. The most recent Compliance Evaluation Inspection (CEI) occurred on July 28, 2025. No deficiencies were noted. The CEI report indicated that no violations of permit parameters had been reported.

Current Professional Engineering Assessment (or Preliminary Engineering Report)

The Town of Huntland has engaged with Heathcoat Davis Engineering to complete an asset management plan.

Summary of Other Regional Utility Systems

Belvidere Rural Utility District

Drinking Water

General Information

The Belvidere Rural Utility District currently produces, treats, and distributes potable drinking water to 686 consumer connections in the southwest area of Franklin County^{xxi}. Additionally, the Belvidere Rural Utility District has a hydraulic interconnection with the City of Winchester, which serves as an emergency source for Belvidere Rural Utility District, and the Town of Huntland, which it can serve as an emergency source on an as-needed basis. Belvidere Rural Utility District sells water to the Town of Huntland at a contracted rate of \$1.15 per thousand gallons.

Water Quality and Violations

The Belvidere Rural Utility District has a 5-year compliance history of four Safe Drinking Water Act (SDWA) violations including three monitoring violations and one public notice rule violation. There were no regulated contaminant occurrence violations.^{xxii} The public notice rule violation was linked to a TOC monitoring violation that occurred in May 2020. Both EPA and TDEC records indicate that this violation remains open. There is currently no active or pending SDWA enforcement by the U.S. EPA or TDEC for the Belvidere Rural Utility District water system.

The most recent Sanitary Survey occurred on May 16, 2024. TDEC online records indicate that the system was in compliance. The Sanitary Survey packet was requested for review, but TDEC did not have it available^{xxiii}. The previous Sanitary Survey occurred on July 22, 2022. The report indicated there was a redundant deficiency identified in a previous sanitary survey due to the failure to collect a bacteriological sample following a line repair. Other deficiencies were noted for expired chlorine standards and failure to record chlorine data on October 2-8, 2021. A Compliance Review meeting was scheduled to address these deficiencies.

Wastewater

The Belvidere Rural Utility District does not provide wastewater services.

Willingness to Consider Regionalization Strategies with Town of Huntland

As a result of interviews with the Belvidere Rural Utility District staff, the following Regionalization Strategies with the Town of Huntland may be considered after additional consultation and negotiations:^{xxiv}

Table 6
Potential Regionalization Strategies for Consideration between
Belvidere Rural Utility District and Town of Huntland

	Regionalization Strategy Description	Potential Consideration (Yes / No)	Notes
1	Governance / Ownership Merger-Consolidation	Yes	Water only; Contingent on board approval after evaluation of the financial position and infrastructure condition of Huntland.
2	Hydraulic Interconnection for Emergency Needs	N/A	Already exists
3	Hydraulic Interconnection for Continuous Water Supply	Yes	Belvidere has previously supplied Huntland with continuous supply for approximately 90 days.
4	Contracted Management	Yes	
5	Contracted Operator Services	Yes	
6	Contracted Maintenance and Repairs	Yes	Both entities already contract with same third party for emergency maintenance.
7	Contracted Billing and Customer Service	Yes	Both entities use similar billing software already.
8	Contracted Bookkeeping	Yes	
9	Mutual Aid Agreement for Emergencies	Yes	Already exists for water sales
10	Cooperative Purchasing Agreement	No	Administration and inventory costs likely exceed benefit

Summary of Regionalization Opportunities

Staff at Belvidere Rural Utility District were generally open to discussing most regionalization strategies, citing potential economies of scale and customer service benefits for Huntland customers. However, it would be necessary to fully evaluate the financial position and infrastructure condition of the Huntland system by the Belvidere Rural Utility District Board.

Belvidere does not provide any wastewater services, and therefore would likely not be equipped to take on management or operation of Huntland's sewer service. However, they are the primary provider of drinking water in cases of emergency. Staff stated a previous period of approximately 90 days in which Belvidere provided continuous service to Huntland. Given this, staff believe they may be able to provide continuous service to Huntland under their current treatment and supply capacity.

Additionally, Belvidere staff believe both systems contract with the same third party entity for emergency maintenance services and operate the same billing software. These consistencies may reduce friction in the event operations or administrative services are consolidated or contracted between Huntland and Belvidere.

City of Winchester

Drinking Water

General Information

The City of Winchester currently produces, treats, and distributes potable drinking water to 9,238 consumer connections in the central area of Franklin County^{xxv}. Additionally, the City of Winchester has a hydraulic interconnection with four systems for which it can provide water on an as-needed basis: Decherd Water Department, Cowan Board of Public Utilities, Belvidere Rural Utility District, and the Metropolitan Government of Lynchburg and Moore County^{xxvi}. During peak summer months, staff estimate a remaining water treatment capacity of approximately 40-45%^{xxvii}.

Water Quality and Violations

The City of Winchester has a 5-year compliance history of two Safe Drinking Water Act (SDWA) violations, both monitoring and/or reporting violations and no regulated contaminant occurrence violations.^{xxviii} There is currently no active or pending SDWA enforcement by the U.S. EPA or TDEC for the City of Winchester water system. The EPA ECHO database indicates that there was an EPA Desk Audit consisting of an offsite records review in December 2022. No findings were noted.

The Winchester Water Plant is certified to perform laboratory testing for Total Coliform and E. Coli using the Colilert[®] method. Their certification is valid through September 2026, subject to satisfactory correction of deficiencies noted during a microbiology audit performed by the Division of Water Resources on September 12, 2023.

The most recent Sanitary Survey conducted on August 9, 2024, noted a minor deficiency related to the condition of storage tanks that had outstanding maintenance items from the latest tank inspections.

The City of Winchester Water Plant operates under a General Permit for discharges of filter backwash and sedimentation basis wastewater (TN0005665). The most recent Compliance Evaluation Inspection (CEI) occurred on August 27, 2024. The CEI report noted that the vegetation around the signage and overflow outlet needed to be kept clear. While no specific analytical deficiencies were noted, the City of Winchester was reminded that analyses conducted for compliance monitoring must meet the quality assurance and quality control requirements of the approved methods. No violations of monitoring parameters were reported.

Wastewater

General Information

The City of Winchester currently collects, conveys, and treats wastewater from 4,491 customer connections in the central area of Franklin County^{xxix}.

The City of Winchester operates one wastewater treatment plants. The Winchester Wastewater Treatment Plant is designated as Grade 3 wastewater treatment plant and Grade 1 collection system. The City of Winchester wastewater treatment facility operates under National Pollutant Discharge Elimination System (NPDES) Permit No. TN0021857 which authorizes the discharge of treated effluent into the Tims Ford Reservoir near the confluence of the Elk River and Boiling Fork. The wastewater treatment plant has a

design flow of 3.2 MGD. The City of Winchester sewer system is not hydraulically connected to any other collection system.

Regulatory Compliance and Violations

The City of Winchester has a 5-year compliance history of seven Clean Water Act (CWA) violations, including one monitoring and/or reporting violation, five SSOs, and one effluent limit violation. The monitoring violation related to the pretreatment program and resulted in a NOV. Subsequent pretreatment inspections noted that there were no industries, but the City of Winchester opted to maintain the permitted pretreatment program in the hope of attracting industries in the future. There is currently no active or pending enforcement action by the U.S. EPA or TDEC for the City of Winchester wastewater system.

Willingness to Consider Regionalization Strategies with Town of Huntland

Information related to responses from interviews with the City of Winchester staff the following Regionalization Strategies with the Town of Huntland may be considered after additional consultation and negotiations.^{xxx}

Table 7
Potential Regionalization Strategies for Consideration between
City of Winchester and Town of Huntland

	Regionalization Strategy Description	Potential Consideration (Yes / No)	Notes
1	Governance / Ownership Merger-Consolidation	Yes	Contingent on board consideration and adequate revenue generation from Huntland customers to maintain the system independently.
2	Hydraulic Interconnection for Emergency Needs	No	Distance is infeasible for direct line; Already continuous through Belvidere UD
3	Hydraulic Interconnection for Continuous Water Supply	No	Distance is infeasible; Already continuous through Belvidere UD
4	Contracted Management	Yes	Contingent on adequate compensation for labor costs; Would likely retain current Huntland staff
5	Contracted Operator Services	Yes	Contingent on adequate compensation for labor costs; Would likely retain current Huntland staff
6	Contracted Maintenance and Repairs	Yes	Contingent on adequate compensation for labor costs; Would likely retain current Huntland staff
7	Contracted Billing and Customer Service	No	Winchester uses third party
8	Contracted Bookkeeping	No	Winchester uses third party
9	Mutual Aid Agreement for Emergencies	Yes	Already exists for water supply
10	Cooperative Purchasing Agreement	Yes	Only to the extent it generates expense reduction

Summary of Regionalization Opportunities

Winchester is the farthest distance from Huntland among the system evaluated in this assessment. However, Winchester is the only proximate utility that provides wastewater services and would have the staff experience to operate the Huntland wastewater system, which is the primary reason it was included in this assessment.

The distance between the systems would make a hydraulic interconnect for both drinking water and wastewater infeasible. Staff stated an openness to discussing consolidation or contracted services with Huntland as a satellite system without constructing hydraulic interconnects. However, Winchester would likely need to retain the current operational staff in Huntland to operate and maintain the system there, as Winchester does not currently have the staff capacity to provide service to Huntland.

Of primary concern to Huntland staff was the revenue generation from Huntland customers required to adequately fund the management, operations, and depreciation of the system without burdening current Winchester ratepayers within higher costs.

Lincoln County Board of Public Utilities

Drinking Water

General Information

The Lincoln County Board of Public Utilities currently produces, treats, and distributes potable drinking water to 10,413 consumer connections in the southeast area of Lincoln County^{xxxii}. Lincoln County Board of Public Utilities maintains three water treatment plants, all sourcing groundwater. Additionally, the Lincoln County Board of Public Utilities has three hydraulic interconnections, all with Fayetteville Public Utility, that it purchases wholesale water on a continuous basis^{xxxiii}. On average, LCBPU purchases approximately 10-20% of its water supply from Fayetteville, with the remainder produced themselves^{xxxiii}. LCBPU is actively planning for construction of a new water treatment plant with a treatment capacity of 2 – 3MGD, sourcing water from an intake on the Elk River. Construction of that facility would likely eliminate the need for wholesale water purchases from the Fayetteville Public Utility^{xxxiv}.

The Lincoln County Board of Public Utilities is currently staffed by two Grade 4 water treatment plant operators, with two additional staff in training for their licenses. LCBPU also maintains seven certified water distribution system operators^{xxxv}.

Water Quality and Violations

The Lincoln County Board of Public Utilities operates two water systems known as BPU#1 (well system and treatment plants) and BPU#2 (chlorine booster station for the two interconnects with Fayetteville Public Utilities). BPU#1 has a 5-year compliance history of four Safe Drinking Water Act (SDWA) violations including three monitoring violations one violation of the CCR Rule. There were no regulated contaminant occurrence violations.^{xxxvi} The EPA ECHO database indicates that a violation of the Interim Enhanced Surface Water Treatment Rule that occurred in December 2012 remains unresolved. Lincoln County BPU#2 has a 5-year compliance history of one Safe Drinking Water Act (SDWA) violation of the CCR Rule. There is currently no active or pending SDWA enforcement by the U.S. EPA or TDEC for the Lincoln County Board of Public Utilities water systems.

The most recent Sanitary Surveys were conducted on April 16, 2025. The Sanitary Survey for Lincoln County BPU#1 indicated that a required 5-year tank inspection was overdue, and tank inspection reports and visual observations indicated that tanks require maintenance. The Sanitary Survey referenced a

Compliance Status Notification letter that had been issued for failure to monitor VOCs and noted that the system was required to complete the VOC monitoring as soon as possible and issue a Tier 3 Public Notice within one year. TDEC records indicate that compliance has been achieved. The Sanitary Survey for Lincoln County PBU #2 noted that tank inspection reports and visual observations indicated that tanks require maintenance.

Wastewater

General Information

The Lincoln County Board of Public Utilities currently collects and conveys, wastewater from 256 customer connections in the southeast area of Lincoln County^{xxxvii}. The Lincoln County Board of Public Utilities maintains a hydraulic interconnection with the Fayetteville Public Utilities, to which it conveys wastewater for treatment. LCBPU has two certified sewer collection system operators, but does not maintain any staff for wastewater treatment, as they do not operate a wastewater treatment facility.

Willingness to Consider Regionalization Strategies with Town of Huntland

Information related to responses from interviews with the Lincoln County Board of Public Utilities staff, the following Regionalization Strategies with the Town of Huntland may be considered after additional consultation and negotiations:^{xxxviii}

Table 8
Potential Regionalization Strategies for Consideration between
Lincoln County Board of Public Utilities and Town of Huntland

	Regionalization Strategy Description	Potential Consideration (Yes / No)	Notes
1	Governance / Ownership Merger-Consolidation	Yes	May need to consider governance and representation issues serving outside of Lincoln County
2	Hydraulic Interconnection for Emergency Needs	Yes	Requires evaluation of costs and repayment obligation
3	Hydraulic Interconnection for Continuous Water Supply	Yes	Do not have current treatment capacity to provide continuous service, but would following construction of new treatment plant
4	Contracted Management	Yes	Contingent on adequate compensation for labor required
5	Contracted Operator Services	Yes	Contingent on adequate compensation for labor required
6	Contracted Maintenance and Repairs	Yes	Contingent on adequate compensation for labor required
7	Contracted Billing and Customer Service	Yes	Contingent on adequate compensation for labor required
8	Contracted Bookkeeping	Yes	Contingent on adequate compensation for labor required
9	Mutual Aid Agreement for Emergencies	Yes	
10	Cooperative Purchasing Agreement	Yes	

Summary of Regionalization Opportunities

Although the Lincoln County Board of Public Utilities does provide limited sewer service, effluent is conveyed to Fayetteville for treatment. LCBPU therefore does not maintain adequate staff, to assume operations of the sewer facilities in Huntland. An interconnection of the collection system in Huntland to similarly convey to Fayetteville is likely cost prohibitive.

LCBPU staff stated a willingness to negotiate providing management, operations, and administrative services to Huntland under contract, assuming they would be compensated consistent with the labor required to provide those services.

LCBPU also stated a willingness to construct a hydraulic interconnection with Huntland to either wholesale drinking water, or consolidate Huntland into its system. LCBPU does not have the current water treatment capacity to provide the entire supply demanded by Huntland, but upon the anticipated construction of a new water treatment plant by LCBPU, it is likely they would then have the capacity to serve Huntland without relying on purchased water from Fayetteville. LCBPU stated the cost to construct a hydraulic interconnect with Huntland may be feasible given the proximity and topography of the two distribution systems.

LCBPU primarily serves residents of Lincoln County, and is owned by Lincoln County. LCBPU staff believe their distribution system also serves some residents of neighboring Moore County. Huntland being in Franklin County, it may be necessary to evaluate a mechanism for representation of Huntland residents on the governing body of LCBPU should a merger or consolidation take place.

Summary of Regionalization Opportunities

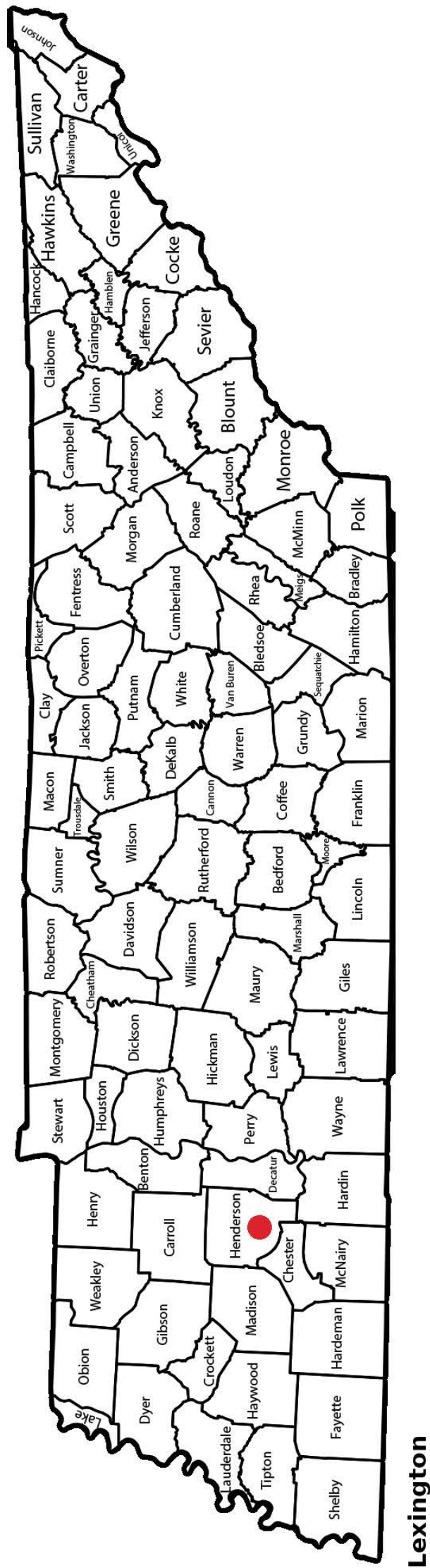
Based on interviews with the three utilities surveyed to determine interest in exploring regionalization opportunities with the Town of Huntland, there is interest in the following regionalization strategies.

Table 9
Interest in Exploring Potential Regionalization Strategies

	Regionalization Strategy Description	Water Systems Interested in Exploring Regionalization Strategy
1	Governance / Ownership Merger-Consolidation	Belvidere Rural Utility District, City of Winchester, Lincoln County Board of Public Utilities
2	Hydraulic Interconnection for Emergency Needs	Lincoln County Board of Public Utilities
3	Hydraulic Interconnection for Continuous Water Supply	Belvidere Rural Utility District, Lincoln County Board of Public Utilities
4	Contracted Management	Belvidere Rural Utility District, City of Winchester, Lincoln County Board of Public Utilities
5	Contracted Operator Services	Belvidere Rural Utility District, City of Winchester, Lincoln County Board of Public Utilities
6	Contracted Maintenance and Repairs	Belvidere Rural Utility District, City of Winchester, Lincoln County Board of Public Utilities
7	Contracted Billing and Customer Service	Belvidere Rural Utility District, Lincoln County Board of Public Utilities
8	Contracted Bookkeeping	Belvidere Rural Utility District, Lincoln County Board of Public Utilities
9	Mutual Aid Agreement for Emergencies	Belvidere Rural Utility District, City of Winchester, Lincoln County Board of Public Utilities
10	Cooperative Purchasing Agreement	City of Winchester, Lincoln County Board of Public Utilities

References

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- ⁱ [US Census Quick Facts – Franklin County, Tennessee](#)
 - ⁱⁱ [Tennessee Drinking Water Watch – Franklin County](#)
 - ⁱⁱⁱ [EPA Sewershed Map](#)
 - ^{iv} [EPA Community Water System Service Area Boundaries](#)
 - ^v [EPA Sewershed Map](#)
 - ^{vi} Town of Huntland IFMT, conducted on January 21st, 2026
 - ^{vii} Town of Huntland IFMT, conducted on January 21st, 2026
 - ^{viii} Town of Huntland IFMT, conducted on January 21st, 2026
 - ^{ix} Town of Huntland Audit for the year ending June 30th, 2024
 - ^x Town of Huntland Audit for the year ending June 30th, 2024
 - ^{xi} Town of Huntland IFMT, conducted on January 21st, 2026
 - ^{xii} Town of Huntland IFMT, conducted on January 21st, 2026
 - ^{xiii} Town of Huntland IFMT, conducted on January 21st, 2026
 - ^{xiv} Town of Huntland IFMT, conducted on January 21st, 2026
 - ^{xv} Town of Huntland IFMT, conducted on January 21st, 2026
 - ^{xvi} Town of Huntland Audit for the year ending June 30th, 2024
 - ^{xvii} Town of Huntland IFMT, conducted on January 21st, 2026
 - ^{xviii} Town of Huntland IFMT, conducted on January 21st, 2026
 - ^{xix} Town of Huntland State Operating Permit - 19014
 - ^{xx} EPA ECHO Database – Town of Huntland
 - ^{xxi} Utility Annual Information Report – Belvidere Rural Utility District, dated November 26th, 2025
 - ^{xxii} EPA ECHO Database – Belvidere Rural Utility District
 - ^{xxiii} Email correspondence with Adam Kelly on January, 27th, 2026
 - ^{xxiv} Phone interview with Bonilee Delien, Office Manager, Belvidere Rural Utility District, conducted on Wednesday, March 11th, 2026
 - ^{xxv} Utility Annual Information Report – City of Winchester, dated September 24th, 2025
 - ^{xxvi} Utility Annual Information Report – City of Winchester, dated September 24th, 2025
 - ^{xxvii} Phone interview with Tom Solomon, Winchester Utility Water Superintendent, and Jason Allman, Winchester Utility Wastewater Superintendent, conducted on Thursday, March 19th, 2026
 - ^{xxviii} EPA ECHO database – Winchester Utility
 - ^{xxix} Utility Annual Information Report – City of Winchester, dated September 24th, 2025
 - ^{xxx} Phone interview with Tom Solomon, Winchester Utility Water Superintendent, and Jason Allman, Winchester Utility Wastewater Superintendent, conducted on Thursday, March 19th, 2026
 - ^{xxxi} Utility Annual Information Report – Lincoln County Board of Public Utilities, dated June 25th, 2025
 - ^{xxxii} Utility Annual Information Report – Lincoln County Board of Public Utilities, dated June 25th, 2025
 - ^{xxxiii} Phone interview with Andy Alsbrook, Superintendent, Lincoln County Board of Public Utilities, conducted on March 4th, 2026
 - ^{xxxiv} Phone interview with Andy Alsbrook, Superintendent, Lincoln County Board of Public Utilities, conducted on March 4th, 2026
 - ^{xxxv} Phone interview with Andy Alsbrook, Superintendent, Lincoln County Board of Public Utilities, conducted on March 4th, 2026
 - ^{xxxvi} EPA ECHO database – Lincoln County Board of Public Utilities
 - ^{xxxvii} Utility Annual Information Report – Lincoln County Board of Public Utilities, dated June 25th, 2025
 - ^{xxxviii} Phone interview with Andy Alsbrook, Superintendent, Lincoln County Board of Public Utilities, conducted on March 4th, 2026



Lexington



Jason E. Mumpower
Comptroller

Entity Referred: **City of Lexington**
Referral Reason: **Decrease In Net Position**
Utility Type Referred: **Gas**
County: **Henderson**

Staff Summary:

The City of Lexington ("the Utility") has been referred to the Tennessee Board of Utility Regulation ("the Board") for financial distress due to a decrease in net position pursuant to Tenn. Code Ann. § 7-82-703 since the 2025 fiscal year. In response to the Board's financial distress questionnaire, the Utility reported that it has a plan to address its financial distress by increasing a portion of its rate structure that has not been increased in over 20 years and by implementing operational changes to reduce costs. The Utility also reported that a rate study was completed in April of 2025 with Jackson Thornton CPA. Board staff believes that the recently completed rate study will suffice in correcting the Utility's current rates, fees, policies, capital needs, and financial condition, and will address the Utility's financial distress.

Staff Recommendation:

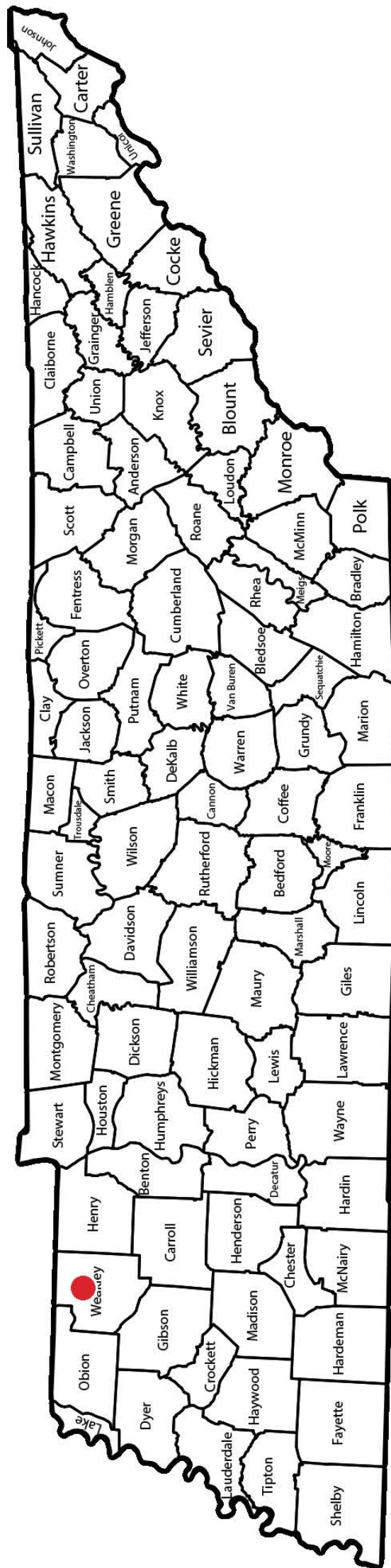
The Board should order the following:

1. The Utility should be placed in the update cycle. This requires the Utility to respond to staff requests for information to monitor the Utility's progress until released from Board oversight.

Lexington - Category: Gas - County: Henderson

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Fiscal Line Item	2022	2023	2024	2025
Net Assets	\$19,142,790.00	\$19,085,783.00	\$19,168,871.00	\$20,986,195.00
Deferred Outflow Resources	\$181,411.00	\$398,538.00	\$297,077.00	\$254,325.00
Net Liabilities	\$5,961,631.00	\$6,182,872.00	\$6,158,662.00	\$8,293,902.00
Deferred Inflow Resources	\$613,767.00	\$269,731.00	\$337,561.00	\$330,052.00
Total Net Position	\$12,748,803.00	\$13,031,718.00	\$12,969,725.00	\$12,616,566.00
Operating Revenues	\$7,892,600.00	\$8,289,888.00	\$6,596,131.00	\$6,876,587.00
Net Sales	\$7,873,486.00	\$8,280,237.00	\$6,591,582.00	\$6,872,959.00
Operating Expenses	\$7,747,714.00	\$7,877,535.00	\$6,696,275.00	\$7,178,652.00
Depreciation Expenses	\$609,567.00	\$636,180.00	\$680,405.00	\$705,238.00
Non Operating Revenues	\$120,055.00	\$68,324.00	\$133,071.00	\$162,108.00
Capital Contributions	\$0.00	\$0.00	\$115,548.00	\$8,031.00
Transfers In	\$0.00	\$0.00	\$0.00	\$0.00
Transfers Out	-\$196,981.00	-\$197,762.00	-\$210,468.00	-\$221,233.00
GAAP Change In Net Position	\$67,960.00	\$282,915.00	-\$61,993.00	-\$353,159.00
Statutory Change In Net Position	\$67,960.00	\$282,915.00	-\$177,541.00	-\$361,190.00



Martin



Jason E. Mumpower
Comptroller

Entity Referred: **City of Martin**
 Referral Reason: **Decrease In Net Position**
 Utility Type Referred: **Water And Sewer**
 County: **Weakley**

Staff Summary:

The City of Martin ("the Utility") has been referred to the Tennessee Board of Utility Regulation ("the Board") for financial distress pursuant to Tenn. Code Ann. § 7-82-703 due to a decrease in net position. In response to its current financial condition, the Utility reports that it increased water and sewer rates for fiscal year 2026-2027 and revised certain utility fees in an effort to increase revenues. The Utility further reports that these rate increases were not based on a rate study conducted by an independent third party and that a rate study has not been completed for the water and sewer systems within the previous five years.

The Utility provides water service to customers both inside and outside the city limits and charges different rates based on customer location. The Utility states that the differing rates are based on rate studies and that customers outside the city limits are charged a higher rate because they do not pay city taxes that assist in covering utility infrastructure costs. However, Board staff notes that Tennessee law prohibits the commingling or cross-subsidization of general fund revenues and utility revenues. Accordingly, property tax contributions to the City's general fund may not be used to subsidize utility operations, nor may utility revenues be used to offset general governmental costs. As such, the Utility's stated justification for the inside/outside rate differential is not, by itself, a sufficient basis for rate design. Because the Utility also reports that it has not completed a rate study within the previous five years, Board staff believes an updated and more detailed cost-of-service study is necessary to determine the current cost of providing service, evaluate the adequacy of existing rates and fees, and determine whether the existing rate differential between customer classes remains reasonable and supportable under a proper cost-of-service framework.

Lastly, a November 2025 investigative report issued by the Office of the Comptroller of the Treasury identified deficiencies in the Utility's governing entity's internal controls and financial oversight, including deficiencies involving travel expenditures, credit card transactions, payroll oversight, related-party transactions, purchasing responsibilities, and asset accountability. Although the investigative findings were not specific to the Utility's water and sewer operations, Board staff believes the findings provide additional support for an independent review of the Utility's financial policies, capital needs, fees, and rate structure as part of the ordered study.

The Board should order the following:

1. The Utility shall have the Tennessee Association of Utility Districts, or another qualified expert, as approved by Board staff, perform a cost-of-service rate study that includes the following:
 - a. a review of the capitalization policy, including any recommended modifications;
 - b. a review of the debt management policy, including any recommended modifications;
 - c. a comprehensive review of all policies governing the management, administration, and oversight of the Utility, including but not limited to financial controls, procurement practices, governance structure, and operational decision-making processes, to ensure adequate financial oversight and accountability of Utility operations.
 - d. the creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;
 - e. a review of relevant utility fees, including but not limited to connection or tap fees, including any recommended modifications;
 - f. verification that all governing body members of the utility are in compliance with all relevant training requirements;
 - g. a review of the leak adjustment policy, including any recommended modifications or adoption of such policy, should one not exist;
 - h. a cost-of-service analysis of the Utility's water and sewer operations sufficient to determine the cost of providing service to each applicable customer class and whether existing rates adequately recover those costs; and
 - i. a justification of the inside- and outside-city limits rates based on cost-of-service principles, including any recommended modifications to the rate structure to ensure compliance with applicable legal and regulatory requirements.
2. By December 31, 2026, the Utility shall send Board staff a copy of the contract between the Utility and the qualified expert who is to perform the tasks in paragraph 1.
3. By April 30, 2027, the Utility shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementation.
4. The Board is authorized to issue subpoenas, compel the production of documents, and require testimony from Utility officials, employees, contractors, or any other relevant parties as necessary to ensure compliance with this Order and to obtain information relevant to the ordered study.
5. Board staff is given the authority to grant up to two extensions of up to six months of the foregoing deadlines upon a showing of good cause by the Utility.

Martin - Category: Water And Sewer - County: Weakley

Fiscal Line Item	2022	2023	2024	2025
Net Assets	\$17,877,153.00	\$17,751,033.00	\$18,738,592.00	\$18,550,970.00
Deferred Outflow Resources	\$204,771.00	\$191,995.00	\$201,031.00	\$174,489.00
Net Liabilities	\$5,087,622.00	\$4,391,917.00	\$4,202,703.00	\$3,776,996.00
Deferred Inflow Resources	\$248,065.00	\$45,546.00	\$34,159.00	\$63,425.00
Total Net Position	\$12,746,237.00	\$13,505,565.00	\$14,702,761.00	\$14,885,038.00
Operating Revenues	\$3,633,061.00	\$3,252,404.00	\$3,394,099.00	\$3,480,993.00
Net Sales	\$3,536,412.00	\$3,111,127.00	\$3,263,682.00	\$3,368,000.00
Operating Expenses	\$3,436,691.00	\$3,055,772.00	\$3,846,586.00	\$3,646,646.00
Depreciation Expenses	\$837,227.00	\$862,431.00	\$896,775.00	\$895,750.00
Non Operating Revenues	-\$165,200.00	-\$19,595.00	\$5,708.00	\$10,992.00
Capital Contributions	\$106,912.00	\$509,635.00	\$1,734,958.00	\$374,221.00
Transfers In	\$0.00	\$0.00	\$0.00	\$0.00
Transfers Out	-\$84,004.00	-\$81,030.00	-\$100,983.00	-\$110,718.00
GAAP Change In Net Position	\$207,764.00	\$615,642.00	\$1,260,631.00	\$108,842.00
Statutory Change In Net Position	\$100,852.00	\$106,007.00	-\$474,327.00	-\$265,379.00

Contact Information and Comptroller Filings

Entity ID Number	1763
Utility Name	City of Martin
Name of Person Filling this Out	Brittany Newton
Utility Email	citymanager@cityofmartin.net
Utility Phone	(731) 587-3126
Mailing Address	109 University St Martin, TN 38237
Has the most recent Annual Information report been timely filed for this utility?	Yes
Has the utility filed its most recent budget with the Comptroller's Office within 15 days of adoption?	Yes
Has the utility filed its most recent audit with the Comptroller's Office within 6 months of the last fiscal year end?	Yes

Financial Distress Remedy Plans

Does this utility have a plan to remedy the current financial distress?	Yes
Please describe the current plan to remedy the utility's financial distress.	The City raised water and sewer rates for the new fiscal year 26 - 27. A fee study was completed to raise fees on water and sewer taps passing the cost on to the customer. The reconnection fee for unpaid accounts was raised to accommodate for increasing fuel prices. This will increase revenues for the utility.

Rates and Fees Information

Has a rate study been completed for the utility in the previous 5 years?	No
Has the utility implented a rate increase in the last 6 months?	Yes
Does the utility have plans to implement a rate increase in the next 6 months?	No
Is this rate increase based on a rate study conducted by an independent third party?	No
Please upload a copy of the current, approved rate ordinance or resolution.	https://www.formstack.com/admin/download/file/19927271970
Has this utility had any changes to fees in the last 5 years?	Yes
Please upload a copy of the current, approved utility fee schedule.	https://www.formstack.com/admin/download/file/19927271972
Please how current rates and fees were determined.	The public works director has worked with MTAS representatives to establish a more structured format for figuring and recouping utility expenses involved with customer taps and miscellaneous work performed by the department. The director also visits material cost analysis on a quarterly basis with the various suppliers of materials unless a notice is provided by its suppliers in advance or the warehouse attendant sees a noticeable consistent pattern change in pricing. The city also utilized a 3rd party vendor to do a rate study on the natural gas supply and based its rate increase off of that particular study.

Financial Initiatives

Has the utility incurred any new debt during its current fiscal year, or does the utility plan on incurring any new debt during the current or next fiscal year?	No
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Has the utility received any grants during its current fiscal year, or does the utility plan on applying for or receiving any new grants during the current or next fiscal year?	Yes
How much is this funding, and what is the source of this funding?	TN Dept of Economic and Community Development, \$200,000 per project
What will this funding be used for?	The Infrastructure Planning grant funds a utility system study for utilities to better serve their customers, develop capital improvement plans, and develop better applications for funding to assist with improvements.

Utility Information

Does this utility offer water service?	Yes
Does this utility offer sewer or wastewater service?	Yes

Water Utility Information

How many billed customers does the water utility have?	5259
How many unbilled customers does the water utility have?	503
How many metered customers does the water utility have?	5762
How many unmetered customers does the water utility have?	0
What was the net sales revenue from the largest 10 customers last fiscal year?	168356
What was the net sales revenue for the water utility last fiscal year?	1575582
What percentage of sales do the largest 10 customers account for annually?	0.159

How many gallons were sold to the largest 10 customers last fiscal year?	654506.00
How many gallons were sold last fiscal year?	4044148.00
What percentage of volume do the largest 10 customers account for annually?	0.16
Does the water utility have a rate structure with differing rates based on location?	Yes
Please provide a customer count breakdown of these different rate classes.	Inside city limits 4,777 Rural customers 1,011
Please explain how these rates have been determined to be reasonable and justifiable.	Rates are based off rates studies. Rural customers do not pay city taxes to help cover infrastructure costs for the utilities so they are billed at a higher rate.
Does this utility have a water connection to another utility to purchase water or to have a backup water supply in case of emergency?	No
Does this utility produce its entire water supply without purchasing water from another utility?	Yes
Is it feasible for this utility regionalize, merge, or consolidate with a surrounding utility to improve water service to its current or future customer base?	Not feasible.
Does this utility sell water at a wholesale rate to any customers such as large commercial/industrial customers or other surrounding utilities?	No
Does this utility have a water treatment facility?	Yes
What is the design capacity of the water treatment facility?	6 MGD

What is the average operating capacity of the water treatment facility? 1.591 MGD

Are there any environmental concerns including government environmental orders for the water utility? No

Please describe these environmental concerns for the water utility and the extent of the financial burden to remedy these financial concerns. No orders have been issued.

Wastewater Utility Information

How many billed customers does the wastewater utility have? 4204

How many unbilled customers does the wastewater utility have? 313

How many metered customers does the wastewater utility have? 4517

How many unmetered customers does the wastewater utility have? 0

What was the net sales revenue from the largest 10 customers last fiscal year? 250783

What was the net sales revenue for the wastewater utility last fiscal year? 1928478

How many thousand gallons of wastewater were treated for the largest 10 customers last fiscal year? 581993

How many thousand gallons of wastewater were treated by the utility last fiscal year? 1656583229

Percentage of sales from Largest 10 Customers 0.13

Percentage of flow from Largest 10 Customers 0.00

Does the wastewater utility have a rate structure with differing rates based on location?	No
Does this utility treat all of the wastewater collections without sending wastewater to another utility for treatment?	Yes
Does this utility treat wastewater from another utility?	No
Is it feasible for this utility regionalize, merge, or consolidate with a surrounding utility to improve wastewater service to its current or future customer base?	Not feasible.
Does this utility treat wastewater for customers on wells?	No
Excluding any potential customers on wells, are all customers billed based on metered water usage?	Yes
Does this utility treat wastewater at a wholesale rate to any customers such as large commercial/industrial customers or other surrounding utilities?	No
What is the design capacity of the wastewater treatment facility?	2500000
What is the average operating capacity of the wastewater treatment facility?	1697400
Are there any environmental concerns including government environmental orders for the wastewater utility?	No
Does this utility have a sewer use ordinance or resolution?	Yes
How is this sewer use ordinance or resolution enforced?	By the public works director, plant superintendent, city counsel.

Plans and Policies

Does this utility have a debt management policy?	Yes
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Does this utility have a capitalization policy?	Yes
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Does this utility have a leak adjustment policy?	Yes
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Does this utility have an asset management plan?	Yes
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Does this utility have a copy of its capital asset list on file?	Yes
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How often is this capital asset list reviewed and by whom?	Yearly, reviewed by the audit team
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COMPTROLLER'S INVESTIGATIVE REPORT

City of Martin

November 12, 2025

Jason E. Mumpower
Comptroller of the Treasury



DIVISION OF INVESTIGATIONS



JASON E. MUMPOWER
Comptroller

November 12, 2025

City of Martin
Board of Aldermen
109 University Street
Martin, TN 38237

City of Martin Officials:

The Office of the Comptroller of the Treasury conducted an investigation of selected records of the City of Martin, and the results are presented herein.

Copies of this report are being forwarded to Governor Bill Lee, the State Attorney General, the District Attorney General of the 27th Judicial District, certain state legislators, and various other interested parties. A copy of the report is available for public inspection in our Office and may be viewed at <http://www.comptroller.tn.gov/ia/>.

Sincerely,

A handwritten signature in blue ink, appearing to read "J.E. Mumpower", with a long horizontal flourish extending to the right.

Jason E. Mumpower
Comptroller of the Treasury

JEM/MLC

INVESTIGATIVE REPORT

City of Martin

The Office of the Comptroller of the Treasury investigated allegations of malfeasance related to the City of Martin. The investigation was initiated after the Comptroller's Office received allegations reporting suspected malfeasance. The investigation was limited to selected records for the period February 1, 2015, through June 13, 2025. The results of the investigation were communicated with the Office of the District Attorney General of the 27th Judicial District.

BACKGROUND



The City of Martin (city), located in Weakley County, Tennessee, is governed by a Mayor and Board of Aldermen (board). The city oversees administration, community development, police, fire, public works, and other municipal departments. The city employs department heads to manage the operations of each city department. All city employees are governed by the city's Personnel Rules and Regulations manual

(manual) established in November 2011. The manual includes the city travel policy, which requires city employees to follow federal and state guidelines when on official city travel status. In June 2024, the city travel policy was updated to state that authorized travelers shall be reimbursed according to the State of Tennessee travel regulation rates.

The city receives multiple grants to fund city growth. Each city department head is allowed to apply for grants applicable to their department. For larger grants, the city will contract with outside agencies to perform grant writing, grant application, and grant administration on behalf of the city. In exchange for these services, the contracted agency will receive a fee as established in each grant contract.

Randal "Randy" Brundige was elected as mayor of the city in 2002. As mayor, Randy Brundige is the chief executive officer of the city and has general supervision over all city employees. Additionally, the mayor presides over all board meetings, is an ex officio member of all standing committees, and is responsible for communicating information and providing recommendations to the board.

Bradley "Brad" Thompson was hired as the city's full-time Director of Economic and Community Development (ECD director) in 2012. As ECD director, Thompson is responsible for facilitating community and economic development opportunities for the city, which includes overseeing community events, attracting new businesses to the city, partnering with outside agencies that benefit the city, overseeing all grants received by the city, and maintaining all grant documentation.

To fulfill these duties, Thompson attends several meetings and conferences each year that promote tourism and economic development for the city.

Natalie Brundige, Randy Brundige's daughter, was hired as a part-time employee with the city in June 2007. In November 2018, she became a full-time employee with the city. Natalie Brundige was assigned as the custodian at the Martin Police Department, and she was responsible for sweeping, mopping, dusting, emptying trash cans, and performing other cleaning duties. Natalie Brundige's last day of employment with the city was June 6, 2025.

RESULTS OF INVESTIGATION

1. DIRECTOR OF ECONOMIC AND COMMUNITY DEVELOPMENT BRADLEY THOMPSON MISAPPROPRIATED AT LEAST \$273,932.13 FROM THE CITY OF MARTIN

Between February 1, 2015, and October 1, 2024, Thompson misappropriated city funds totaling at least \$273,932.13. Thompson misappropriated funds by receiving improper consulting fees, making unauthorized credit card transactions, and using city funds for personal use, as follows:

A. Thompson received improper consulting fee payments from the city totaling at least \$236,434.10

As ECD director, Thompson is responsible for overseeing the city's grant process, including assisting department heads with grant writing and application, preparing quotes, collecting data, working with engineering firms, and preparing necessary forms. When the city contracts with an outside agency for grant administration, the outside agency performs grant writing; however, Thompson is still responsible for preparing and providing the necessary grant information on behalf of the city.

In 2015, the city began paying an entity named One Consulting for grant writing and grant administration on some of its grants. Investigators determined that One Consulting is purportedly owned by Thompson. Between February 2015 and September 2024, Thompson submitted 55 invoices to the city through One Consulting for grant writing and grant administration services. Several of the invoices had notes attached that were initialed by the city recorder directing that the checks written to One Consulting be given to Thompson (**Refer to Exhibit 1**). The invoices were verbally approved for payment by Randy Brundige. Investigators determined that it was within Thompson's regular job duties to assist in the writing and administration of grants received by the city, and Thompson was not entitled to additional compensation for performing these duties. Thompson received \$236,434.10 in improper consulting fees from the city through this company, One Consulting.



Give check
to Brad when
Printed (lu)

ONEconsulting

[REDACTED]

Union City, TN 38261

731.225.1107

Invoice Number: 081018

Description	Amount
Grant writing and Administration	\$ 3,750.00
Subtotal	\$ 3,750.00
	\$ 0
Total	\$ 3,750.00

Invoice from One Consulting for grant writing and administration services, with a note initialed by the city recorder attached. The invoice contains Thompson's home address as his business address and his work phone number at the City of Martin as the contact number for One Consulting

Investigators found that when the city used an outside agency for grant administration, it would enter a contract for the services provided. However, the city did not have letters of engagement or contracts with One Consulting for grant administration. Additionally, investigators found 16 invoices paid to One Consulting, which referred to grants for which the city had already contracted with another outside agency for grant administration services. This resulted in administration fees being paid above and/or in excess of what the grant contract allowed.

After investigators began to question the One Consulting invoices, Randy Brundige presented an ordinance to the board on November 12, 2024. The resolution was to retroactively approve work performed by One Consulting on behalf of the city. According to board members, prior to this resolution, they were not aware of One Consulting, nor had they ever approved the use of One Consulting for grant administration services. One board member advised that Randy Brundige told the board that the purpose of the resolution was "to clean up something that needed to be changed and put it in the books." Investigators reviewed monthly board meeting minutes and confirmed that Thompson presented a department head report detailing the status of grants received by the city at each meeting. Prior to November 12, 2024, Thompson presented details of tasks he performed during his regular work, but did not disclose that he owned One Consulting, nor that One Consulting was used for grant administration for grants received by the city.

B. Thompson made unauthorized credit card transactions totaling at least \$33,576.03

In his capacity as ECD director, Thompson traveled to meetings and conferences that focused on tourism and economic development. Per the city travel policy, employees are to complete a travel reimbursement form within ten days of their return. The

reimbursement form must be accompanied by original receipts. The city travel policy allows reimbursement for actual and reasonable travel expenses. Any travel expense exceeding the approved state reimbursement rate is the traveler's responsibility.

Investigators discovered that Thompson used his city-issued credit cards for travel instead of completing a travel reimbursement form as required by the city travel policy. Investigators analyzed the city's credit card statements from January 2021 through June 2024 and discovered that Thompson's travel charges exceeded the allowable state reimbursement rates. These charges included hotel rooms, meals, and airfare. Investigators determined that Thompson misappropriated at least \$33,576.03 for charges to the city credit card for travel that exceeded the travel policy and were therefore unauthorized.

For example, Thompson traveled to Panama City, Florida, for a Tennessee Economic Development Council (TDEC) conference, scheduled from April 26 to 28, 2023. The state reimbursement rate for lodging was \$165 per night. Due to the distance of travel, Thompson was eligible for lodging one day prior to and one day following the conference, with a total lodging of \$825 (\$165 per night for 5 nights). Investigators discovered that instead of staying at the conference hotel, Thompson used the city-issued credit card to rent a three-bedroom, three-bath, beachfront condo in the 30A area at a total cost of \$4,244.80. Thompson also used his city-issued credit card to purchase several meals for three to four individuals during the trip, including a dinner catered by a personal chef for four people, totaling \$646.40 (**Refer to Exhibit 2**). Investigators confirmed Thompson was the only city employee on the trip.

Exhibit 2

From: Brad Thompson <[REDACTED]>

Sent: Tuesday, April 18, 2023 5:25:55 PM

To: Joshua Champion <[REDACTED]>

Subject: Re: New Entry from Take It Personal Chef Services

Great to hear from you! My expectant niece does not want to consume seafood while with child. I hope that you can be respectful of that and accommodate us. I am sorry to throw a kink in our dinner for four. I think we would want to begin the first course around 6:30 or a little before.

Dinner for Three:

Shrimp Cocktail

Iceberg Wedge

Grouper Oscar

Key Lime Pie

Dinner for One (pregnancy diet):

Could you do a small appropriate appetizer for her? It could just be something really simple and not necessarily complicated from the menu.

Iceberg Wedge

Lemon Basil Chicken

Key Lime Pie

Email confirming the personal chef's dinner menu for four people

In October 2022, Thompson traveled to Sienna, Italy, on a nine-day trip at the city's expense. City officials believed this trip was in conjunction with Town and Gown, a

partnership between the University of Tennessee at Martin (UTM) and the city, for which Thompson serves as the city liaison. Per the city travel policy, airfare, when necessary, should be booked in economy class. However, investigators confirmed Thompson used his city-issued credit card to purchase first-class airfare to Italy, totaling \$5,659.27. UTM officials told investigators that the trip was for UTM Alumni with a background in agriculture, and they were not aware of any official city business that took place on the trip. The trip itinerary confirmed that, in addition to touring historic Italian sites, participants in the trip visited various agricultural sites such as an olive farm to learn about wine and olives, and a goat and sheep farm for a cheese tasting. Investigators could not substantiate any benefit to the city as a result of this trip.

In addition to travel transactions, investigators found that Thompson used his city-issued credit cards to purchase season tickets for UTM basketball and football games, clothing items, toiletries, housewares, and electronics, including personalized Apple AirPods.

C. Thompson improperly used city funds for personal travel totaling \$3,922

The travel accommodations for the UTM Alumni trip to Sienna, Italy, were arranged by a third-party company, Explorations by Thor. The travel package included lodging accommodations, bus and train transportation in Italy, some meals, tours, tastings, entrance to the Vatican museum, and gratuities. The total cost of the travel package was \$3,922. Investigators discovered that the invoice for Thompson's travel package was submitted to the city and paid for by check in August 2022. In total, the city paid \$9,838.77 for Thompson's trip to Sienna, Italy; \$3,922 by check for the travel package, an additional credit card payment of \$257.50 to Explorations by Thor, and \$5,659.27 (discussed above) for airfare. Investigators could not substantiate any benefit to the city as a result of this trip.

Summary of Thompson's Misappropriation	
Description	Amount
Improper Consulting Fees	\$236,434.10
Unauthorized Credit Card Transactions	33,576.03
City Funds used for Personal Travel	3,922.00
Thompson's Total Misappropriation	\$273,932.13

2. FORMER CUSTODIAN NATALIE BRUNDIGE IMPROPERLY RECEIVED AT LEAST \$174,109 IN WAGES AND EMPLOYER-PAID BENEFITS FROM THE CITY OF MARTIN

Between January 1, 2019, and June 13, 2025, former custodian Natalie Brundige received at least \$174,109 in improper payroll payments consisting of unearned salary compensation, unearned leave compensation, and employer-paid benefits from the city as follows:

A. Natalie Brundige improperly received at least \$139,723.64 in unearned salary compensation

As a full-time custodian, Natalie Brundige was expected to work an eight-hour shift each day, Monday through Friday, beginning at 5:30 p.m. However, multiple police department employees stated to investigators that they saw Natalie Brundige on-site for approximately two hours a day, and several police department employees confirmed to investigators that Natalie Brundige would leave by 8:00 p.m. each night. One police department employee stated that they had witnessed Natalie Brundige arriving and leaving the police department, within that time frame, multiple days, on the police department's security cameras.

Investigators analyzed Natalie Brundige's official payroll records for January 1, 2019, through June 13, 2025. During this period, Natalie Brundige was paid for 1,679 days, approximately 13,432 hours, which officials believed her to be working or in a leave status. Investigators then reviewed a sample of video footage from sixteen police department security cameras to substantiate the actual times worked by Natalie. The sample of shifts reviewed by investigators includes the following days: October 25, 2024, December 4, 2024, February 13, 2025, March 24, 2025, and May 30, 2025. Based on the times Natalie Brundige was observed on camera at the police department, investigators' analysis found that she worked an average of two hours each day, approximately 3,436 hours during the period reviewed, yet she received compensation for her full eight-hour shift. This resulted in Natalie Brundige receiving at least \$139,723.64 in unearned salary compensation for 9,996 hours that she did not work.

The city's Human Resources Director (HR director) informed investigators that the city cleaning staff complete their own timesheets for approval and processing. However, instead of Natalie Brundige completing an official timesheet, Randy Brundige would verbally tell the HR director if Natalie Brundige did not work. The HR director further stated that "it was done that way because Natalie was his daughter." Investigators found that Randy Brundige only informed the HR director of 13 days during the period reviewed that Natalie Brundige would be on official leave status. Randy Brundige failed to inform the HR director that Natalie Brundige worked less than eight hours for any shift during the time that she was a full-time employee.

B. Natalie Brundige improperly received at least \$7,264.65 in unearned leave compensation

Upon becoming a full-time employee in November 2018, Natalie Brundige was eligible to accrue leave for sick and annual/vacation leave. The manual defines a full-time employee as an individual who works the equivalent of 40 hours or more per week. City employees accrue leave at a set rate per the manual. Sick leave is accrued at a rate of 1.85 hours per week, and annual/vacation leave is accrued on an increasing scale, depending on the employee's years of service. Annual/vacation leave is accrued at a rate of one hour per week for the first year, then 1.60 hours per week thereafter.

Investigators determined that Natalie Brundige did not meet the criteria as a full-time employee, as investigators' analysis found that Natalie Brundige worked an average of ten hours per week (explained in Finding 2.A). During the investigative period, Natalie Brundige used 104 hours of sick and annual/vacation leave, totaling \$1,484.26. Upon her resignation, Natalie Brundige was paid a lump sum for 374.40 hours of accrued

annual/vacation leave, totaling \$5,831.99. Investigators determined that four hours Natalie Brundige received compensation for were accrued prior to the scope examined and credited her for \$51.60. In total, Natalie Brundige received \$7,264.65 for 474.4 hours of unearned leave compensation.

C. Natalie Brundige received unearned payroll benefits totaling at least \$27,120.71 for hours not worked and unearned leave

Natalie Brundige received payroll benefits totaling at least \$27,120.71 for the 9,996 total hours she did not work, and the 474.4 hours of unearned leave. This amount represents employer-paid benefits for Social Security, Medicare, vision insurance, and retirement contribution costs that the city incurred.

Summary of Natalie Brundige's Misappropriation	
Description	Amount
A. Unearned Salary Compensation	\$139,723.64
B. Unearned Leave Compensation	7,264.65
C. Unearned Payroll Benefits	27,120.71
Natalie Brundige's Total Misappropriation	\$174,109.00

3. MAYOR RANDAL “RANDY” BRUNDIGE MISAPPROPRIATED AT LEAST \$10,925.03 FROM THE CITY OF MARTIN

Between January 1, 2021, and June 30, 2024, Randy Brundige misappropriated city funds totaling at least \$10,925.03 by using his city-issued credit card for unauthorized travel expenses. As mayor, Randy Brundige traveled on official city business as a representative of the city and was eligible for travel reimbursement in accordance with the city travel policy (explained in Finding 1). Investigators discovered that Randy Brundige used his city-issued credit card for his travel instead of completing a travel reimbursement form as required by the city travel policy. Investigators analyzed the city’s credit card statements from January 2021 through June 2024 and identified travel charges for lodging and meals made by Randy Brundige that exceeded the allowable state reimbursement rates.

Due to his position as mayor, Randy Brundige serves as the Chairman of the Board of Directors for Public Entity Partners (PEP), an insurance provider for municipalities in the State of Tennessee. Randy Brundige traveled to Franklin, Tennessee, for quarterly PEP board meetings. Investigators found that Thompson often traveled with Randy Brundige. Randy Brundige stated to investigators that Thompson would drive him because he could not drive over 50 miles. Investigators discovered that Randy Brundige and Thompson dined at high-end steakhouses during their travels, and the meal purchases exceeded the state meal reimbursement rate. For example, in June 2021, both Randy Brundige and Thompson traveled to Franklin, Tennessee, for a PEP meeting. The approved state rate for meal reimbursement was \$61 per day. Investigators obtained meal receipts showing Randy Brundige and Thompson

dined at Jeff Ruby's Steakhouse, with a total credit card charge of \$672.99, which included alcohol purchases (Refer to Exhibit 3).

Exhibit 3

Item Sales				
Order Time	Item Number	Menu Item	Qty	Amount
17:34	11652	Gentleman Jack	1	\$15.00
17:34	10120	Tito's	1	\$12.00
17:41	2033	Alaskan King Crab 8oz	2	\$92.00
17:41	2007	Huge Tiger Shrimp	4	\$32.00
17:41	3151	Godfather Roll	1	\$27.00
17:41	2010	Specialty Oysters	6	\$27.00
17:52	11652	Gentleman Jack	1	\$15.00
17:58	5131	Wagyu 1oz	8	\$224.00
17:58	6005	Jeff's Boardwalk Fries	2	\$18.00
18:18	11652	Gentleman Jack	1	\$15.00
18:18	10120	Tito's	1	\$12.00
18:43	8004	Vanilla Creme Brulee	2	\$26.00
Direct Tips				\$100.00
Tax:				\$57.99
Total Amount Due				\$672.99
Total Item Sales				\$515.00
Payments				
Type	Amount			
Amex	\$672.99			
Total Payments				\$672.99

Receipt from Jeff Ruby's Steakhouse for Randy Brundige and Thompson's dinner on June 10, 2021

Investigators identified at least 27 separate instances in which Randy Brundige used the city-issued credit card to purchase lavish meals at high-end steakhouses, including Jeff Ruby's, Perry's Steakhouse, Bob's Steak and Chop, Cork and Cow, and River House, which exceeded state travel rates and often included alcohol purchases. Receipts for these purchases show charges ranging from \$200 to \$700 per meal.

Summary of Randy Brundige's Misappropriation	
Description	Amount
Unauthorized Travel Expenses	\$10,925.03
Randy Brundige's Total Misappropriation	\$10,925.03

4. INVESTIGATORS IDENTIFIED QUESTIONABLE CREDIT CARD TRANSACTIONS TOTALING AT LEAST \$10,391.97 MADE BY BRADLEY THOMPSON

Investigators identified at least \$10,391.97 in questionable city credit card transactions made by Thompson. Investigators questioned the following:

- Subscription services such as OnStar, Sirius XM radio, and Spotify, totaling \$3,790.61. Investigators confirmed that only city vehicles issued to Randy Brundige and Thompson were equipped with these subscriptions and questioned the necessity of these subscriptions for city business.
- Charges for ride share services such as Uber and Lyft, totaling \$2,256.92. Most of these charges coincided with Randy Brundige and Thompson's trips to the PEP board meetings in Franklin, Tennessee. For example, in June 2021, when Randy Brundige and Thompson dined at Jeff Ruby's Steakhouse (discussed in Finding 3), they used Uber for transportation to the restaurant at a cost of \$83.75 and for the return trip back to the hotel at a cost of \$80.44, totaling \$164.19 round-trip. Investigators confirmed that the two traveled to Franklin, Tennessee, in a city vehicle; therefore, the need for additional transportation services could not be justified.
- Meal purchases at local restaurants, often for only one or two individuals, totaling \$842.79. Investigators could not confirm that these meals were for official city business.
- An electronics purchase —Magic Keyboard for iPad—at Apple, totaling \$336.93. Investigators could not substantiate that this purchase was necessary for Thompson to perform his job duties.
- Purchases at various businesses totaling \$3,164.72. A sample of the businesses includes the following: Restaurants (Higher Ground, Vantage Coffee Roast, Coastal Connections, Dragon Hibachi, Sammie's, Blue Oak Oyster Bar, Crave); Retail (Monograms and More, Walmart, Four Corners Custom Frame Shop, Inaugural Delta, Martin Rural King); and Online Services (PayPal, GoFundMe, Squarespace). Investigators were not provided with supporting documentation for these purchases. Due to the lack of adequate supporting documentation, investigators could not determine whether the purchases were for the exclusive benefit of the city.

5. INVESTIGATORS IDENTIFIED QUESTIONABLE CREDIT CARD TRANSACTIONS TOTALING AT LEAST \$283.54 MADE BY MAYOR RANDY BRUNDIGE

Investigators identified questionable credit card transactions, totaling \$283.54, made by Randy Brundige on his city-issued credit card. These purchases consisted of meals at local restaurants, often for only one to two individuals, totaling \$266.62, and \$16.92 in purchases from Apple.com. Investigators were not provided with adequate supporting documentation for these purchases and, therefore, could not determine whether the purchases were for the exclusive benefit of the city.

On November 10, 2025, the Weakley County Grand Jury indicted Bradley Thompson on one count of Theft of Property over \$60,000 but less than \$250,000, four counts of Official Misconduct, and one count of Theft of Property over \$10,000 but less than \$60,000.

On November 10, 2025, the Weakley County Grand Jury indicted Natalie Brundige on one count of Theft of Property over \$60,000 but less than \$250,000 and one count of Official Misconduct.

On November 10, 2025, the Weakley County Grand Jury indicted Randal Brundige on four counts of Theft of Property over \$60,000 but less than \$250,000, one count of Accessory After the Fact, one count of Theft of Property over \$10,000 but less than \$60,000, and four counts of Official Misconduct.

The charges and allegations contained in the indictment are merely accusations of criminal conduct, and not evidence. The defendants are presumed innocent unless and until proven guilty beyond a reasonable doubt and convicted through due process of law.

[City of Martin Investigation Exhibit](#)

INTERNAL CONTROL AND COMPLIANCE DEFICIENCIES

Our investigation revealed deficiencies in internal control and compliance, which contributed to Brad Thompson's, Randy Brundige's, and Natalie Brundige's ability to perpetrate their misappropriation without prompt detection. These deficiencies included:

Deficiency 1: City officials failed to ensure employees followed the city's travel policy, resulting in multiple deficiencies related to travel

The investigation revealed the following deficiencies and noncompliance with the city's travel policy, which resulted from a lack of management oversight and their failure to implement adequate internal control procedures over travel-related transactions.

- City officials did not ensure that the city travel policy was followed. The city travel policy states that travel will be reimbursed for travel expenses after a travel reimbursement form is submitted; however, select employees were allowed to use city-issued credit cards for all travel expenses instead of complying with the city travel policy. This resulted in travel expenses that exceeded the official reimbursement rates for travel. City officials should enforce the city travel policy to ensure the city does not incur unauthorized expenses when city employees travel.
- City officials did not retain adequate documentation to support credit card transactions. Due to a lack of supporting documentation, investigators could not confirm the legitimacy of numerous credit card charges, including charges for overnight lodging with no

documented travel purpose. Retaining supporting documentation in compliance with city policy ensures only approved travel is incurred by city employees.

- The city did not enforce the city travel policy pertaining to meals. The city travel policy allows reimbursement for meals in accordance with the State of Tennessee per diem rates, which requires that overnight travel must be associated with meal expenses. Investigators discovered meals were purchased with the city credit cards that were not for official travel with an overnight stay. Adequate documentation could not be provided to substantiate that these meals occurred during the course of official city business. Officials should enforce the city travel policy to ensure the city only pays for meals associated with overnight travel and for official city business.

Deficiency 2: City officials failed to provide adequate oversight of operations and failed to implement effective internal controls over the use of the city's credit cards

City officials did not provide adequate oversight of operations and did not design or implement effective internal controls over the use of city-issued credit cards. City officials are responsible for designing effective internal controls to give reasonable assurance of the reliability of financial reporting and the effectiveness and efficiency of operations. Providing adequate oversight and establishing internal controls reduces the risk that errors or intentional misappropriations will remain undetected. The City of Martin's *Internal Control Manual* (IC manual) outlines processes and procedures that help safeguard and promote the accountability of city funds; however, these controls were insufficient and failed to address the use of city credit cards. This is a repeat deficiency from a previous investigation performed by the Comptroller's Office in 2021. Due to the failure of city officials to oversee and approve credit card purchases, Randy Brundige and Thompson were able to use the city's credit cards for their personal use. Specifically:

- The city failed to establish a written credit card policy that governs the issuance and tracking of city-issued credit cards, provides guidance to employees, and outlines procedures for monitoring the proper use of city-issued credit cards. The lack of a written credit card policy increases the risk of improper use or misappropriation of city funds without prompt detection.
- The city did not have adequate written procedures for tracking the use of city-issued departmental credit cards. City-issued credit cards are kept in the possession of the employee or department to which they are issued. Investigators noted that the city did not maintain a logbook that detailed which employee(s) used the city's credit cards for purchases. The board should provide written guidance identifying employees who are authorized to use the city's credit cards and guidelines for the business use of the city-issued credit cards, and how to properly secure them.
- City officials did not require or retain adequate supporting documentation for some of the transactions on city-issued credit cards. Investigators noted that certain receipts, invoices, and other supporting documentation were insufficient to determine what was purchased with the city's credit cards. Requiring documentation, such as invoices or receipts, allows officials to verify that the payment is proper and reasonable. Without adequate supporting

documentation, investigators were unable to determine whether purchases were for the exclusive benefit of the city.

Deficiency 3: City officials did not provide adequate oversight of payroll operations

City officials failed to implement a review system ensuring employees are not compensated for time not worked. The IC manual states that each department head is responsible for monitoring and verifying the time worked by their employees. Investigators could not find documented policies or guidelines that require city employees to complete an official timesheet with the time worked each pay period, with their signature, to confirm its accuracy. Natalie Brundige was originally supervised by the city recorder, then later by the HR director. Both confirmed to investigators that they did not verify Natalie Brundige's time worked each day. Timesheets provide supporting documentation for hours worked, allowing payroll to be calculated accurately. Routinely reviewing and confirming employees' time worked reduces the risk that improper payroll payments will be made. Implementing this process is essential for effective internal controls, and reduces the risk of fraud, waste, or abuse.

Deficiency 4: The city mayor failed to ensure the board had knowledge of and approved related-party transactions

The IC manual specifically addresses related-party business transactions between the city and its employees. The IC manual states, "no department head or supervisor shall have any financial interest in the profits of any contract, service, or other work performed by the city." The IC manual further states that this requirement can only be waived by the board. Both the mayor and the city recorder had knowledge that One Consulting was a vendor name used by Thompson; however, prior to November 2024, the board was never presented with a contract or agreement for approval in accordance with the IC manual. Randy Brundige exercised sole approval over the use of One Consulting for grant writing and administration. The failure to obtain board approval for related-party business transactions increases the risk of the city incurring additional and unnecessary costs and liabilities.

Deficiency 5: The city recorder failed to uphold her duties as prescribed by the city charter

The city charter details specific responsibilities of the city recorder regarding the accounting functions and safeguarding of city funds. Failure to uphold these responsibilities contributed to the misappropriation of funds by multiple city employees. Specifically:

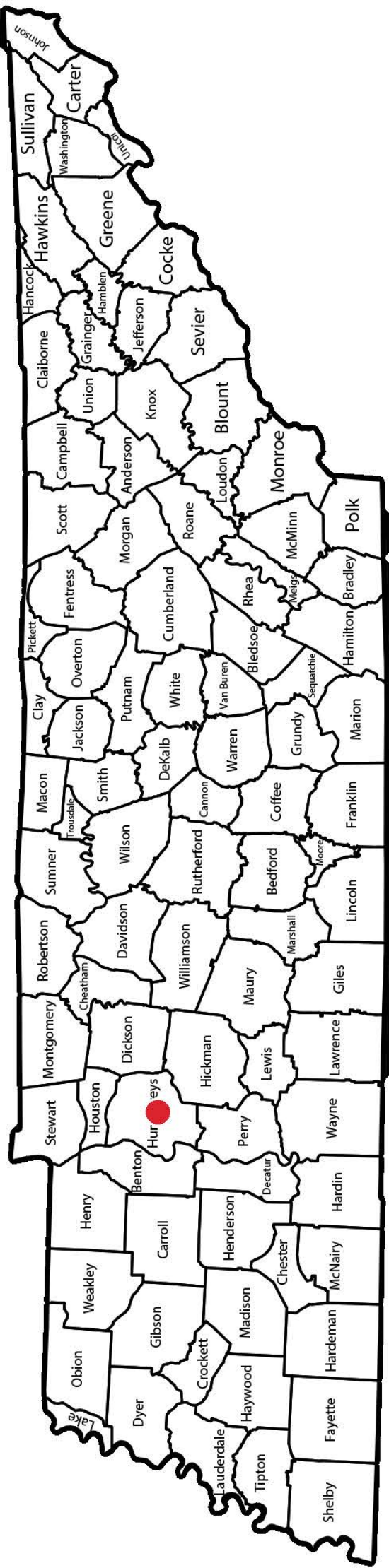
- The city charter states the city recorder shall supervise the collection, disbursement, and safekeeping of all funds of the city. Investigators noted that the city recorder approved questionable and unauthorized transactions for payment, even though she stated to investigators she believed them to be improper. Furthermore, after the city adopted an updated travel policy in June 2024, the city recorder told investigators that she was not verifying that travel expenses were within the approved state reimbursement rates because the mayor had not instructed her to do so. Failure by the city recorder to ensure all disbursements of city funds are reasonable, necessary, and authorized increases the risk of misappropriation.

- The city recorder is charged with keeping the board informed of the financial conditions of all funds of the city. Investigators found that the city recorder failed to inform the board that city funds were used for unauthorized expenses that exceeded the limits of the city travel policy. The city recorder also failed to inform the board of the related-party business transactions between the city and One Consulting. Keeping the board apprised of all transactions involving city funds is essential to ensure their ability to make decisions is based on accurate and current information.
- The city charter designates the city recorder as purchasing agent for the city, responsible for authorizing the purchase of all materials, supplies, and equipment necessary for city operations through issuance of purchase orders and bidding. Investigators discovered that city-issued credit cards were used at the discretion of city employees without a formal approval process, such as a purchase order, or any criteria for invoices or receipts. Additionally, credit card purchases were not reviewed by the city recorder to ensure accuracy, or to confirm receipt of the purchased item. The city recorder's failure to perform the duties of purchasing agent resulted in city-issued credit cards being used for personal purchases.

Deficiency 6: The city failed to maintain a comprehensive inventory of technological equipment and computer components

City officials did not require the information technology director to maintain a comprehensive inventory of technological equipment and computer components. Technological equipment, including computers, was not tagged as city property. Without an inventory system, city officials cannot ensure that assets are properly safeguarded or that the equipment is used only for authorized purposes. A lack of accountability over the city's technological equipment increases the risk of loss or misuse.

City officials indicated that they have corrected or intend to correct these deficiencies.



McEwen



Jason E. Mumpower
Comptroller

Entity Referred: **City of McEwen**
 Referral Reason: **Decrease In Net Position**
 Utility Type: **Water And Sewer**
 Referred: County: **Humphreys**

Staff Summary:

The City of McEwen ("the Utility") has been referred to the Tennessee Board of Utility Regulation ("the Board") for financial distress due to a decrease in net position pursuant to Tenn. Code Ann. § 7-82-703 since the 2024 fiscal year. Board staff requested that the Utility complete a financial distress questionnaire to provide additional information regarding the Utility's financial condition and its plans to address the financial distress. The questionnaire was due in December 2025; however, the Utility failed to submit the requested questionnaire. Board staff believes it is appropriate to proceed directly with a rate study to evaluate the Utility's current rates, fees, policies, capital needs, and overall financial condition and to determine what changes are necessary to address the Utility's financial distress.

Staff Recommendation:

The Board should order the following:

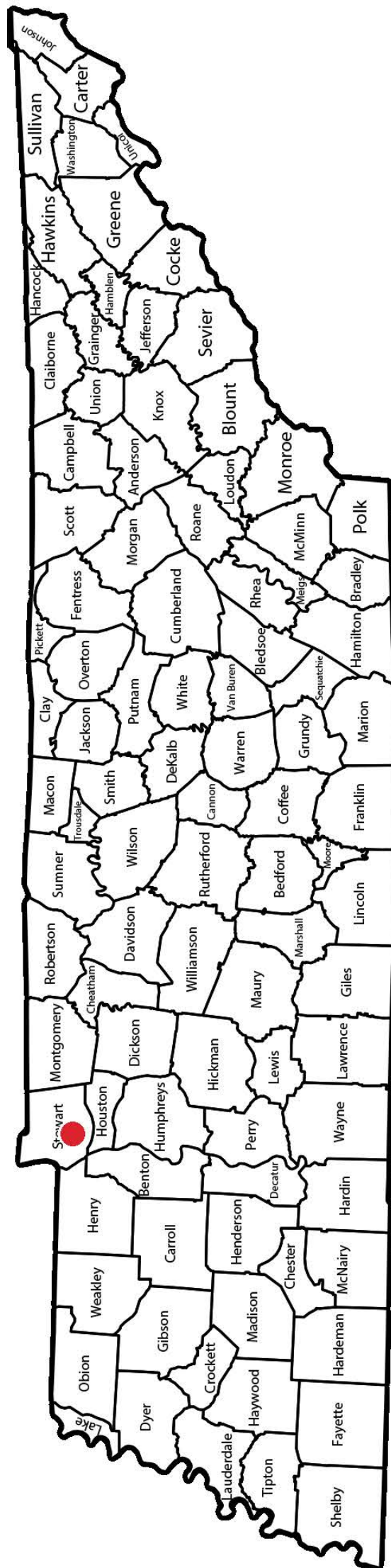
1. The Utility shall have the Tennessee Association of Utility Districts, or another qualified expert, as approved by Board staff, perform a rate study that includes the following
 - (a) a review of the capitalization policy, including any recommended modifications;
 - (b) a review of the debt management policy, including any recommended modifications;
 - (c) the creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;
 - (d) a review of relevant utility fees, including but not limited to connection or tap fees, including any recommended modifications;
 - (e) verification that all governing body members of the utility are in compliance with all relevant training requirements;
 - (f) a review of the leak adjustment policy, including any recommended modifications or adoption of such policy, should one not exist;
 - (g) and a justification of the inside- and outside-city limits rates, including any recommended modifications to the rate structure.
2. By December 31, 2026, the Utility shall send Board staff a copy of the contract between the Utility and the qualified expert who is to perform the tasks in paragraph 1.

3. By April 30, 2027, the Utility shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementation.
4. Should the Utility fail to comply with any directive in this order, Board staff and Counsel may issue subpoenas for the Utility's governing body and/or manager to appear in person before the Board during its next meeting following non-compliance with this order.
5. Board staff is given the authority to grant up to two extensions of up to six months of the foregoing deadlines upon a showing of good cause by the Utility.

McEwen - Category: Water And Sewer - County: Humphreys

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Fiscal Line Item	2022	2023	2024	2025
Net Assets	\$13,428,922.00	\$12,832,817.00	\$12,648,798.00	\$13,483,628.00
Deferred Outflow Resources	\$80,849.00	\$202,748.00	\$162,795.00	\$153,322.00
Net Liabilities	\$3,769,458.00	\$3,425,748.00	\$3,413,168.00	\$3,619,920.00
Deferred Inflow Resources	\$90,664.00	\$34,111.00	\$21,323.00	\$20,794.00
Total Net Position	\$9,649,649.00	\$9,575,706.00	\$9,377,102.00	\$9,996,236.00
Operating Revenues	\$1,399,953.00	\$1,491,925.00	\$1,533,302.00	\$1,597,305.00
Net Sales	\$1,316,294.00	\$1,433,919.00	\$1,430,892.00	\$1,458,390.00
Operating Expenses	\$1,299,243.00	\$1,494,024.00	\$1,954,538.00	\$1,594,987.00
Depreciation Expenses	\$332,292.00	\$350,474.00	\$349,047.00	\$369,523.00
Non Operating Revenues	-\$78,700.00	-\$76,308.00	-\$71,801.00	-\$73,663.00
Capital Contributions	\$478,580.00	\$4,464.00	\$294,433.00	\$690,479.00
Transfers In	\$0.00	\$0.00	\$0.00	\$0.00
Transfers Out	\$0.00	\$0.00	\$0.00	\$0.00
GAAP Change In Net Position	\$500,590.00	-\$73,943.00	-\$198,604.00	\$619,134.00
Statutory Change In Net Position	\$22,010.00	-\$78,407.00	-\$493,037.00	-\$71,345.00



Tennessee Ridge



Jason E. Mumpower
Comptroller

Entity Referred: **City of Tennessee Ridge**
Referral Reason: **Late Audits (2 Years)**
Utility Type Referred: **Water and Sewer**
County: **Houston**

Staff Summary:

The City of Tennessee Ridge ("the Utility") has been referred to the Tennessee Board of Utility Regulation ("the Board") for late audits since fiscal year 2025. On June 11, 2026, the Board extended the due dates until December 31, 2026, and ordered the City's CMFO and City Manager to appear at the next Board meeting. Since then, the City Manager has resigned, and the CMFO now serves in that role. Currently, the Utility has still failed to complete the 2024 and 2025 audits.

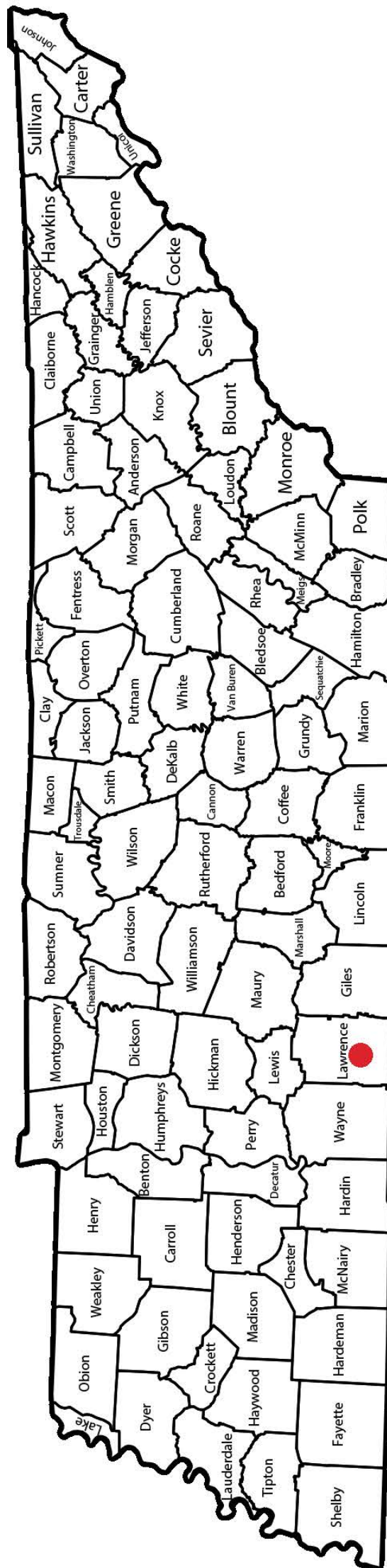
Staff Recommendation:

Board staff does not have any recommendations at this time

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Tennessee Ridge - Category: Water And Sewer - County: Houston; Stewart

Fiscal Line Item	2020	2021	2022	2023
Net Assets	\$4,094,049.00	\$4,042,597.00	\$4,416,994.00	\$5,093,435.00
Deferred Outflow Resources	\$0.00	\$0.00	\$0.00	\$0.00
Net Liabilities	\$589,602.00	\$556,270.00	\$930,571.00	\$2,017,304.00
Deferred Inflow Resources	\$0.00	\$0.00	\$0.00	\$0.00
Total Net Position	\$3,504,447.00	\$3,486,327.00	\$3,486,423.00	\$3,076,131.00
Operating Revenues	\$608,911.00	\$612,038.00	\$667,758.00	\$694,586.00
Net Sales	\$608,911.00	\$612,038.00	\$667,758.00	\$612,213.00
Operating Expenses	\$722,626.00	\$693,721.00	\$684,795.00	\$1,131,549.00
Depreciation Expenses	\$184,857.00	\$163,577.00	\$155,074.00	\$151,204.00
Non Operating Revenues	\$15,289.00	\$4,235.00	\$4,133.00	\$12,452.00
Capital Contributions	\$0.00	\$59,328.00	\$13,000.00	\$14,219.00
Transfers In	\$0.00	\$0.00	\$0.00	\$0.00
Transfers Out	\$0.00	\$0.00	\$0.00	\$0.00
GAAP Change In Net Position	-\$98,426.00	-\$18,120.00	\$96.00	-\$410,292.00
Statutory Change In Net Position	-\$98,426.00	-\$77,448.00	-\$12,904.00	-\$424,511.00



West Point Utility District



Jason E. Mumpower
Comptroller

Entity Referred: **West Point Utility District**
Referral Reason: **Administrative Review**
Utility Type Referred: **Water**
County: **Lawrence**

Staff Summary:

The West Point Utility District (the "Entity") was referred to the Tennessee Board of Utility Regulation (the "Board") for an administrative review on July 18, 2024. The Board ordered the Entity to contract with a third-party expert and complete a feasibility study. The Entity engaged Water Finance Exchange and submitted the finalized report on March 5, 2025. At the Board's prior meeting, Mr. Chris Southerland, the Entity's president, requested assistance in consolidation efforts with the City of Lawrenceburg. Board staff have been in discussion with the individuals involved, and plans to pursue consolidation in the coming months.

Staff Recommendation:

Board discussion.

West Point Utility District - Category: Water - County: Lawrence

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Fiscal Line Item	2022	2023	2024	2025
Net Assets	\$569,002.00	\$552,386.00	\$545,353.00	\$556,681.00
Deferred Outflow Resources	\$0.00	\$0.00	\$0.00	\$0.00
Net Liabilities	\$6,242.00	\$6,319.00	\$7,203.00	\$8,822.00
Deferred Inflow Resources	\$0.00	\$0.00	\$0.00	\$0.00
Total Net Position	\$562,760.00	\$546,067.00	\$538,150.00	\$547,859.00
Operating Revenues	\$46,420.00	\$52,628.00	\$64,754.00	\$73,050.00
Net Sales	\$46,420.00	\$52,628.00	\$64,754.00	\$73,050.00
Operating Expenses	\$38,505.00	\$69,321.00	\$72,671.00	\$69,665.00
Depreciation Expenses	\$9,739.00	\$13,040.00	\$13,040.00	\$13,427.00
Non Operating Revenues	\$0.00	\$0.00	\$0.00	\$6,324.00
Capital Contributions	\$0.00	\$0.00	\$0.00	\$0.00
Transfers In	\$0.00	\$0.00	\$0.00	\$0.00
Transfers Out	\$0.00	\$0.00	\$0.00	\$0.00
GAAP Change In Net Position	\$7,915.00	-\$16,693.00	-\$7,917.00	\$9,709.00
Statutory Change In Net Position	\$7,915.00	-\$16,693.00	-\$7,917.00	\$9,709.00